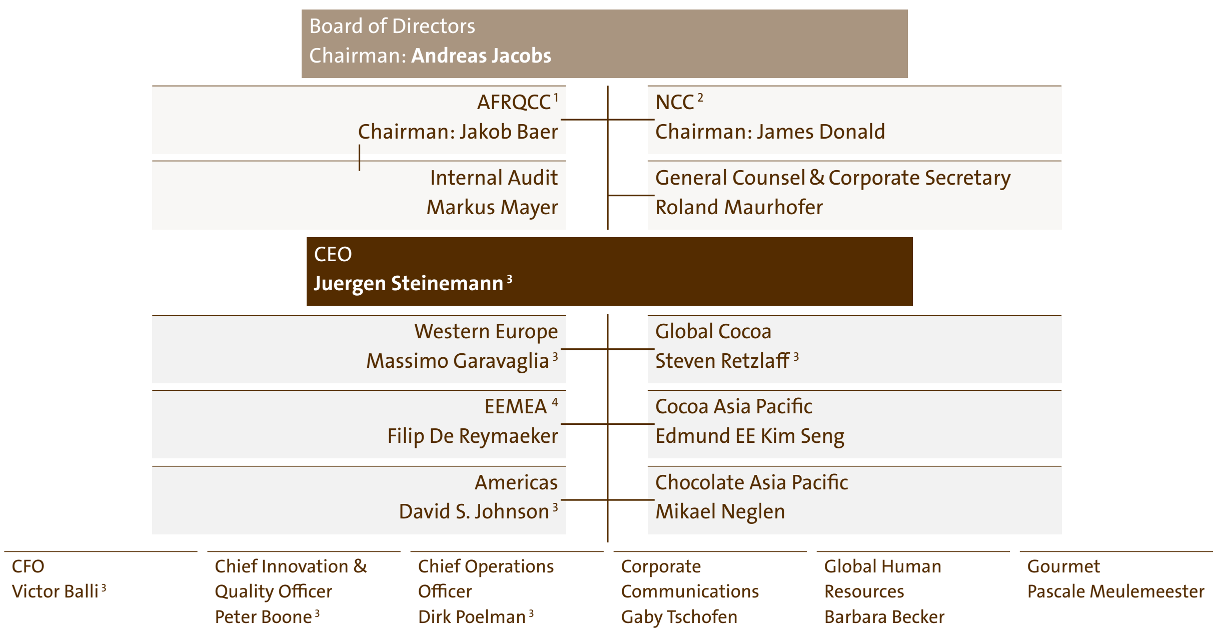
Corporate Governance

The information that follows is provided in accordance with the Directive on Information Relating to Corporate Governance issued by the SIX Exchange Regulation (DCG). The principles and rules of Corporate Governance as practiced by Barry Callebaut are laid down in the Articles of Incorporation, the Internal Regulations of the Board and the Charters of the Board Committees. These are reviewed regularly by the Board of Directors and adapted as needed.

Group structure and shareholders

As of November 6, 2014, the organization of the Barry Callebaut Group is divided into the following Regions: Europe, consisting of Western Europe and EEMEA (i.e. Eastern Europe, Middle East & Africa), Americas, consisting of North and South America, and Chocolate Asia Pacific. Global Cocoa is treated like a Region and includes Cocoa Asia Pacific, which is centrally steered by Global Cocoa, but operationally organized as a separate Region.



1 AFRQCC: Audit, Finance, Risk, Quality & Compliance Committee.
2 NCC: Nomination & Compensation Committee.
3 Member of the Executive Committee.
4 Eastern Europe, Middle East, Africa.

The structure of the financial reporting is explained in note 3 to the Consolidated Financial Statements on pages 84–86.

Additional information:
www.barry-callebaut.com/board
www.barry-callebaut.com/regulations

Barry Callebaut AG (the "Company") was incorporated on December 13, 1994 under Swiss law, having its head office in Zurich, Switzerland, at Pfingstweidstrasse 60. Barry Callebaut AG is registered in Switzerland and has been listed on the SIX Swiss Exchange (BARN, ISIN Number: CH0009002962) since 1998. Barry Callebaut AG has not requested the admission to trading of its shares on any other stock exchange. As of August 31, 2014, the total amount of issued shares of Barry Callebaut AG was 5,488,858 and thus Barry Callebaut's market capitalization based on issued shares was CHF 6,175 million (August 31, 2013: CHF 4,805 million). The Group's ultimate parent is Jacobs Holding AG with a share of 50.11% of the shares issued (August 31, 2013: 50.11%).

The principal subsidiaries of Barry Callebaut AG are listed in note 29 to the Consolidated Financial Statements on pages 130–131. The significant shareholders of Barry Callebaut AG are listed in note 27 to the Consolidated Financial Statements on page 127. There are no cross-shareholdings equal or higher than 5% of the issued share capital.

Capital structure

The information required by the DCG regarding the capital structure is provided in note 25 (share capital, movements in the share capital) to the Consolidated Financial Statements on pages 114–115. The Company has no convertible bonds outstanding. The Extraordinary General Meeting of April 22, 2013 created authorized share capital of a maximum nominal amount of CHF 9.3 million for the purpose of financing the acquisition of the Cocoa Ingredients Division from Petra Foods Ltd. The Board of Directors of Barry Callebaut AG subsequently decided to increase the share capital by issuing 318,858 newly created shares (approx. 6% of the existing shares) in June 2013 for the aforementioned purpose. No further shares have been issued since then.

Additional information:
www.barry-callebaut.com/board
www.barry-callebaut.com/regulations

Board of Directors

The Board of Directors is ultimately responsible for the policies and management of Barry Callebaut. The Board establishes the strategic, accounting, organizational and financing policies to be followed, and appoints the Executive Committee, to which the Board of Directors has delegated the operational management of Barry Callebaut. Besides its non-transferable and inalienable duties pursuant to Swiss corporate law, the Board has retained certain competencies as set forth in the Company's Internal Regulations and in a detailed tabular Annex thereto, both of which are publicly accessible on the Barry Callebaut website (www.barry-callebaut.com/regulations).

