

Remuneration Report

Dear Shareholders,

On behalf of the Nomination and Compensation Committee (NCC), I am pleased to share with you the Remuneration Report for the fiscal year 2022/23. This Remuneration Report has been prepared in accordance with the "Ordinance against Excessive Compensation in listed Companies" (OaEC), Art. 663c paragraph 3 of the Swiss Code of Obligations and the Corporate Governance Directive issued by SIX Exchange Regulation, and the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*.

In fiscal year 2022/23, the Group saw a slight sales volume decline of -1.1%; volumes were negatively affected by the overhang from prior year's salmonella incident in Wieze, as well as weaker customer demand in the increasing raw material price environment. Operating profit (EBIT) amounted to CHF 659.4 million, representing a growth by +12.2% in local currencies (+5.6% in CHF) compared to prior-year EBIT recurring¹, and up +26.6% in local currencies (19.1% in CHF) compared to prior year reported EBIT. Net profit amounted to CHF 443.1 million, up +9.6% in local currencies (+3.4% in CHF) compared to prior year net profit recurring¹, and up +30.1% in local currencies (+22.8% in CHF) compared to prior year Net profit reported. Free cash flow was heavily impacted by increases in raw material prices and declined to CHF 113.0 million, compared to a strong prior year (CHF 266.2 million).

This report explains how the performance in the reporting year impacted the compensation paid to the Executive Committee under the incentive plans.

During the reporting year, changes to the Executive Committee entailed the nomination of Peter Feld as the new Chief Executive Officer as of April 4, 2023, succeeding Peter Boone, who left the Company; on January 1, 2023, Jo Thys, former President Asia Pacific, was appointed as Chief Operations Officer, succeeding Olivier Delaunay. On April 1, 2023, Vamsi Mohan Venkata Thati was appointed President Asia Pacific.

With regard to the remuneration programs, as announced last year, the long-term incentive plan for the Executive Committee is now awarded exclusively in the form of Performance Share Units (PSU). The NCC believes that this change strengthens the alignment with the interests of the shareholders.

The NCC performed its regular activities throughout the year, such as the succession planning for the positions on the Board of Directors and the Executive Committee, the performance goal setting at the beginning of the financial year and the performance assessment at financial year end for the Executive

Committee members, the determination of the remuneration of the members of the Board of Directors and the Executive Committee, as well as the preparation of the Remuneration Report and the say-on-pay vote at the Annual General Meeting of Shareholders.

You will find further information on the activities of the NCC and on Barry Callebaut's remuneration programs on the following pages.

At the 2023 Annual General Meeting of Shareholders, we will request your approval of the maximum aggregate remuneration amount to be awarded to the Board of Directors for the period until the following Annual General Meeting of Shareholders, the maximum aggregate amount of fixed remuneration to be awarded to the Executive Committee in fiscal year 2024/25, and the maximum aggregate amount of variable remuneration awarded to the Executive Committee in fiscal year 2022/23. Additionally, you will have the opportunity to express your opinion on this Remuneration Report in a consultative vote. You will find in the report that the remuneration awarded to the Board of Directors for the compensation period ending with the 2023 Annual General Meeting of Shareholders and the fixed remuneration awarded to the Executive Committee in 2022/23 are within the limits approved at the 2022 Annual General Meeting of Shareholders and the 2021 Annual General Meeting of Shareholders.

We will continue to assess and review our compensation programs to ensure that they are still fulfilling their purpose in the evolving context in which the company operates and we will pursue an open and active dialogue with our shareholders as we continue to enhance the compensation system.

Tim Minges

Chairman of the NCC

¹ Refer to page 189 for the detailed recurring results reconciliation.

Remuneration at a glance

Summary of current remuneration system Board of Directors

In order to ensure their independence in the exercise of their supervisory function, members of the Board of Directors receive only fixed remuneration in the form of cash and restricted share units (RSU) settled in shares and blocked for three years. The remuneration system for the Board of Directors does not contain any performance-related components.

Annual compensation

(amount in CHF)	Cash	RSUs
Chairman	400,000	700,000
Vice-Chairman	200,000	350,000
Member	100,000	250,000
Committee Chair	40,000	
Committee Member	25,000	

Summary of current remuneration system Executive Committee

The remuneration of the Executive Committee consists of fixed and variable elements.

- The annual base salary forms the fixed remuneration.
- Variable remuneration drives and rewards best-in-class performance based on ambitious and stretched targets. It consists of short-term and long-term elements and benefits.

Base salary	Pay for the function
Benefits	Cover retirement, death and disability risks, attract & retain
Short-Term Incentive (STI)	Drive and reward annual performance, attract & retain
Long-Term Incentive (LTI)	Drive and reward long-term performance, align with shareholders' interests, retain

Executive Committee members are subject to minimum shareholding requirements (CEO 300%, other members 200% of annual base salary).

Remuneration Board of Directors

The remuneration awarded to the Board of Directors from AGM 2021 to AGM 2022 is within the limits approved by the shareholders at the Annual General Meeting of Shareholders (AGM):

Compensation period	Approved amount (CHF)	Effective amount (CHF)
AGM 2021 – AGM 2022	CHF 5,000,000	CHF 4,797,942
AGM 2022 – AGM 2023	CHF 6,200,000	To be determined*

* The compensation period is not yet completed; a definitive assessment will be provided in the Remuneration Report for fiscal year 2023/24.

