

Invitation to the General Meeting of Emmi AG

Thursday, 7 April 2022 at 2 p.m.

Attendance in person is not possible

(COVID-19 Ordinance 3 of the Federal Council).

Key figures Emmi Group

Amounts in CHF million	2021	2020	2020 adjusted ¹⁾
Net sales	3,912	3,706	
Sales development in %	5.6	6.1	
Net sales increase in organic terms in %	3.6	1.9	
Acquisition effect in %	2.3	8.7	
Currency effect in %	-0.3	-4.5	
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	394.7	376.3	390.9
as % of net sales	10.1	10.2	10.5
Earnings before interest and taxes (EBIT)	284.1	256.6	271.2
as % of net sales	7.3	6.9	7.3
Net profit	216.7	188.4	202.6
as % of net sales	5.5	5.1	5.5
Investment in fixed assets (excl. acquisitions)	152.6	131.4	
as % of net sales	3.9	3.5	
Headcount (full-time equivalents) as at 31.12.	9,230	8,664	
Headcount (full-time equivalents) at yearly average	8,868	8,303	
Net sales per employee in CHF 000s (average)	441	446	
	31.12.2021	31.12.2020	
Total assets	2,471	2,337	
of which shareholders' equity incl. minority interests	1,182	1,233	
as % of total assets	47.8	52.8	
Market capitalisation	5,756	4,876	

¹⁾ Adjusted for non-recurring effects of CHF 14.6 million on EBITDA and EBIT and CHF 14.2 million on net profit. In the previous year, they resulted from the sale of the majority stake in Lácteos Caprinos S.A.



Konrad Graber, Chairman of the Board of Directors,
and Urs Riedener, CEO, address a personal greeting
and sum up the year 2021 at Emmi.
emmi.com/gm-message-2022

Invitation to the General Meeting of Emmi AG 2022

Dear Shareholders

Given the ongoing challenging conditions, we can look back with satisfaction on another economically successful year. Through their passion and commitment, combined with a strong culture of cooperation and based on our robust strategy, our teams have joined forces to keep Emmi on course and worked with tenacity to create added value.

Annual sales are approaching the CHF 4 billion mark and have exceeded our expectations with strong organic growth of 3.6%. Overall, the gratifying performance reflects the consistent strategic course we have pursued, backed by a diversified portfolio of products and countries, differentiated and innovative brand concepts, and a highly agile and efficient organisation with local roots.

Consistently reliable earnings – dividend increase proposed

Turbulence in input costs coupled with the inflationary operating environment and resulting spike in tariffs likewise placed enormous demands on Emmi. This was due to bottlenecks at suppliers, in logistics and on the labour market, or in some cases massively higher raw materials, material and energy prices.

Thanks to forward-looking planning, intensified efficiency efforts and regionally integrated supply chains, we were able to cushion some of the additional costs. As a result, the EBIT and net profit margins were kept stable and earnings were within the ranges communicated by us.

Compared with the adjusted previous year, EBIT increased by CHF 12.9 million or 4.8% to CHF 284.1 million, which corresponds to a constant EBIT margin of 7.3%. Net profit increased by 7.0% to CHF 216.7 million compared with the adjusted previous year. At this level, we thus maintained the adjusted margin of the previous year (5.5%). Thanks to this solid result, earnings per share climbed by 7.0% and the Board of Directors proposes to the Annual General Meeting that the dividend be increased by 7.7% to CHF 14.00 per share.

Taking responsibility together

In keeping with our tradition, we continued to drive forward our long-standing commitment to sustainability in 2021 and established the Emmi Sustainability Model. This comprises ambitious goals, is based on a science-based “netZERO 2050 Roadmap” and is in line with the United Nations Sustainable Development Goals. Overall, we were able to use our positive

influence, for example, in establishing the sustainable dairy industry, and further reduce emissions, waste and water consumption in relation to our production volume.

Acting with a view to future generations

In the knowledge that success today is no guarantee of success tomorrow, we have also worked intensively in recent months on the recipe for a continued successful future. Committed to the goal of positioning Emmi competitively in the long term and to create added value for our stakeholders we have sharpened our strategy. This builds on our proven business model and our strengths, but focuses even more explicitly on future issues and changing needs.

What Emmi stands for, what guides us and why we exist is described by our purpose: “Together we create the best dairy moments – today and for generations to come”.

At Emmi, we will continue to act with care and circumspection in the future – 2022 and beyond.

General Meeting of Emmi AG 2022

Two longstanding members of the Board of Directors, Vice-Chairman Thomas Oehen-Bühlmann and Franz Steiger, will not be standing for re-election. The Board of Directors wishes to thank them both for their important and always greatly appreciated efforts on Emmi's behalf. We are pleased to be able to propose Hubert Muff and Werner Weiss, two proven individuals, for election for the first time to join the remaining members.

To protect our shareholders and employees, we decided at the beginning of the year not to hold a physical General Meeting due to the ongoing epidemiological situation. Shareholders are asked to submit their vote in writing to the independent proxy, Mr. Pascal Engelberger, lawyer LL. M., Murbacherstrasse 3, 6003 Lucerne.