As of August 31, 2014, the Board of Directors consisted of eight non-executive members. Each Director is elected by the shareholders of Barry Callebaut AG at the General Meeting for a term of office of one year and may be re-elected to successive terms.

After having served for nine years on the Board of Directors, Markus Fiechter resigned from the Board at the Annual General Meeting of December 2013. The Board of Directors under the Chairmanship of Andreas Jacobs thanks Markus Fiechter for his valuable contributions to the development of Barry Callebaut.

The composition of the Board of Directors of Barry Callebaut as of August 31, 2014, is as follows:

	Nationality	Member since	Board of Directors Function	AFRQCC	NCC
Andreas Jacobs	German	2003	Chairman		
Andreas Schmid	Swiss	1997	Vice Chairman	Member	
Fernando Aguirre	Mexico/U.S.	April 2013	Director		Member
Jakob Baer	Swiss	2010	Director	Chairman	
James L. Donald	U.S.	2008	Director		Chairman
Nicolas Jacobs	Swiss	2012	Director		Member
Timothy E. Minges	U.S.	April 2013	Director	Member	
Ajai Puri	U.S.	2011	Director		Member

Andreas Jacobs
Chairman of the Board since 2005, member of the Board since 2003, German national

Andreas Jacobs (1963) was appointed Chairman of the Board of Barry Callebaut AG in December 2005. He had served as a member of the Board of Barry Callebaut since 2003.

Andreas Jacobs studied law at the Universities of Freiburg im Breisgau, Munich and Montpellier and subsequently obtained a postgraduate degree in European competition law (Dr. iur.) from the University of Freiburg im Breisgau. Afterwards he obtained a MBA from INSEAD in Fontainebleau.

From 1991 to 1993, Andreas Jacobs worked as a consultant and project manager at The Boston Consulting Group in Munich. Since 1992, Andreas Jacobs has been an independent entrepreneur with a stake in several companies plus minority interests in several other companies.

Andreas Jacobs serves as Executive Chairman of Jacobs Holding AG, Chairman of Triventura AG and Minibar AG, as well as Vice Chairman of the Board of Adecco S.A., all in Switzerland. Furthermore, he is President of Niantic Holding GmbH, Germany, and Member of the Board of Directors of various small private companies. Andreas Jacobs is also a Member of the Advisory Board of Dr. August Oetker KG, Germany, and has several non-profit memberships, e.g. at INSEAD where he was appointed Chairman in October 2014, Young Presidents' Organization (YPO), Groupe D'Ouchy, Avenir Suisse.

Andreas Schmid
Vice Chairman, member of the Board since 1997, Swiss national

Andreas Schmid (1957) was appointed CEO of Jacobs Holding AG in 1997. In 1999, he became Chairman of the Board and CEO of Barry Callebaut AG. In June 2002, he handed over the CEO function but continued to assume the responsibility of Chairman until December 2005. Since then he has been Vice Chairman of the Board.

He started his career in 1984 at Union Bank of Switzerland. Following a position as assistant to a Swiss industrialist, he was CEO and Managing Director of Kopp Plastics (PTY) Ltd. in South Africa from 1989 to 1992. He then worked for the Jacobs Group in various staff and line functions until 1993. From 1993 to 1997, Andreas Schmid was President of the Mövenpick Consumer Goods Division and a member of the worldwide Group Executive Board of Management. Between December 2007 and May 2011, Andreas Schmid was Chairman of the Supervisory Board of Symrise AG, and between 2002 and 2006 he chaired the Board of Kuoni Travel Holding AG. He was a member of the Board of Adecco S.A. from 1999 to 2004 and a member of the Advisory Board of the Credit Suisse Group from 2001 to 2007, before the Advisory Board was dissolved.

Andreas Schmid is Chairman of Oettinger Davidoff Group, Chairman of the Board of Directors of Flughafen Zurich AG and Chairman of the Board of Directors of gategroup Holding AG. In 2010, he was appointed a member of the Board of Directors of Wirz Partner Holding AG and the Advisory Board of Allianz Global Corporate Specialty AG. He has also been a member of the Board of Directors of

Karl Steiner AG since 2008 and a member of the Board of Directors of Badrutt's Palace Hotel AG since 2006. Furthermore, Andreas Schmid is Chairman of the Board of Trustees of the Swiss foundation "avenir suisse", a think tank for social and economic issues.

Andreas Schmid holds a Master's degree in law and studied economics at the University of Zurich.

Fernando Aguirre
Director since 2013,
Mexican/U.S. national

Fernando Aguirre (1957) served as the Chairman and CEO of Chiquita Brands International Inc., a leading international food manufacturer, from 2004 until 2012. Prior to Chiquita, Fernando Aguirre worked in various management positions for more than 23 years at The Procter & Gamble Co, such as President of Special Projects, President of the Global Feminine Care business unit, Vice President of Global Snacks and U.S. Food Products business units, Vice President of Laundry & Cleaning Products, Latin America, and Regional Vice President, Latin America, North.

At present, Fernando Aguirre is a member of the Board of Directors of Aetna Inc., a Fortune 100 publicly held company mainly focused on health care benefits and insurance, where he serves on the Audit Committee and also on the Nominating and Governance Committee. He was recently elected to serve on the board of Coveris, a privately held company which is an international manufacturer and distributor of flexible packaging. Fernando Aguirre also served on the board of Levi Strauss & Co. from 2010 to 2014, he served on the board of Coca-Cola Enterprises from 2005 to 2010, and as a member of the International Board of the Juvenile Diabetes Research Foundation from 2006 to 2012. He was recently named to the board of the Procter & Gamble Alumni Association and is also a member of the Advisory Council of the Bechtler Museum of Modern Art in Charlotte, North Carolina.

Fernando Aguirre holds a Bachelor of Science in Business Administration from Southern Illinois University Edwardsville and earned Harvard Business School graduate status in 2009.