Changes from 2023 onwards (subject to AGM approval)

The remuneration for the Chairman is proposed to be reduced as of AGM 2023 as follows: Cash CHF 330,000 and RSUs CHF 570'000.

Remuneration in 2022/23 Executive Committee

The fixed remuneration awarded to the Executive Committee in fiscal year 2022/23 is within the limits approved by the shareholders at the Annual General Meetings of Shareholders (AGM):

Compensation period	Approved amount (CHF)	Effective amount (CHF)
Fiscal year 2022/23	6,500,000	6,300,000

Short-term performance achievement fiscal year 2022/23

CEO: 100.0% of target; other current members of the Executive committee in the range of 73.6% to 104.4% of target.

Changes from fiscal year 2023/24 onwards

The short-term incentive KPIs are currently under review in order to ensure alignment with the BC Next Level strategic investment program. Details will be disclosed in the Remuneration Report for the fiscal year 2023/24.

Remuneration policy and principles

In order to ensure the company's success and to maintain its position as market leader, it is critical to attract, develop and retain the right talents. Barry Callebaut's remuneration programs are designed to support this fundamental objective and are based on the following principles:

- We reward performance and share the Company's success;
- We act with fairness and transparency;
- We offer competitive remuneration;
- We share responsibility with our employees;
- We encourage employee development.

Compensation governance

- Authority for decisions related to remuneration are governed by the Articles of Incorporation of Barry Callebaut AG.
- The maximum aggregate amounts of remuneration of the members of the Board of Directors and of the Executive Committee are subject to a binding vote at the Annual General Meeting.
- In addition, the Remuneration Report for the preceding period is subject to a consultative vote at the Annual General Meeting.
- The Board of Directors is supported by the NCC in preparing all compensation-related decisions regarding the Board of Directors and the Executive Committee.

Remuneration Report

This Remuneration Report describes the fundamental principles of the remuneration system at Barry Callebaut as well as the governance framework related to remuneration decisions. The report provides details on the remuneration of the members of the Board of Directors and the Executive Committee related to fiscal year 2022/23. Shareholdings of the members of the Board of Directors and the Executive Committee are also disclosed (reproduction of Note 3.4 to the Financial Statements of Barry Callebaut AG).

This Remuneration Report has been prepared in accordance with the “Ordinance against Excessive Compensation in listed Companies” (OaEC), Art. 663c paragraph 3 of the Swiss Code of Obligations and the Corporate Governance Directive issued by SIX Exchange Regulation, and the Swiss Code of Best Practice for Corporate Governance issued by economiesuisse.

Remuneration philosophy and principles

The remuneration philosophy and principles are laid out in the Total Reward Policy that was adopted by the Board of Directors in fiscal year 2014/15. Reward programs strengthen the Group’s ability to attract and retain talented individuals and support the employees’ on-going career development within the Company. Barry Callebaut believes that the commitment and performance of its executives, managers and employees should be rewarded, balancing both the success of Barry Callebaut as a Company and the individual’s contribution. Barry Callebaut fosters a performance-oriented culture and uses an annual Performance Management and Development Process (PMDP) to monitor and assess the contributions of all employees to the achievement of business results as well as to their personal and professional development. The remuneration principles are summarized below:

We reward performance and share the Company’s success...	... by balancing a mix of short-term and long-term remuneration components as rewards for Company results, individual performance and long-term success.
We act with fairness and transparency...	... by taking remuneration decisions on the basis of the scope of the function rather than personal attributes, and thus by ensuring internal equity.
We offer competitive remuneration...	... by considering relevant market benchmarks when taking remuneration decisions.
We share responsibility with our employees...	... by providing risk benefits including retirement and health care insurances, in line with the local regulations and market practice.
We encourage employee development...	... by offering challenging work assignments and Company-sponsored training and education.

Governance related to remuneration

Pursuant to the OaEC as implemented in the Company’s Articles of Incorporation (Article 30), the Annual General Meeting of Shareholders votes on the total remuneration of the members of the Board of Directors and the Executive Committee. The Annual General Meeting of Shareholders votes on the motions of the Board of Directors on an annual basis and with binding effect with regard to:

- The aggregate maximum amount of the remuneration of the Board of Directors for the forthcoming term of office.
- The aggregate maximum amount of the fixed remuneration of the Executive Committee for the forthcoming fiscal year.
- The aggregate maximum amount of the variable remuneration of the Executive Committee for the past fiscal year.

The Annual General Meeting of Shareholders votes separately on the aggregate remuneration of the Board of Directors and the Executive Committee.

The Board of Directors reports to the Annual General Meeting of Shareholders on the remuneration system and the actual remuneration for the past fiscal year in the Remuneration Report. The Remuneration Report is subject to a consultative vote by the Annual General Meeting of Shareholders.

Further, the Articles of Incorporation include the remuneration principles applicable to the Board of Directors and to the Executive Committee. Those provisions can be found and downloaded as a PDF under: <https://www.barry-callebaut.com/en/group/investors/corporate-governance> and include:

- Principles of remuneration of the Board of Directors (Articles 32 and 33);
- Principles of remuneration of the Executive Committee (Articles 32 and 34);
- Additional amount for new members of the Executive Committee (Article 31);
- Credits and loans (Article 35).