We thank you for your understanding and hope to be able to welcome you back to Messe Luzern in 2023.



Konrad Graber
Chairman of the Board of Directors

Agenda and proposals by the Board of Directors

1. Approval of the Management Report, Consolidated Financial Statements and Financial Statements of Emmi AG for 2021

Proposal by the Board of Directors

Approval of the Management Report, Consolidated Financial Statements and Financial Statement of Emmi AG for 2021.

Note

The information in the Management Report can be found in the chapter “The year at Emmi” and partly in the Financial Report of the Annual Report. The Corporate Governance Report and the Compensation Report are not part of the Management Report.

2. Discharge of the members of the Board of Directors

Proposal by the Board of Directors

Granting of discharge to the members of the Board of Directors for their services during the financial year 2021.

3. Resolution on the appropriation of available earnings; setting of the distribution from retained earnings

in KCHF

Retained earnings carried forward	3,737
Net profit Emmi AG	123,067
Earnings available for distribution by the GM	126,804

Proposal by the Board of Directors for the appropriation of available earnings

Distribution of a gross dividend of CHF 14.00 (previous year: CHF 13.00) per registered share from retained earnings for financial year 2021 on 5,349,810 shares entitled to dividends.

in KCHF

Earnings available for distribution by the GM	126,804
Dividend	-74,897
Allocation to free reserves	-50,000
Carried forward to new account	1,907

Note

Subject to the approval of this proposal, the dividend will be paid out to all shareholders in accordance with the dividend instruction on 13 April 2022. The ex-dividend date for the shares is 11 April 2022.

4. Approval of the total amount of remuneration

Note

The total amount of remuneration shall be approved in accordance with Art. 29e of the Articles of Association of Emmi AG and in implementation of the Ordinance against Excessive Compensation in Listed Stock Exchange Listed Companies. The principles for remuneration are set out in Art. 29b of the Articles of Association and in the Compensation Report. Remuneration is determined fairly, competitively and on a performance basis, as well as in accordance with the strategic objectives and the success of the Emmi Group. There are currently no share or option plans or other share ownership programmes for members of the Board of Directors, the Agricultural Council or Group Management. The remuneration paid to the Board of Directors and the Agricultural Council is not related to performance and therefore comprises a fixed amount only.

The maximum total amounts to be determined below ensure the necessary freedom to be able to respond flexibly to changes (additional members being added to the Board of Directors or Agricultural Council, changes in the composition of committees, additional meetings due to business developments, specific events and general reserves). There is no intention to exhaust the total amounts of fixed remuneration; instead they ensure the required entrepreneurial flexibility. The Board of Directors provides information on the actual amounts used in the Compensation Report and in the next section of this invitation.

All amounts mentioned in agenda item 4 are in KCHF.

 See Compensation Report

4.1 Approval of the maximum fixed remuneration of the Board of Directors for financial year 2022

Proposal by the Board of Directors

Approval of the total amount of fixed remuneration of the Board of Directors up to a maximum of KCHF 1,200 for financial year 2022.

Note

The proposed maximum amount also includes remuneration for tasks performed for the three committees, the council and the two foundations. The Board of Directors currently comprises nine members.

Proposal to GM 2022 for FY 2022	Fixed remuneration paid 2021	Proposal to GM 2021 for FY 2021
1,200 (ceiling amount)	1,089	1,100 (ceiling amount)

4.2 Approval of the maximum fixed remuneration of the Agricultural Council for financial year 2022

Proposal by the Board of Directors

Approval of the total amount of fixed remuneration of the Agricultural Council up to a maximum of KCHF 40 for financial year 2022.

Note

The Agricultural Council comprises members of the Board of Directors, employees and external experts. The proposed total amount corresponds to the remuneration paid to the five external experts. Members of the Agricultural Council who are also members of the Board of Directors receive compensation for their work on the Agricultural Council as part of the remuneration of the Board of Directors. Employees do not receive any separate compensation for their work on the Agricultural Council.

Proposal to GM 2022 for FY 2022	Fixed remuneration paid 2020	Proposal to GM 2021 for FY 2021
40 (ceiling amount)	35	40 (ceiling amount)

4.3 Approval of the maximum fixed remuneration of Group Management for financial year 2023

Proposal by the Board of Directors

Approval of the total amount of fixed remuneration of Group Management up to a maximum of KCHF 5,540 for financial year 2023.

Note

The fixed salary component is determined according to function-specific benchmarks, individual abilities, ongoing performance and experience. Adjustments are made in due consideration of prevailing market conditions, individual performance and the company's overall economic situation. Group Management currently comprises eight members.

Proposal to GM 2022 for FY 2023	Proposal to GM 2021 for FY 2022	Fixed remuneration paid 2021	Proposal to GM 2020 for FY 2021
5,540 (ceiling amount)	5,500 (ceiling amount)	4,695	5,480 (ceiling amount)

4.4 Approval of the variable remuneration of Group Management for financial year 2021

Proposal by the Board of Directors

Approval of the total amount of variable remuneration of Group Management of KCHF 1,025 for financial year 2021.