Jakob Baer
Director since 2010,
Swiss national

Jakob Baer (1944) started his career in 1971 at the Federal Finance Administration. From 1975 until 1991, he was with Fides Group, where he held various positions (as Consultant, Head of Legal Department, Branch Office Manager Zurich, Member of the Division Management Advisory Services). During 1991/1992, Jakob Baer led the planning and execution of the management buyout of the Advisory Services unit of Fides Group, which became part of KPMG Switzerland. He was a member of the Executive Committee of KPMG Switzerland from 1992 until 1994. From 1994 to 2004, he held the position of Chief Executive Officer of KPMG Switzerland and was a member of KPMG's European and International Leadership Boards. Jakob Baer was Counsel at Niederer Kraft & Frey AG, attorneys at law, Zurich,

Switzerland, from 2004 to 2009. He served as a member of the Board of Directors of Adecco S.A. from 2004 until April 2012, of SwissRe and of Allreal Holding AG, each from 2005 until April 2014.
Jakob Baer is Chairman of Stäubli Holding AG and member of the Board of Directors of Rieter Holding AG and IFBC AG, all in Switzerland.

He was admitted to the bar (1971) and subsequently obtained a doctorate degree in law (Dr. iur.) from the University of Berne, Switzerland.

James L. Donald
Director since 2008,
U.S. national

James "Jim" L. Donald (1954) has been Chief Executive Officer of Extended Stay, a large U.S.-based hotel chain, since February 2012.

He served as President and CEO of Haggan, Inc., a 33-store Pacific Northwest grocery company based in Bellingham, from September 2009 until March 2011. Jim Donald was also President & Chief Executive Officer of Starbucks Corporation from April 2005 to January 2008. From October 2002 to March 2005, he served as President of Starbucks, North America. Under his leadership, Starbucks experienced strong growth and performance.

From October 1996 to October 2002, Jim Donald served as Chairman, President & Chief Executive Officer of Pathmark Stores, Inc., a USD 4.6 billion regional supermarket chain located in New York, New Jersey and Pennsylvania. Prior to that time, he held a variety of senior management positions with Albertson's, Inc., Safeway, Inc. and Wal-Mart Stores, Inc. From 2008 until June 2013, Jim Donald also served as a member of the Board of Rite Aid Corporation, one of the leading drugstore chains in the U.S. with more than 4,900 stores in 31 states.

Jim Donald graduated with a Bachelor's degree in Business Administration from Century University, Albuquerque, New Mexico.

Nicolas Jacobs
Director since 2012,
Swiss national

Nicolas Jacobs (1982) started his career at Goldman Sachs in 2006. In 2007, he joined Barry Callebaut as a Trader in the Global Sourcing & Cocoa business unit. In 2008, he was assigned to Barry Callebaut Brazil as Project Leader StrategicProjects Brazil and was then responsible for the cocoa and the chocolate operations of South America. From 2011 until 2014, Nicolas Jacobs served for Burger King Corporation as a Senior Director for Global M&A and Development, with responsibilities for strategic projects and the expansion of Burger King within EMEA. Furthermore, Nicolas Jacobs has been a member of the Board of Jacobs Holding AG since 2008. Since 2014, he has been Managing Partner and Member of the Board of Consumer Investment Partners AG, Zug, a venture capital and private equity company.

Nicolas Jacobs holds a Master's degree in law from the University of Zurich, a Master of Finance of London Business School and a Master of Business Administration from INSEAD in Fontainebleau.

Timothy E. Minges
Director since 2013,
U.S. national

Timothy E. Minges (1958) is currently Senior Vice President Chief Customer Officer, PepsiCo North America Beverages and a member of PepsiCo's Executive Committee. He has been working with PepsiCo for the past 31 years and was, until 2013, responsible for the entire PepsiCo operations throughout greater China. He joined PepsiCo in 1983 in the finance department of Frito-Lay North America and was promoted to a series of roles in finance, sales and general management. Timothy Minges moved to Asia in 1994 as General Manager of Frito-Lay Thailand and later assumed a series of roles, including President Asia-Pacific from 1999 to 2003.

Timothy Minges serves on the board of directors of the North American Coffee Partnership, a PepsiCo joint venture with Starbucks. He formerly served on the Boards of Tingyi-Asahi Beverage Holding Co Ltd, Calbee Foods Japan, as well as of two listed companies, Pepsi-Cola Philippines and Serm Suk Thailand.

Timothy Miniges holds a Bachelor of Science in Accounting from Miami University, Oxford, Ohio, and has completed the Pepsi Executive Development Program at Yale School of Management.

Ajai Puri
Director since 2011,
U.S. national

Ajai Puri will not be available for re-election to the Board of Directors at the next Annual General Meeting of Shareholders on December 10, 2014.

Ajai Puri (1953) has been a member of the Supervisory Board of Nutreco N.V., the Netherlands, a leading global animal nutrition and aquaculture company, since April 2009. Additionally, he serves as a Non-Executive Director on the Board of Britannia Industries Limited, India's largest independent food group, and as member of the Board of Directors of Tate&Lyle (United Kingdom), a global provider of distinctive, high-quality ingredients and solutions to the food, beverage and other industries.

Ajai Puri has a broad know-how and experience in the fields of Management, R&D/Innovation, Marketing and Manufacturing, Product Safety and Quality Assurance which he gained during his assignments with the companies Cadbury Schweppes PLC, The Minute Maid Company/The Coca-Cola Company and latest with Royal Numico N.V. in the Netherlands. During his career, Ajai Puri has held a variety of positions of global scope including that of Senior Vice President Technical (Science and Technology) at The Minute Maid Company in the U.S., and President Research, Development and Product Integrity at Royal Numico in the Netherlands. Ajai Puri is furthermore co-founder of P.A.N.I., a self-funded charitable foundation dedicated to improving the lives of the underprivileged in India. The focus of the foundation is education for children and women, and cleft lip surgical corrections.

Ajai Puri holds a PhD in Food Science from the University of Maryland and an MBA from the Crummer Business School, Rollins College, Florida.