The Board of Directors of Barry Callebaut entrusted the NCC with providing support in evaluating and reviewing the remuneration strategy and plans, in proposing the individual remuneration packages for the Board of Directors, the members of the Executive Committee and other key members of the Management and in preparing the remuneration proposals to the Annual General Meeting of Shareholders. The Board of Directors has not delegated any decision-making power to the NCC; therefore, remuneration decisions are taken by the full Board of Directors based on recommendations of the NCC.

In the reporting year, the NCC met five times according to the standard annual meeting schedule below.

Remuneration Report

NCC	Standard agenda items	Sept	Nov	Dec	Apr	July
Compensation	Confirmation of relevant benchmarking peer group			x		
	Benchmarking analysis of ExCo compensation (every 2nd year)					x
	Determination of individual LTI grants of ExCo and all other participants					x
	Determination of performance and vesting level of LTI	x	x			
	Determination of individual ExCo target compensation	x				
	Determination of performance achievement under STI plan and related payouts for CEO and ExCo members		x			
	Determination of performance criteria for STI for ExCo		x			
	Benchmarking analysis of Board compensation (every 2nd year)					x
	Determination of Board compensation for following term					x
	Review of talent management ExCo: calibration, succession planning, individual development plans					x
Nomination	Update on personnel changes in key positions	x	x	x	x	x
	Update on key human resources initiatives (diversity, engagement)	x	x	x	x	x
	Review of structure & composition of the Board (profiles, skills sets) and review of potential candidates to the Board	x	x			
	Preparation and review of compensation report, review of shareholders' feedback post-AGM and considerations for future disclosure	x	x		x	
Governance	AGM preparation: preparation of say-on-pay votes		x			
	NCC self-evaluation			x		
	Annual governance and legislative update			x		
	Review of NCC charter and determination of NCC agenda items for term of office				x	

In the reporting year, the NCC performed its regular activities throughout the year, such as the determination of the remuneration of the Board of Directors and Executive Committee as well as the preparation of the Remuneration Report and of the say-on-pay motions for submission to the Annual General Meeting of Shareholders.

The Chairman of the NCC reports to the Board of Directors after each meeting on the activities of the NCC. The minutes of the NCC meetings are available to all members of the Board of Directors. As a general rule, the Chairman of the Board of Directors and the CEO attend the meetings in an advisory capacity. To mitigate any potential conflicts of interest, they do not attend the meeting when their own compensation and/or performance are being discussed.

The NCC may decide to consult an external advisor from time to time for specific compensation matters. In the reporting year, a company specialized in executive compensation in Swiss listed companies was engaged to provide independent advice on specific compensation and governance matters. This company provides other services to Barry Callebaut and there are clear rules in place to ensure the independence of consultants involved.

For further details on the NCC, please refer to the section "Functioning of the Board" in the Corporate Governance Report.

The General Meeting of Shareholders of December 2022 elected the following members to the NCC:

Name	Nationality	Member of the NCC since
Tim Minges (Chairman)	US	2018
Fernando Aguirre	Mexican/US	2013
Elio Leoni Sceti	Italian	2018
Antoine de Saint-Affrique	French	2022
Yen Yen Tan	Singaporean	2020

Remuneration Report

Remuneration of the Board of Directors

In order to reinforce the independence of the Board in exercising its supervisory duties towards executive management, the remuneration of its members is not linked to any performance criteria.

The remuneration of the Board of Directors is reviewed annually and determined at the discretion of the Board of Directors. The last benchmarking analysis was conducted in the fiscal year 2022/23 on the basis of Swiss listed companies of similar size and complexity including the following companies: Adecco, Clariant, DKSH, Dufry, Emmi, Georg Fischer, Givaudan, Kühne + Nagel, Lindt, Logitech, Lonza, Schindler, SGS and Sika.

The remuneration of the Board of Directors consists of fixed compensation in cash and a grant of Barry Callebaut AG shares blocked for a period of three years after vesting. The fixed compensation in cash amounts to CHF 400,000 for the Chairman of the Board of Directors, CHF 200,000 for the Vice-Chairman, CHF 140,000 for members chairing a Board Committee, CHF 125,000 for members participating in a Board Committee and CHF 100,000 for the other members. The compensation in cash is paid out in quarterly instalments. The remuneration in restricted share units (RSU) is allocated based on a monetary amount of CHF 700,000 for the Chairman, CHF 350,000 for the Vice Chairman and CHF 250,000 for the other members of the Board of Directors. The number of RSU to be granted is calculated by dividing the monetary amount by the 3-month average share price preceding the beginning of the term of office; the RSU are granted at the beginning and vest at the end of the term of office. The resulting shares are allocated at the end of the term of office and are blocked for three years.

The remuneration of the Board of Directors is summarized below.