Note

According to Art. 29b of the Articles of Association, the variable remuneration paid to a member of Group Management may not exceed 50 % of their fixed remuneration. The amount of variable remuneration is exclusively oriented towards the short term and is determined by qualitative and quantitative objectives, in particular the overall success of the Group and the business division, and the individual contribution of each member.

Proposal to GM 2022 for FY 2021	Variable remuneration for 2020 paid in 2021	Proposal to GM 2021 for FY 2020
1,025	1,081	1,081

5. Elections to the Board of Directors

Note

Seven members of the Board of Directors are standing for re-election. Thomas Oehen-Bühlmann and Franz Steiger are not standing again. The Board of Directors would like to extend its warmest thanks to both departing members for their many years of service and the contribution they have made to the company's success.

The Board of Directors is nominating Hubert Muff, Neuenkirch, manager of an agricultural business, and Werner Weiss, Meierskappel, manager of a family agricultural business, as new members. The Board of Directors is confident that Hubert Muff and Werner Weiss will make a major contribution to the strategic development and supervision of the company.

5.1 Re-election of the members of the Board of Directors and the Chairman

5.1.1 Konrad Graber

Proposal by the Board of Directors: Re-election of Konrad Graber as member of the Board of Directors and Chairman of the Board of Directors for a term of office until the end of the next General Meeting (same vote).

5.1.2 Monique Bourquin

Proposal by the Board of Directors: Re-election of Monique Bourquin as member of the Board of Directors for a term of office until the end of the next General Meeting.

5.1.3 Dominik Bürgy

Proposal by the Board of Directors: Re-election of Dominik Bürgy as member of the Board of Directors for a term of office until the end of the next General Meeting.

5.1.4 Thomas Grüter

Proposal by the Board of Directors: Re-election of Thomas Grüter as member of the Board of Directors for a term of office until the end of the next General Meeting.

5.1.5 Christina Johansson

Proposal by the Board of Directors: Re-election of Christina Johansson as member of the Board of Directors for a term of office until the end of the next General Meeting.

5.1.6 Alexandra Post Quillet

Proposal by the Board of Directors: Re-election of Alexandra Post Quillet as member of the Board of Directors for a term of office until the end of the next General Meeting.

5.1.7 Diana Strebel

Proposal by the Board of Directors: Re-election of Diana Strebel as member of the Board of Directors for a term of office until the end of the next General Meeting.

5.2 Election of two new members to the Board of Directors

5.2.1 Hubert Muff

Proposal by the Board of Directors: Election of Hubert Muff, in Neuenkirch, as member of the Board of Directors for a term of office until the end of the next Annual General Meeting.

5.2.2 Werner Weiss

Proposal by the Board of Directors: Election of Werner Weiss, in Meierskappel, as a member of the Board of Directors for a term of office until the end of the next Annual General Meeting.

5.3 Re-election and election of the members of the Personnel and Compensation Committee

Proposal by the Board of Directors

Re-election of each individual member of the Personnel and Compensation Committee for a term of office until the end of the next General Meeting:

5.3.1 Konrad Graber

5.3.2 Monique Bourquin

Election as member of the Personnel and Compensation Committee for a term of office until the end of the next Annual General Meeting:

5.3.3 Thomas Grüter

6. Re-appointment of the auditor

Proposal by the Board of Directors

Re-appointment of **KPMG AG, Lucerne**, as auditor for financial year 2022.

7. Re-election of the independent proxy

Proposal by the Board of Directors

Re-election of **Pascal Engelberger, lawyer, Lucerne**, as independent proxy for a term of office until the end of the next General Meeting.

Organisational information

Documentation

The Annual Report 2021 (including the Management Report, Consolidated Financial Statements, Financial Statements of Emmi AG, Auditor's Report, Corporate Governance Report and compensation report) is available for inspection at the company's headquarters at Landenbergstrasse 1, 6005 Lucerne. The Annual Report 2021 – broken down into the various sections – is available on the report.emmi.com website or via the QR code at the bottom right.

Entitlement to vote

All shareholders with their voting rights registered in the share register on 30 March 2022 shall be entitled to vote and stand for election. Rights to vote and stand for election may only be exercised via the independent proxy, **Mr Pascal Engelberger, lawyer LL.M., Murbacherstrasse 3, 6003 Lucerne**. We cannot guarantee that responses received after 5 April 2022 will be processed.

Alternatively, you can issue your power of attorney and instructions to the independent proxy electronically. In the event of electronic authorisation and instruction, please read the instructions on the separate form regarding electronic authorisation of power of attorney and issuance of instructions.

Any proposals and questions regarding the agenda items may be submitted by post by 24 March 2022 to: Emmi AG, Secretariat of the Board of Directors, Landenbergstrasse 1, 6005 Lucerne. The Board of Directors will comment on the proposals and questions at the General Meeting.

Sale of shares

In the event of a sale of shares, the shareholder shall no longer be entitled to vote or stand for election in respect of the shares sold.

Changes of address

Please report any changes of address directly to Computershare Switzerland Ltd, Team Aktienregister (Share Register team), +41 62 205 77 00, share.register@computershare.ch



Online report

The full version of the Emmi annual report 2021 is also available online: report.emmi.com



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