Functioning of the Board

The Board of Directors constitutes itself at its first meeting subsequent to the Annual General Meeting of the Shareholders, with the exception of the Chairman and the members of the Compensation Committee who are elected by the Annual General Meeting pursuant to the "Ordinance against Excessive Compensation at Listed Joint-Stock Companies" ("OaEC"). The Board elects one or more Vice Chairmen. It meets as often as business requires, but at least four times per fiscal year. The meetings usually take place in Zurich. If possible, the Board meets once per year at one of the Barry Callebaut production sites and combines this meeting with a visit of the local operation. During this fiscal year, the Board of Directors met six times. Three meetings lasted for eight hours, one of three hours and two meetings lasted for one hour. The two latter meetings took place in the form of conference calls. In the year under review, the Board held one of the regular meetings in the context of a three-day visit to Brussels and the Group's operations in Wieze, Belgium.

The Chairman invites the members to the meetings in writing, indicating the agenda and the motion for resolution thereto. The invitations are sent out at least ten business days prior to the meeting. Each member of the Board can request the Chairman to call a meeting without undue delay. In addition to the materials for meetings, the Board members receive monthly financial reports.

At the request of one member of the Board, members of the Executive Committee shall be invited to attend meetings. The Board of Directors can determine by majority vote that other third parties, for example external consultants, may attend part or all of the meetings. In the fiscal year under review, the CEO, the CFO and, depending on the agenda items, other members of the Executive Committee or management were present at all Board and Committee meetings, with the exception of a short closed discussion by the Board of Directors at the end of each physical Board meeting.

Resolutions are adopted by a simple majority of the Board members present or represented. Members may only be represented by a fellow Board member. In the event of a tie vote, the proposal is deemed to be not resolved. Resolutions made at the Board meetings are documented through written minutes of the meeting.

Directors may request any information necessary to fulfill their duties. Outside of meetings, any Director may request information from members of the Executive Committee concerning the Group's business development. Requests for information must be addressed to the Chairman of the Board.

The Board of Directors has formed the following committees:

Audit, Finance, Risk, Quality & Compliance Committee

Jakob Baer (Chairman), Andreas Schmid and Timothy E. Minges.

The role of the AFRQCC is to assist the Board of Directors in carrying out its responsibilities. The Board of Directors has not delegated any decision power to the AFRQCC. The primary task of the Audit, Finance, Risk, Quality & Compliance Committee (AFRQCC) is to assist the Board in carrying out its responsibilities and make recommendations regarding the company's accounting policies, financial reporting, internal control system, legal and regulatory compliance and quality management. In addition, the AFRQCC reviews the basic risk management principles and guidelines, the hedging and financing strategies as well as the bases upon which the Board of Directors determines risk tolerance levels and limits for exposures of raw material positions. For details of the risk management system, see note 7 to the Financial Statements of Barry Callebaut AG on page 142 and notes 26 and 30 to the Consolidated Financial Statements on pages 115–126 and 132.

The AFRQCC further assists the Board of Directors in fulfilling its oversight responsibility of the external auditors. The AFRQCC recommends the external auditors, reviews their qualification and independence, the audit fees, the external audit coverage, the reporting to the Board and/or the Audit Committee, and assesses the additional non-audit services as well as the annual financial statements and the notes thereto. The external auditors attended one meeting of the Audit, Finance, Risk, Quality & Compliance Committee in fiscal year 2013/14; furthermore, the Chairman of the AFRQCC met the lead external auditor three times outside AFRQCC meetings.

Barry Callebaut has its own Internal Audit Department. The Internal Audit function reports to the Chairman of the AFRQCC. The scope of internal auditing encompasses the examination and evaluation of the adequacy and effectiveness of the organization's system of internal control and the quality of performance in carrying out assigned responsibilities. Significant findings of the Internal Audit Department as well as the respective measures of the Management are presented and reviewed in the meetings of the AFRQCC and of the Board of Directors. The AFRQCC reviews the annual plan of the Internal Audit Department based on a risk assessment. In the last fiscal year, the Internal Audit Department was supported on two projects by third-party experts.

Pursuant to the Group's "Fraud Response and Whistleblowing Policy", the Fraud Committee, chaired by the Group's General Counsel, evaluates and, as the case may be, investigates alleged violations of the Code of Conduct under the supervision of the Chairman of the AFRQCC. The Fraud Committee reports all pending cases to the AFRQCC on a regular basis.

The AFRQCC meets as often as business requires, but at least three times per fiscal year. The meetings usually take place in Zurich. In the last fiscal year, the committee met six times. The meetings lasted two to three hours. One of the meetings took place in the form of a conference call and one in the context of the Board's three-day visit to Brussels/Wieze, Belgium.

Nomination & Compensation Committee

James L. Donald (Chairman), Fernando Aguirre, Nicolas Jacobs, Ajai Puri

The role of the Nomination & Compensation Committee (NCC) is to assist the Board of Directors in carrying out its responsibilities. The Board of Directors has not delegated any decision power to the NCC. The responsibilities of the NCC are to make recommendations to the Board with respect to the selection, nomination, compensation, evaluation, and, when necessary, the replacement of key executives. The NCC establishes jointly with the CEO a general succession planning and development policy. The committee also reviews and recommends the remuneration to be paid to members of the Board of Directors and the Executive Committee. It also ensures a transparent Board and Executive Committee nomination process and evaluates potential conflicts of interest involving executive management and Board members. The NCC monitors the developments of the regulatory framework for compensation of the top management and the Board of Directors on an ongoing basis and develops suggestions for the respective adaptations of Barry Callebaut's compensation system, e.g. the changes necessary for the implementation of the requirements of the Swiss Federal Council's "Ordinance against Excessive Compensation at Listed Joint-Stock Companies" ("OaEC"). For the implementation of the OaEC, the NCC was assisted by an ad hoc committee consisting of the Chairman and the Vice Chairman of the Board of Directors, Jakob Baer and the Group CFO ("OaEC"-Committee). The OaEC-Committee held three meetings of two hours during the last fiscal year.

The NCC meets as often as business requires, but at least three times per fiscal year. The meetings usually take place in Zurich. Last year, the committee met five times, one of which was in the form of a conference call. The meetings lasted for two hours. One of the meetings took place in the context of the Board's three-day visit to Brussels/Wieze, Belgium.

Executive Committee

The Executive Committee consists of seven functions and is headed by the Chief Executive Officer. For external activities of each member of the Executive Committee, see the respective curriculum vitae.