Annual compensation (AGM 2022 - AGM 2023)

	Cash (net amount in CHF)	Shares (net amount in CHF)
Chairman	400,000	700,000
Vice-Chairman	200,000	350,000
Member	100,000	250,000
Committee Chair	40,000	
Committee Member	25,000	

For the next term of office, the Board proposes to the Annual General Meeting of Shareholders in December 2023, to reduce the remuneration of the Chairman of the Board and to keep the compensation for all other members of the Board of Directors unchanged. Hence the proposal of the remuneration of the Board of Directors will be submitted as follows:

Annual compensation (AGM 2023 to AGM 2024; subject to AGM approval)

	Cash (net amount in CHF)	Shares (net amount in CHF)
Chairman	330,000	570,000
Vice-Chairman	200,000	350,000
Member	100,000	250,000
Committee Chair	40,000	
Committee Member	25,000	

At the Annual General Meeting of Shareholders in December 2021, the shareholders approved a maximum aggregate amount of CHF 5,000,000 for the remuneration in cash and in RSU for the Board of Directors for the period from the Annual General Meeting of Shareholders in December 2021 until the Annual General Meeting of Shareholders in December 2022. The remuneration paid for this term of office amounts to CHF 4,797'942 and is therefore within the limit approved by the shareholders.

At the Annual General Meeting of Shareholders in December 2022, the shareholders approved a maximum aggregate amount of CHF 6,200,000 for the remuneration in cash and in RSU for the Board of Directors for the period from the Annual General Meeting of Shareholders in December 2022 until the Annual General Meeting of Shareholders in December 2023.

The remuneration effectively paid for the portion of this term of office included in this Remuneration Report (that is, from January 1, 2023 until August 31, 2023) is within the limit approved by the shareholders.

A conclusive assessment for the entire period will be included in the Remuneration Report 2023/24.

During fiscal year 2022/23, no compensation was paid to former members of the Board of Directors. No compensation was paid to parties closely related to members or former members of the Board of Directors.

During fiscal year 2022/23, no loans or credits were granted to members of the Board of Directors, former members of the Board of Directors nor to related parties. As of August 31, 2023, there were no outstanding loans or credits to members of the Board of Directors, to former members nor to related parties. Board members do not receive any lump-sum payments for expenses. The remuneration of the members of the Board of Directors is subject to the mandatory social security contributions. The company pays for both, the employer and the employee contributions to social security, where applicable. Pursuant to the Articles of Incorporation, the members of the Board of Directors may in principle be eligible for pension fund contributions by the Company. However, in fiscal year 2022/23 no such contributions were made.

Remuneration Report

Remuneration of the Board of Directors for fiscal year 2022/23 (audited figures)

in CHF	Fixed compensation	Other compensation ¹	Total cash-related remuneration	Number of RSU ²	Value of RSU ³	Total remuneration 2022/23
Board Member						
Patrick De Maeseneire Chairman/Delegate	400,000	144,373	544,373	353	707,805	1,252,178
Markus R. Neuhaus Vice-Chairman Chairman of the AFRQCC ⁴	240,000	78,071	318,071	177	354,547	672,618
Fernando Aguirre Member of the NCC ⁵	125,000	—	125,000	126	252,856	377,856
Angela Wei Dong Member of the AFRQCC ⁴	125,000	53,792	178,792	126	252,856	431,648
Thomas Intrator ⁶ Member of the AFRQCC ⁴	83,334	33,478	116,812	88	170,016	286,828
Nicolas Jacobs Member of the AFRQCC ⁴	125,000	53,792	178,792	126	252,856	431,648
Elio Leoni Sceti Member of the NCC ⁵	125,000	—	125,000	126	252,856	377,856
Tim Minges Chairman of the NCC ⁵ Member of the AFRQCC ⁴	165,000	—	165,000	126	252,856	417,856
Antoine de Saint-Affrique Member of the NCC ⁵	116,667	73,905	190,572	126	252,856	443,428
Yen Yen Tan Member of the NCC ⁵	125,000	53,792	178,792	126	252,856	431,648
Total remuneration Board of Directors	1,630,001	491,203	2,121,204	1,500	3,002,360	5,123,564

1 Including social security contributions.

2 Number of shares granted in relation to the fiscal year under review; Grants to the BoD are based on the service period between Annual General Meetings of Shareholders.

3 Value defined as grant value at the beginning of the term of office.

4 Audit, Finance, Risk, Quality & Compliance Committee.

5 Nomination & Compensation Committee.

6 Member of the Board and member of the AFRQCC as of December 14, 2022.

Remuneration of the Board of Directors for fiscal year 2021/22 (audited figures)

in CHF	Fixed compensation	Other compensation ¹	Total cash-related remuneration	Number of RSU ²	Value of RSU ³	Total remuneration 2021/22
Board Member						
Patrick De Maeseneire Chairman/Delegate	400,000	148,466	548,466	330	693,080	1,241,546
Markus R. Neuhaus Vice-Chairman Chairman of the AFRQCC ⁴	240,000	80,043	320,043	165	346,867	666,910
Fernando Aguirre Member of the NCC ⁵	125,000	—	125,000	118	247,347	372,347
Angela Wei Dong Member of the AFRQCC ⁴	125,000	57,685	182,685	118	247,347	430,032
Nicolas Jacobs Member of the AFRQCC ⁴	125,000	60,759	185,759	118	247,347	433,106
Elio Leoni Sceti Member of the NCC ⁵	125,000	—	125,000	118	247,347	372,347
Tim Minges Chairman of the NCC ⁵ Member of the AFRQCC ⁴	165,000	—	165,000	118	247,347	412,347
Antoine de Saint-Affrique ⁶ Member of the Board	66,667	46,469	113,136	76	165,680	278,816
Yen Yen Tan Member of the NCC ⁵	125,000	57,685	182,685	118	247,347	430,032
Total remuneration Board of Directors	1,496,667	451,107	1,947,774	1,279	2,689,709	4,637,483

1 Including social security contributions.

2 Number of shares granted in relation to the fiscal year under review; Grants to the BoD are based on the service period between Annual General Meetings of Shareholders.

3 Value defined as closing share price at the beginning of the term of office.

4 Audit, Finance, Risk, Quality & Compliance Committee.

5 Nomination & Compensation Committee.

6 Member of the Board as of December 8, 2021.

Remuneration Report

Remuneration of the Executive Committee

The individual remuneration of the members of the Executive Committee is reviewed annually and determined at the discretion of the Board of Directors, based on the proposal of the NCC, in accordance with the principles set out in the Executive Total Reward Policy, market information and data, scope and level of responsibility of the position, and profile of the incumbents in terms of qualification, experience and skills set.

The remuneration structure for the Executive Committee of Barry Callebaut consists of four main remuneration elements: a fixed annual base salary, an annual short-term cash bonus pursuant to the Company's Short-Term Incentive Plan, share-based long-term incentives pursuant to the Company's Long-Term Incentive Plan and other benefits.

Base salary (fixed)	Annual gross base salary	• Determined at the discretion of the Board of Directors based on various criteria such as market value of the role, scope of the position and profile (experience, skills) of the incumbent • Target weight in % of total remuneration: CEO 25%–40%, Executive Committee 25%–40%
Annual cash bonus (variable)	Barry Callebaut Short-Term Incentive Plan (STIP)	• Target 100% of annual base salary for the Chief Executive Officer and all other members of the Executive Committee • Based on the achievement of financial and strategic targets • Maximum payout: 200% of target • Payout in cash annually after release of full-year results • Target weight in % of total remuneration: CEO 25%–40%, Executive Committee 25%–40%
Share based awards (variable)	Barry Callebaut Long-Term Incentive Plan (LTIP)	• Individual grant values approved by the Board of Directors; number of shares determined by dividing the grant value by the average share price over three months prior to the grant • Cliff vesting at the end of the third year, subject to performance criteria • Performance criteria: 50% relative performance of the Barry Callebaut share price compared to peer companies and 50% ROIC performance of the Company over the three-year vesting period • Target weight in % of total remuneration: CEO 20%–50%, Executive Committee 20%–50%
Other benefits	Risk benefits and perquisites	• Social security contributions by employer • Post-employment and retirement benefits • Health care and medical insurances • Executive perquisites such as company car, relocation costs, etc.

The last benchmarking analysis of the remuneration of the Executive Committee was conducted in fiscal year 2021/22 with the support of an external independent consultant. The analysis was based on a peer group of Swiss multinational companies of the industry sector listed on the SIX Swiss Exchange. The peer group consisted of Adecco, Clariant, DKSH, Dufry, Emmi, Georg Fischer, Givaudan, Kühne+Nagel, Lindt, Logitech, Lonza, Schindler, SGS and Sika. For Executive Committee members who are employed under a foreign employment contract, the general industry compensation data of the country of employment were used. This analysis showed that while annual base salaries are positioned according market, incentive opportunities are above market levels, in line with the pay-for-performance philosophy of Barry Callebaut and resulting in a competitive positioning overall.

The NCC consider the results of this analysis in making decisions related to the remuneration of the Executive Committee members.

Base salary

The annual base salary is defined at the discretion of the Board of Directors on the basis of various criteria, such as market value of the role, scope of the position, and profile of the incumbent in terms of skill set and professional experience.

Short-Term Incentive Plan (STIP)

The STIP is designed to reward the performance of the Company, its Regions/functions and the individual contributions of the participants over a time horizon of one year.

in CHF million	Market capitalization Dec 31, 2022 (timing of analysis)	Revenue Dec 31, 2022 (timing of analysis)	Headcount Dec 31, 2022 (timing of analysis)
Barry Callebaut (figures as of Aug 31, 2022)	11,000	8,091	13,418
1st quartile	5,207	3,874	13,655
Median	17,162	5,056	17,168
3rd quartile	25,225	19,949	31,835

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The short-term incentive (STI) target is expressed as percentage of the fixed annual base salary and amounts to 100% for the CEO and all other members of the Executive Committee.

For each participant, the STI is based on a Collective Performance Factor (CPF) and an Individual Performance Factor (IPF) weighted 60% and 40%, respectively. For the members of the Executive Committee, the CPF is based on the performance of Barry Callebaut as a Group, measured as follows:

- Group sales volume: 20%
- Group EBIT: 40%
- Group Free cash flow: 30%
- Sustainability (ESG): 10%

Those performance criteria have been chosen because they reflect the business strategy of profitable growth and they encompass the commitment to sustainability matters.

A performance assessment is provided ex post in the Remuneration Report in order to inform the shareholders on the link between pay and performance. However, specific performance targets are not disclosed for confidentiality reasons.