Name	Function	Nationality	Member since
Juergen Steinemann	Chief Executive Officer	German	2009
Victor Balli	Chief Financial Officer	Swiss	2007
Peter Boone	Chief Innovation & Quality Officer	Dutch	2012
Massimo Garavaglia	Western Europe	Italian	2004
David S. Johnson	Americas	U.S.	2009
Dirk Poelman	Chief Operations Officer (COO)	Belgian	2009
Steven Retzlaff	Global Cocoa	U.S./Swiss	2008

Juergen Steinemann
Chief Executive Officer,
German national

Juergen Steinemann (1958) was appointed Chief Executive Officer of Barry Callebaut AG in August 2009.

Before joining Barry Callebaut, Juergen Steinemann served as a member of the Executive Board of Nutreco and as Chief Operating Officer since October 2001. Nutreco, quoted on the Official Market of Euronext Amsterdam, is a leading global animal nutrition and aquaculture company, headquartered in the Netherlands.

From 1999 to 2001, Juergen Steinemann served as Chief Executive Officer of Unilever's former subsidiary Loders Croklaan, which produced and marketed specialty oils and fats for the chocolate, bakery and functional foods industry. Between 1990 and 1998, Juergen Steinemann was with the former Eridania Béghin-Say Group, where he held various senior positions in business-to-business marketing and sales, ultimately in the "Corporate Plan et Stratégie" unit at the head office in Paris.

Since April 2014, Juergen Steinemann has been member of the Board of Directors of Lonza Group AG, Switzerland. Since 2014, he is also Vice Chairman of the World Cocoa Foundation.

Juergen Steinemann graduated from his economics/business studies at the European Business School in Wiesbaden (Germany), London, and Paris in 1985.

Victor Balli (1957) was appointed Chief Financial Officer and member of the Executive Committee of Barry Callebaut AG in February 2007.

Before joining Barry Callebaut, Victor Balli was with Minibar since 1996. He began his career at Minibar as Chief Financial Officer and additionally held the position of Chief Executive Officer EMEA as of 2005. During this time, he also served as executive director and board member of several group companies of Niantic, a family investment holding. From 1991 to 1995, he worked as a Principal with Adinvest AG, a corporate finance advisory company with offices in Zurich, San Francisco, New York, and London. From 1989 to 1991, Victor Balli served as Director of Corporate Finance with Marc Rich & Co. Holding in Zug. He started his professional career in 1985, working as a Financial Analyst& Business Development Manager with EniChem International SA in Zurich and Milan.

Victor Balli holds a Master's degree in Economics from the University of St. Gallen and a Master's degree in Chemical Engineering from the Swiss Federal Institute of Technology, Zurich.

Victor Balli
Chief Financial Officer,
Swiss national

Massimo Garavaglia (1966) was appointed President Western Europe in June 2009 and is a member of the Executive Committee of Barry Callebaut AG. Prior to this, he served as President Region Americas for three years.

From 1990 to 1992, Massimo Garavaglia was sales manager for an Italian food products importer. He joined Callebaut Italy S.p.A. in 1992 as country manager for Italy. After the merger between Callebaut and Cacao Barry in 1996, he was Barry Callebaut's country manager in Italy until 2003. From 2003 until September 2004, he headed the region consisting of the Mediterranean Countries/Middle East/Eastern Europe. From September 2004 until 2006, he was President Food Manufacturers.

Massimo Garavaglia holds a Master's degree in Economics and Business Administration from Bocconi University, Milan.

Massimo Garavaglia
President Western Europe,
Italian national

David S. Johnson
CEO and President Americas,
U.S. national

David S. Johnson (1956) was appointed Chief Executive Officer and President Americas in May 2009, and is a member of the Executive Committee of Barry Callebaut AG.

Before joining Barry Callebaut, David Johnson served as Chief Executive Officer and member of the board of Michael Foods, Inc., a food processor and distributor headquartered in Minnetonka, Maine, U.S.

From 1986 to 2006, David Johnson was with Kraft Foods Global, Inc. At Kraft Foods, where he held several senior positions in different divisions, including marketing, strategy, operations, procurement and general management. His last position was President Kraft North America and Corporate Officer Kraft Foods Global, Inc. He started his career in 1980 at RJR Nabisco.

David Johnson is a member of the Board of Directors of Arthur J. Gallagher & Co., an international insurance brokerage and risk management company with headquarters in Itasca, Illinois, U.S.

David Johnson holds both a Bachelor's and a Master's degree in business from the University of Wisconsin.

Dirk Poelman
Chief Operations Officer,
Belgian national

Dirk Poelman (1961) was appointed Chief Operations Officer (COO) in September 2006 and member of the Executive Committee in November 2009, as well as Chief Innovation Officer (CIO) ad interim from June to December 2012. Since 1984, he has been working with Callebaut – which merged with Cacao Barry in 1996 – in various positions and countries: first as Engineering Manager, then as Production Manager, Operations Director and Chief Manufacturing Officer.

In 1997, Dirk Poelman became Executive Vice President Operations, responsible for the operations of the Group, and a member of the Senior Management Team. In 2004, he was appointed Vice President Operations and Research & Development.

Dirk Poelman holds an industrial engineering degree in electromechanics from the Catholic Industrial High School in Aalst, Belgium.

Steven Retzlaff
President Global Cocoa,
U.S. and Swiss national

Steven Retzlaff (1963) was appointed President Global Cocoa (until August 2013 Global Sourcing & Cocoa) and member of the Executive Committee of Barry Callebaut AG in January 2008.

Steven Retzlaff started his career in 1987 at KPMG Peat Marwick, San Francisco, where he became a Certified Public Accountant. In 1990, he transferred to the Zurich office of KPMG, where he worked until 1993. He then joined JMP Newcor AG, Zug, as Director of European Finance and Operations, where he worked for three years.

Steven Retzlaff joined Barry Callebaut as Chief Financial Officer of Barry Callebaut Sourcing AG in 1996. From 1999 to 2001, he served as CFO Swiss Operations (BC Sourcing AG and BC Switzerland AG). From 2001 to 2003, he was Chief Financial Officer of the business unit Cocoa, Sourcing & Risk Management, and from 2003 to 2004 he worked as the Cocoa Division Head. In 2004, he was appointed President Sourcing & Cocoa and member of the Senior Management Team in Zurich. From September 2006 until December 2007, he focused on developing the Group's global compound business.