The sustainability (ESG) metric is focused to making sustainable chocolate the norm. It is based on two targets, reflecting the percentage of cocoa and chocolate products sold that contain 100% sustainable cocoa or chocolate as well as the percentage of sustainable non-cocoa ingredients sourced. In this financial year, 48.5% of our products sold contained 100% sustainable cocoa or chocolate and 80% of our non-cocoa ingredients were sustainably sourced.

The IPF (40% of STI) is based on the performance of the unit under responsibility, e.g., the respective Region or function. The objectives are primarily financial in nature and support the strategy of profitable growth. They are grouped in three categories:

- Growth objectives for the Region/function, including financial objectives such as sales volume, or other quantifiable goals that support the growth of the Region/function;
- Profitability objectives for the Region/function, including financial objectives such as EBIT or cost savings, or other quantifiable goals that increase the profitability of the Region/function (operations, processes);
- Strategic initiatives that are key for the success of the Region/function and a leadership objective related to talent management and succession planning.

The weightings assigned to growth, profitability and strategic objectives in the IPF depend on the nature of the function.

For each financial objective, an expected level of performance ("target") is defined, corresponding to a payout factor of 100%. A threshold level of performance, below which there is no payout, and a maximum level of performance, above which the payout is capped at 200% of the target, have also been defined.

The CEO proposes the relevant performance criteria for the CPF and for the IPF of the Executive Committee

members to the NCC. The Chairman of the Board of Directors proposes the performance objectives of the IPF for the CEO. The NCC reviews and submits the recommendations to the Board of Directors for approval.

The STI is paid out in cash.

Long-Term Incentive Plan (LTIP)

The purpose of the LTIP is to provide the participants with an ownership interest in Barry Callebaut and to reward them for the long-term performance of the Company. The LTIP thus aligns their interests with those of the shareholders.

The grant of PSU under the LTIP is based on a long-term incentive (LTI) target amount determined individually for each plan participant. The individual LTI amount is divided by the average share price of the last three months of the preceding fiscal year in order to calculate the number of share units awarded. The PSU vest on the 3rd anniversary of the grant date, subject to the LTIP participant continuing to be employed by the Company and to the achievement of two performance criteria over the three-year vesting period.

The first performance criterion, accounting for 50% of the respective PSU grant, is the relative share price development of Barry Callebaut versus a peer group of companies in the chocolate, ingredients and FMCG sector: AAK, Fuji Oil, Givaudan, Hershey, Kellogg, Kerry, Lindt, Mondelēz, Nestlé, Olam and Unilever. The objective (100% vesting) is to achieve median performance, e.g., to outperform half of the peer companies, with a 100% vesting for ranking 6 or 7. There is no vesting for a performance below the first quartile of the peer group (threshold), and the vesting is now capped at 200% for delivering the best performance in the peer group.

The second performance criterion, accounting for 50% of the relevant PSU grant, is Return on Invested Capital (ROIC). The ROIC criterion rewards the sustainable management of the Company's assets. The three-year ROIC target was set by the Board of Directors on the basis of the long-term strategic plan of the Company. The vesting also ranges from 0% to newly 200% of target. Consequently, the overall vesting of the LTI award ranges from 0% to 200% of the initially determined number of PSU granted (compared to 0% to 300% for grants until financial year 2022/23).

The Board of Directors reserves the right to suspend or adjust the vesting of all share units in case of a negative result from continuous operations of the Barry Callebaut Group. Once the shares are vested and transferred, they are free of any sales restrictions.

For the CEO, the individual LTI target value amounts to 150.0% of annual base salary, for the other members of the Executive Committee, it amounts to 81.72% of the annual base salary on average in fiscal year 2022/23.

The unvested PSU and RSU forfeit in case of termination for cause or voluntary resignation. In other circumstances, such as a termination of employment by the company without cause, retirement, disability or death, the unvested PSU and RSU may be subject to a pro-rata vesting at the regular vesting date, except in

Remuneration Report

the event of death, in which case vesting will be accelerated. In case of change of control, the unvested awards are subject to an immediate vesting subject to the achievement level as determined by the Board of Directors in its reasonable discretion.

Further, any award granted under the LTIP is subject to clawback and malus provisions. In case of a material misstatement of financial results or a serious reputational damage to Barry Callebaut due to fraud of willful intent, or of a gross misconduct which would qualify as a cause for termination, the Board of Directors may forfeit or claim back vested or unvested share units, within a period of two years after the vesting of the award.

Other benefits

Other benefits include risk benefits that provide for a reasonable level of income in case of retirement, death or disability. Those consist of social security contributions, post-employment benefits, pension contributions and insurance. The members of the Executive Committee with a Swiss employment contract participate in the occupational pension plan offered to all employees in Switzerland. Members of the Executive Committee under foreign employment contract are insured commensurately with market conditions and with their position. Each plan varies, but is in line with the local competitive and legal environment and is in accordance with the legal requirements of the respective country.

Members of the Executive Committee are also provided with certain executive perquisites such as relocation allowances, housing or other cost of living allowances, car allowances, and gross-up for tax equalization of certain benefits. The benefits for each member of the Executive Committee are subject to their specific situation, the typical market practice and other factors after consideration of the total value of their individual remuneration package.