Steven Retzlaff holds a Bachelor of Arts in Economics from Whitman College. He also studied at the Institute of European Studies in Madrid and at INSEAD in Fontainebleau.

Peter Boone
Chief Innovation & Quality Officer, Dutch national

Peter Boone (1970) was appointed to the position of Chief Innovation Officer and member of the Executive Committee at Barry Callebaut in December 2012 and also has assumed responsibility for Quality Assurance since June 2013.

From November 2010 to December 2012, Peter Boone worked with Unilever as Chief Marketing Officer responsible for Australia and New Zealand. He was a member of the regional executive board. In his function as Chief Marketing Officer, he was responsible for the marketing of all brands in all categories in Australia and New Zealand.

Peter Boone started his career at the Information Services division of ITT Corp., where he worked in various marketing roles. In 1996, he joined Unilever as a Strategy Analyst at the Head Office in Rotterdam (the Netherlands). Peter Boone also held other positions at Unilever such as Global Vice President Spreads & Cooking Products Category, Global Vice President Brand Development at the Unilever Headquarters in Rotterdam, the Netherlands, and Vice President Marketing & Sales Latin America Foods Solutions based in São Paulo, Brazil.

Peter Boone holds a Doctorate in Business Administration (PhD) from the Erasmus University in Rotterdam (the Netherlands).

Shareholders' participation

Each share of Barry Callebaut AG carries one vote at the General Meeting. Voting rights may be exercised only after a shareholder has been registered in the Barry Callebaut AG share register as a shareholder with voting rights.

No shareholder holding more than 5% of the share capital may be registered as a shareholder with voting rights with respect to the shares such shareholder holds in excess thereof. For purposes of the 5% rule, groups of companies and groups of shareholders acting in concert or otherwise related are considered to be one shareholder.

Shareholders may register their shares in the name of a nominee approved by Barry Callebaut AG and may exercise their voting rights by giving instructions to the nominee to vote on their behalf. However, a nominee holding more than 3% of the share capital will be registered as nominee for shareholders with voting rights only if it discloses the identity of each beneficial owner of shares claiming 0.5% or more of the share capital. No nominee holding more than 8% of the share capital may be registered as a shareholder with respect to the excess shares. The Board of Directors may, however, on a case-by-case basis, permit some or all of the excess shares to be registered with voting rights. In fiscal year 2013/14, no such exception was requested.

A resolution passed at the General Meeting with a majority of at least two thirds of the shares represented at such meeting is required to lift the restrictions on the transferability of registered shares. Shareholders may be represented at the General Meeting by another shareholder or the independent proxy pursuant to the OaEC. The Articles of Incorporation follow the majority rules and the provisions on convocation prescribed by the Swiss law concerning general meetings of shareholders. Shareholders with voting rights holding shares representing in total at least 0.25% of the share capital or the voting rights have the right to request in writing – giving at least 60 days' notice – that a specific proposal be discussed and voted upon at the next General Meeting.

Shareholders registered in the share register with voting rights at the date specified in the invitation will receive an invitation to the General Meeting. Barry Callebaut is offering its shareholders to register with the online platform "Sherpany" and thus the possibility to submit their voting instructions to the independent proxy in an efficient manner. The published disclosures on significant shareholders of Barry Callebaut AG are accessible via the disclosure platform of SIX Exchange Regulation: www.six-exchange-regulation.com/obligations/disclosure/major_shareholders_en.html.

Change of control and defense measures

An investor who acquires 33.33% of all voting rights has to submit a take over offer for all shares outstanding, according to the Swiss Stock Exchange Law. Barry Callebaut has not elected to change or opt out of this rule.

The employment contracts of the members of the Executive Committee are open-ended and contain notice periods of 6 to 12 months, during which they are entitled to full compensation.

External auditors

At the Annual General Meeting of Shareholders of Barry Callebaut AG on December 8, 2005, the shareholders voted to appoint KPMG AG, Zurich, as statutory auditors. The statutory auditors are appointed annually by the General Meeting for a one-year term of office. The current auditor in charge has exercised this function since fiscal year 2011/12. Pursuant to the Swiss regulations, he remained in this function until and including the fiscal year under review.

For the fiscal year 2013/14, the remuneration for the audit of the accounting records and the financial statements of Barry Callebaut AG, and the audit of the consolidated financial statements, amounted to CHF 2.6 million. This remuneration is evaluated by the AFRQCC in view of the scope and the complexity of the Group. The performance of the auditors is monitored by the AFRQCC, to which they present a detailed report on the result of the audit of the Group. Prior to the presentation to the AFRQCC, the lead auditor reviews the audit findings with the Chairman of the AFRQCC without the presence of any members of the management.

KPMG received a total amount of CHF 0.2 million for additional services, i.e. for transaction and other advisory (incl. due diligence). Adequate measures for the avoidance of potential conflicts of interests between the different services provided by KPMG were observed.

Information policy

Barry Callebaut is committed to continuous and open communication with its shareholders, potential investors and other stakeholders based on the principles of transparency and equal treatment, i.e. simultaneous provision of price-sensitive information and no selective disclosure.

The Group provides detailed information on its business activities and financial performance in its Annual and Half-year reports and press releases, at conferences for media and financial analysts as well as at the Annual General Meeting of Shareholders. Further, representatives of the Group regularly meet (current and potential) investors in personal meetings and present Barry Callebaut at industry events and investor conferences.

Presentations are also made available on the Group's website, which is updated continuously. The financial calendar for the fiscal year 2013/14 and contacts are given on page 170.

The published media releases of Barry Callebaut are accessible via www. barry-callebaut.com/51. To subscribe to Barry Callebaut's electronic news alerts, please go to: www.barry-callebaut.com/55.

Report on Top Management Compensation

General remarks regarding the executive remuneration at Barry Callebaut

This section of the Corporate Governance Report has been established pursuant to the Directive on Information Relating to Corporate Governance issued by the SIX Exchange Regulation. The rules of the "Ordinance against Excessive Compensation with respect to Listed Stock Corporations" will only become applicable to Barry Callebaut's compensation report for the fiscal year 2014/15.

The Board of Directors has the final responsibility for the remuneration of the Directors and the Executive Committee. The Nomination & Compensation Committee assists the Board in fulfilling its responsibility by evaluating the remuneration strategy and proposing individual compensation packages for the Executive Committee members and other key members of the management.

The Board of Directors, following the review and recommendation of the Nomination & Compensation Committee, approved a revised Executive Total Reward Policy in September 2014, which aims to offer an overall remuneration package which is aligned with corporate and individual value contribution and market practice, in order to attract and retain Directors and Executives with the necessary skills.

Remuneration of the Board of Directors

The remuneration structure of the Board of Directors is determined at the discretion of the Board of Directors and not linked to any external benchmarks. It is comprised of fixed directors' fees and grants of Barry Callebaut AG share awards. The share awards granted to the members of the Board of Directors vest after one year and the respective shares are transferred without further restrictions.

For the disclosure of the compensation of the Board of Directors in the fiscal year 2013/14, please see note 6 to the Financial Statements of Barry Callebaut AG on pages 140–141, and reproduced on the following page.

Board of Directors (BoD)	Compen-sation fix	Compen-sation variable	Other compen-sation[3]	Total cash-related remuneration	Number of shares[4]	Value of shares[5]	Total remuneration 2013/14	Total remuneration 2012/13
in thousands of CHF								
Andreas Jacobs Chairman/Delegate	400.0	–	–	400.0	500	498.6	**898.6**	833.8
Andreas Schmid Vice Chairman Member of the AFRQCC[6]	180.0	–	84.0	264.0	180	179.5	**443.5**	400.3
Ajai Puri Member of the NCC[7]	125.0	–	–	125.0	180	179.5	**304.5**	281.2
James L. Donald Chairman of the NCC	140.0	–	–	140.0	180	179.5	**319.5**	296.2
Jakob Baer Chairman of the AFRQCC	140.0	–	35.2	175.2	180	179.5	**354.7**	328.0
Markus Fiechter[8] Member of the AFRQCC	62.5	–	55.0	117.5	–	–	**117.5**	305.3
Nicolas Jacobs[9] Member of the NCC[7]	125.0	–	38.0	163.0	180	179.5	**342.5**	226.2
Timothy E. Minges[10] Member of the AFRQCC	125.0	–	–	125.0	180	179.5	**304.5**	74.5
Fernando Aguirre[10] Member of the NCC[7]	125.0	–	–	125.0	180	179.5	**304.5**	74.5
Stefan Pfander[10] Member of the NCC	0.0	–	–	–	–	–	**–**	62.5
Total remuneration Board of Directors	**1,422.5**	**–**	**212.2**	**1,634.7**	**1,760**	**1,755.1**	**3,389.8**	**2,882.5**

3 Including social security and pension contributions as well as other benefits.

4 Number of shares granted in relation to the fiscal year under review; vesting subject to meeting service and/or performance conditions. Grants to BoD are based on the calendar year.

5 Value defined as closing share price at grant date, which might be historical rates before the fiscal year under review.

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

7 Nomination & Compensation Committee.

8 Services rendered by Markus Fiechter as a member of the BoD until and including October 2012 were covered by the service fee charged by Jacobs Holding AG (see also note 27 of the Consolidated Financial Statements of Barry Callebaut Group). As from November 2012, he received the regular compensation for the members of the BoD. At the General Assembly held on December 11, 2013, Markus Fiechter resigned.

9 Nicolas Jacobs was elected as member of the BoD at the General Assembly held on December 5, 2012. At the same time, Stefan Pfander, who was formerly serving as BoD member and member of the NCC, resigned.

10 At the Extraordinary General Assembly held on April 22, 2013, Timothy E. Minges and Fernando Aguirre were elected members of the BoD.

Remuneration of the Executive Committee

The current top executive remuneration scheme is not linked to any external benchmarks. The individual packages are determined at the discretion of the Board of Directors based on the Executive Total Reward Policy as defined by the Board of Directors and considering market data from various sources, position size, the profile of and the negotiations with the respective manager. The remuneration framework for the Executive Committee of Barry Callebaut consists of four compensation elements: a fixed annual base salary, an annual short-term cash bonus pursuant to the Company's Short-Term Incentive Plan, a long-term incentive comprised of a share grant pursuant to the Company's Long-Term Incentive Plan and other benefits.

Short-term incentive plan (STIP)

Pursuant to Barry Callebaut's Executive Total Rewards Policy, the short-term bonus under the STIP has a target weight in the total remuneration of the members of the Executive Committee of 25–35%, and in the case of the CEO of 20–30%. The target short-term bonus is 100% of the fixed annual base salary of each Executive Committee member. The short-term bonus payout is linked to meeting certain performance criteria with respect to one fiscal year. The maximum payout to the members of the Executive Committee is capped at 150% of the target payout, depending on the achievement of the performance criteria. These performance criteria for the members of the Executive Committee have been defined by the Board of Directors upon evaluation and recommendation of the NCC. For the current fiscal year, the bonus of the Executive Committee depends to 20% for the Group CEO and CFO, and to 25% for the other Executive Committee members respectively, on the achievement of individual strategic targets and to 80%, and 75% respectively, on the achievement of financial business targets. The financial business targets are divided into the following sub-targets (the percentage figures indicating the weight of the respective target within the respective financial business targets):

	CEO/CFO	Presidents	COO/CIO
Group EBIT	25%	20%	40%
Group EBIT/MT	15%	–	15%
Group volume	20%	–	25%
EVA	20%	–	–
Earnings per share	20%	–	–
Regional EBIT	–	35%* 20%**	–
Regional EBIT/MT	–	15%**	–
Regional volume	–	25%	–
Working capital	–	20%	20%

* President Global Cocoa ** Presidents Western Europe/Americas

Long-Term Incentive Plan (LTIP)
Pursuant to Barry Callebaut's Executive Total Reward Policy, the long-term incentivation shall have a weight in the total remuneration of the members of the Executive Committee of 30–50%, and in the case of the CEO of 40–60%. In the fiscal year under review, the Board of Directors with the assistance of the NCC and external advice from consultants of Mercer and EY has developed a new LTIP to be implemented in the fiscal year 2014/15.