The monetary value of these benefits is disclosed in the remuneration tables at their fair value.

Share ownership guidelines

Members of the Executive Committee are required to own a minimum multiple of their annual base salary in Barry Callebaut AG shares within five years of their appointment to the Executive Committee.

Role	Minimum shareholding requirement
CEO	300% of annual base salary
Other ExCo members	200% of annual base salary

To calculate whether the minimum holding requirement is met, all privately owned shares, either directly or indirectly, and all shares vested under the LTIP are considered, regardless of whether they are blocked or not. However, unvested awards such as RSU and PSU are excluded. The NCC will review compliance with the share ownership guidelines on an annual basis.

Employment contracts

The members of the Executive Committee are employed under employment contracts of unlimited

duration and subject to a notice period of one year. They are not contractually entitled to severance payments or to change of control provisions.

Special contractual agreements

No special contractual arrangements are in force.

Remuneration Report

Remuneration of the Executive Committee for fiscal year 2022/23 (audited figures)

in CHF	Compensation fixed	Compensation variable ²	Post-employment benefits ³	Other compensation ⁴	Total cash-related remuneration	Number of shares ⁵	Value of shares ⁶	Total remuneration 2022/23
Remuneration Executive Committee ¹	6,300,000	5,726,009	2,126,289	868,090	15,020,388	4,456	8,652,571	23,672,959
Highest individual remuneration within Executive Committee: Peter Feld, CEO Barry Callebaut Group	666,667	666,667	447,873	36,210	1,817,417	2,528	4,939,771	6,757,188

1 Disclosure relates to the Executive Committee including all members during fiscal year 2022/23, i.e.: Peter Boone, Ben De Schryver, Olivier Delaunay, Peter Feld, Pablo Perversi, Steven Retzlaff, Massimo Selmo, Jo Thys, Rogier van Sligter, Vamsi Mohan Venkata Thati, Masha Vis-Mertens and Steve Woolley.

2 Based on best estimate of expected payout for fiscal year 2022/23 (accrual principle).

3 Including social security and pension contributions.

4 Includes international relocation costs, assignment related benefits such as tax equalization, schooling costs as well as international insurance coverage.

5 Number of shares granted in relation to the fiscal year 2022/23 as follows:

CEO: Sign-on bonus amounting to 2,000 restricted shares (RS), blocked for 3 years; Executive Committee: sign-on bonus amounting to 255 restricted share units (RSU) vesting over three years.

LTIP CEO: 264 ROIC-dependent performance share units and 264 share price dependent performance share units; LTIP for all other members of the Executive Committee: 838 ROIC-dependent performance share units and 835 share price-dependent performance share units.

6 The value of the RS and RSU is defined as fair value at grant date (CHF 1,963). The value of the ROIC-dependent PSU is the market price at grant date (CHF 1,934) discounted for dividends until the vesting. For share price-dependent PSU, the fair value is established based on a valuation performed by external experts applying the "Monte Carlo simulation" method (CHF 1,906) excluding the net present value of expected dividends.

Remuneration of the Executive Committee for fiscal year 2021/22 (audited figures)

in CHF	Compensation fixed	Compensation variable ²	Post-employment benefits ³	Other compensation ⁴	Total cash-related remuneration	Number of shares ⁵	Value of shares ⁶	Total remuneration 2021/22
Remuneration Executive Committee ¹	5,645,596	5,180,201	1,839,642	734,481	13,399,920	2,250	5,769,138	19,169,058
Highest individual remuneration within Executive Committee: Peter Boone, CEO Barry Callebaut Group	1,050,000	1,065,960	322,533	34,000	2,472,493	565	1,455,228	3,927,721

1 Disclosure relates to the Executive Committee including all members during fiscal year 2021/22, i.e.: Peter Boone, Ben De Schryver, Olivier Delaunay, Isabelle Esser, Andrew Fleming, Masha Vis-Mertens, Pablo Perversi, Steven Retzlaff, Massimo Selmo, Jo Thys, Rogier van Sligter and Steve Woolley.

2 Based on best estimate of expected payout for fiscal year 2021/22 (accrual principle).

3 Including social security and pension contributions.

4 Includes international relocation costs, assignment related benefits such as tax equalization, schooling costs as well as international insurance coverage.

5 Number of shares granted in relation to the fiscal year 2021/22; vesting subject to meeting service and/or performance conditions. For the Executive Committee, the amount includes 1,273 RSU, 587 ROIC-dependent performance share units and 587 share-price dependent performance share units.

6 The value of shares is defined as fair value at grant date. The fair value of the RSU and ROIC-dependent PSU is the market price at grant date (CHF 2,247) discounted for dividends until the vesting. For share price-dependent PSU, the fair value is established based on a valuation performed by external experts applying the "Monte Carlo simulation" method (CHF 3,467) excluding the net present value of expected dividends.