Deferred Share Plan 2011–14: The granting of shares to management for the past three fiscal years has been regulated by a Deferred Share Plan 2011–14. For this period (the "Grant Cycle"), an annual share value has been determined by the Board of Directors for each individual plan participant. The number of share awards to be granted to each participant with respect to each fiscal year was calculated by dividing the annual share grant value by the average closing price of Barry Callebaut shares during the last three months of the previous fiscal year. The granted share awards vested according to the following schedule: 30% after one year, 30% after two years and 40% after three years. Actual shares were transferred upon vesting of the share awards. The vesting was subject to service criteria but not subject to any performance criteria. However, in addition, each participant was entitled to receive an upside bonus calculated on each share award granted during the Grant Cycle, i.e. over the past three years. This upside bonus was payable if the average share price over the past three months at the end of the Grant Cycle exceeded a certain hurdle share price defined by the Board of Directors at the onset of the Grant Cycle (which is defined as the share price at the onset multiplied with a 3-year, "CAGR", of 7%). The rationale for the upside bonus was to compensate the Management for a change from the system of share award grants based on fixed amount of shares to a system of share award grants based on grant values. As the share price development of Barry Callebaut over the past three years exceeded the hurdle share price defined by the Board of Directors, the participants of the Deferred Share Plan 2011–14 received an upside bonus, amounting to CHF 10,971,901 of which CHF 6,708,526 were paid out to the Executive Committee. The respective amounts are included under "Compensation variable" in the remuneration of the Executive Committee in note 6 to the Financial Statements of Barry Callebaut AG on pages 140–141, reproduced on the following page. Thus, on average, the members of the Executive Committee each received retroactively an additional variable compensation of CHF 319,453 per year for the past three years in view of the share price over-performance of Barry Callebaut. During the same period, a total shareholder return of CHF 1,362 million was created.

Executive Committee	Compen-sation fix	Compen-sation variable[2]	Other compen-sation[3]	Total cash-related remuneration	Number of shares[4]	Value of shares[5]	Total remuneration 2013/14	Total remuneration 2012/13
in thousands of CHF								
Remuneration Executive Committee[11]	**3,923.4**	**10,686.0**	**2,275.4**	**16,884.8**	**8,876**	**7,842.1**	**24,726.9**	**17,359.1**
Highest individual remuneration within Executive Committee: **Juergen Steinemann** CEO Barry Callebaut Group	1,130.0	2,083.9	1,305.1	4,519.0	3,892	3,431.0	**7,950.0**	6,632.2

2 Includes upside bonus pursuant to the deferred share plan 2011–14, which led to an extraordinary payout of CHF 6.7 million to the Executive Committee as a result of the overperformance of the share price versus target share price over the past three fiscal years.

3 Including social security and pension contributions as well as other benefits.

4 Number of shares granted in relation to the fiscal year under review; vesting subject to meeting service and/or performance conditions. Grants to BoD are based on the calendar year.

5 Value defined as closing share price at grant date, which might be historical rates before the fiscal year under review.

11 Disclosure relates to the Executive Committee as in place on August 31, 2014, i.e. Juergen Steinemann, Victor Balli, Massimo Garavaglia, David S. Johnson, Steven Retzlaff, Dirk Poelman and Peter Boone.

Long-term Incentive Plan 2014: As from the current fiscal year, the long-term incentivation of the top management is based on the new Long-term Incentive Plan 2014 ("LTIP") which the Board of Directors approved in September 2014. The LTIP is an open-ended deferred share plan. The granting of the shares is unchanged to the previous plan, i.e. the granting is based on a grant value determined by the Board of Directors annually for each plan participant in a discretionary manner within the framework of the Board's Executive Total Reward Policy. The grant value for each LTIP participant is divided by the average share price during the last three months of the preceding fiscal year, which determines the total number of share awards granted to each LTIP participant in view of the services of the LTIP participant of the respective year. These defined share awards vest in three tranches over three years, i.e. 30% after one year, 30% after two years and 40% after three years from the granting date. The first two 30%-tranches are only subject to the LTIP participant continuing to be employed by Barry Callebaut. The final 40% tranche is also subject to meeting a performance criterion, which is defined as the relative performance (three-year CAGR) of the Barry Callebaut share versus the share performance of a peer group. The relevant share prices are calculated as average closing price over the three months preceding the fiscal year end. The peer group consists of three sub-groups of chocolate, fast moving consumer goods and ingredients companies. The reference share price is calculated as the equally weighted performance of the sub-groups' average share performance. The amount of share awards to vest from the final tranche may be higher or lower than the originally granted number of share awards, depending on the relative over- or under-performance of the Barry Callebaut share versus the benchmark share price of the peer group. There is a cap on the maximum number of shares (at 5% per annum relative share price over-performance) and a floor (at –5% per annum under-performance) for the number of share awards to vest. Share price over-performance is incentivized by an accelerator of 2.25. Therefore, considering the maximum variance of the vesting from the performance-related final tranche, each LTIP participant may eventually receive, subject to continued employment, a number of shares which corresponds to a minimum of 75% and a maximum of 150% of the originally granted total number of share awards for the respective year. Shares are only transferred upon the vesting of the respective share awards. Once the shares are transferred, they are free of any sales restrictions.

Other benefits

Other benefits awarded to the top management of Barry Callebaut depend on the level of benefits pursuant to market practice, mandatory benefits of the jurisdiction applicable to the respective employment relationship and the composition of the respective overall package.

Consideration paid for services of the majority shareholder

In line with the practice of the past years, Barry Callebaut AG and Jacobs Holding AG, Zurich, have entered into an auxiliary services agreement, under which Jacobs Holding AG offers to Barry Callebaut AG certain management and consultancy services. In the fiscal year 2013/14, the total compensation paid by Barry Callebaut AG under this agreement amounted to CHF 1.5 million (excl. VAT). The contract is renewable annually.