Remuneration Report

Comments on the remuneration tables

The deviation in remuneration compared to the previous fiscal year is mainly due to the following factors:

- Changes in the composition of the Executive Committee: Peter Feld was appointed as CEO as of April 4, 2023, succeeding Peter Boone, who left the Company; on January 1, 2023, Jo Thys, former President Asia Pacific, was appointed as Chief Operations Officer, succeeding Olivier Delaunay. On April 1, 2023, Vamsi Mohan Venkata Thati was appointed President Asia Pacific.
- For the other members of the Executive Committee, the individual fixed remuneration was adjusted due to the change in LTI design while target STI remained unchanged.
- The overall payout under the STIP was comparable to the previous year. The achievement levels of the various STI related KPIs reflect a mixed picture: Volume decreased slightly by -1.1% and amounted to 2.3 million tonnes, the operating profit (EBIT) reached CHF 659.4 million (+26.6% in local currencies) and a Free cash flow of CHF 113.0 million was generated, which has been heavily affected by rising raw material prices, namely for Cocoa. Related to the sustainability target, 48.5% of our products sold contained 100% sustainable cocoa or chocolate and 80% of our non-cocoa ingredients were sustainably sourced.
- The STI achievement for Peter Feld and Vamsi Mohan Venkata Thati, joining 5 months prior the fiscal year end, were contractually agreed to be at 100% for the fraction of the first year.
- Consequently, the ratio of fixed versus variable remuneration amounts to 23.5% versus 76.5% for the CEO and 34.6% versus 65.4% in average for the other members of the Executive Committee. These ratios are calculated excluding the sign-on bonus.

The PSU granted under the LTIP in 2020 vested at the end of the reporting year. Under the plan rules of the 2020 LTIP, the vesting of the first half of the PSU was conditional upon the share price evolution of Barry Callebaut compared to the average share price evolution of peer companies. The share price of Barry Callebaut decreased by 12.38% during the plan period, which ranks Barry Callebaut as number nine among twelve companies and translates into a vesting level of 20%. The vesting of the other half of PSU related to the ROIC target translated into a vesting level of 300.0%. The aggregate vesting level of the PSU related to the grants in FY 2020/21 thus amounts to 160.0%.

The aggregate amount of remuneration for the Executive Committee is subject to the approval of the Annual General Meeting of Shareholders. A maximum aggregate amount of fixed remuneration of CHF 6,500,000 was approved by the Annual General Meeting of Shareholders in December 2021 prospectively for fiscal year 2022/23. Accordingly, the fixed remuneration of CHF 6,300,000 effectively paid is within the approved limits. The aggregate

remuneration amount for the variable compensation for fiscal year 2022/23 will be submitted to a shareholder vote at the upcoming Annual General Meeting of Shareholders in December 2023.

During fiscal year 2022/23, non-compete payments were made to one former member of the Executive Committee amounting to CHF 881,289 including social charges.

During fiscal year 2022/23, no loans or credits were granted to members of the Executive Committee, former members of the Executive Committee or to related parties. As of August 31, 2023, there were no outstanding loans or credits to members of the Executive Committee, to former members or to related parties.

Remuneration Report

Shareholdings of the Board of Directors and the Executive Committee

Shareholdings of the Board of Directors

Number of shares as of August 31,

Name	Function	2023	2022
Patrick De Maeseneire	Chairman	2,843	2,523
Markus R. Neuhaus	Vice-Chairman; Chairman of the AFRQCC	803	643
Fernando Aguirre	Member of the NCC	1,211	1,097
Angela Wei Dong	Member of the AFRQCC	571	457
Thomas Intrator	Member of the AFRQCC	—	n/a
Nicolas Jacobs ¹	Member of the AFRQCC	11,906	18,703
Elio Leoni Sceti	Member of the NCC	751	637
Tim Minges	Chairman of the NCC; member of the AFRQCC	1,606	1,492
Antoine de Saint-Affrique	Member of the NCC	2,815	2,006
Yen Yen Tan	Member of the NCC	238	124
Total shares held by Board of Directors		22,744	27,682

¹ Excluding the 30.1% participation held by Jacobs Holding AG (see Note 3.3 to the Financial Statements of Barry Callebaut AG).

Shareholdings of the Executive Committee

Number of shares as of August 31,

Name	Function	2023	2022
Peter Feld	Chief Executive Officer (as of April 4, 2023)	2,000	n/a
Ben De Schryver	Chief Financial Officer	588	588
Steven Retzlaff	President Global Cocoa	910	1,076
Massimo Selmo	Chief Procurement Officer	310	100
Rogier van Sligter	President EMEA	366	185
Jo Thys	President APAC	440	339
Masha Vis-Mertens	Chief Human Resources Officer	140	70
Steve Woolley	President Americas	68	22
Peter Boone	Chief Executive Officer (until April 3, 2023)	n/a	553
Olivier Delaunay	Chief Operations Officer (until December 31, 2022)	n/a	419
Pablo Perversi	Chief Innovation, Sustainability & Quality Officer; Global Head of Gourmet (until January 31, 2023)	n/a	740
Total shares held by Executive Committee		4,822	4,092

Equity overhang and dilution

As of August 31, 2023, the equity overhang, defined as the total number of share units and blocked shares outstanding as calculated in the Dilution Potential (9,243 units) divided by the total number of outstanding shares (5,488,858 registered shares), amounts to 0.2%.

The company's "burn rate", defined as the number of equities (shares and share units) granted in the reporting year (7,670 units) divided by the total number of outstanding shares, is 0.1%. These disclosures reflect the entire Long-Term-Incentive Plan including non-key management personnel.