



Organizational Regulations

of

Panalpina World Transport (Holding) Ltd

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1. Basis and Purpose

These Organizational Regulations (OR's) are enacted by the Board pursuant to article 716b of the Code of Obligations and Articles 15 and 16 of the Articles of Association (AoA).

The purpose of these ORs is:

- (i) to implement and supplement requirements contained:
 - (a) in applicable laws;
 - (b) in regulatory and stock exchange rules; and
 - (c) in the AoA; and
- (ii) to define the functions, responsibilities and authorities of Panalpina's corporate bodies and Executives

1.2 Definition of terms

Group

The Holding Company, including all member companies of the Group (subsidiaries and affiliated companies).

Subsidiary

A company in which Panalpina World Transport (Holding) Ltd directly or indirectly holds a majority interest. Affiliated companies directly or indirectly controlled from Group Head Office shall be treated as subsidiaries.

Affiliated company

A company in which Panalpina World Transport (Holding) Ltd. directly or indirectly holds a minority interest.

Commercial Delegation

A company-owned sales organization with no operational activity. In countries with a commercial delegation, an exclusive global agent fulfills operational activity.

Region

A Region is composed of several Countries managed by a Regional management team headed by a Regional CEO.

Country or District

A Country or District manages the operational and sales activities within its assigned territory and consolidates the books of its Business Units. A Country or District consists of one or several business units and is headed by a Country Managing Director or District Managing Director respectively.

Business Unit

A Business Unit performs operational and sales activities, keeps its own books and issues its own invoices. A Business Unit is composed of one or several offices and may have Sales Offices where appropriate. It is headed by a Business Unit Manager.

Sales Office

As part of a Business Unit, a Sales Office is purely dedicated to sales activities, customer service, or both. It does not perform operational activities, keep its own books, or issue its own invoices.

Panalcenter (PAC)

Corporate Head Office, Basel, Switzerland.

2. Corporate governance

2.1 Organization

Panalpina and its business are organized as follows:

- The Board, under the leadership of the Chairman, decides upon recommendation of the Group CEO on the strategy of the Panalpina Group, exercises the ultimate supervision over management, appoints and removes EB members, and performs the other duties described herein.
- As provided by mandatory law, rules and regulations, the AoA or these ORs, the management of the Panalpina Group is delegated to the EB under the leadership of the Group CEO.

The corporate bodies of the Group comprise:

- The Board of Directors of the Holding Company;
- The Audit, Risk & Compliance and the Compensation and Nomination Committee of the Board of Directors;
- The Chairman of the Board of Directors;
- The Executive Board, its CEO and the individual members of the Executive Board;
- The Executive Committee (ExCom) consisting of the Executive Board, the Regional CEO's, the Global Heads of Air/Ocean/Logistics and Manufacturing/Energy and Project Solutions.
- The Managing Directors of the Group companies.

The responsibilities and authorities of the various corporate bodies and the Executives are set out in Annex B.

2.2 The Board of Directors of the Holding Company

Organization

The Board of Directors shall consist of a minimum of five and a maximum of nine members. It shall elect, from among its members, a Vice-chairman and board representatives on the Audit, Risk & Compliance Committee. The Chairman of the Board of Directors and the members of the Compensation and Nomination Committee are elected by the General Meeting

The Corporate Secretary shall manage the administration of the Board of Directors and its Committees.

The members of the Board of Directors are elected for a one year term, which is indefinitely renewable, subject to the age limit defined in item number 4.3 below.

Signature Rights

The Chairman and the Vice-Chairman have signature rights to be exercised collectively with another authorized signatory. The Board of Directors may also grant collective signature rights to other members of the Board of Directors.

Convocation

The Board of Directors shall meet at the invitation of the Chairman or, should he be prevented, the Vice-Chairman, as often as the company's business so requires, but at least four times a year (see number 3.1 below).

Each board member may apply to the Chairman in writing for immediate convocation, stating the desired agenda items.

Rights to Information

Each member of the Board of Directors has the right to obtain information on the entire business of the Group. During meetings, each member may request information from other members as well as from members of the Executive Board. Outside of meetings, after seeking the authorization of the Chairman, each member may request information on specific business issues.

Decision-making

The Board of Directors shall constitute a quorum if a majority of its members are present. Participation in meetings is possible by way of telephone or video conference. The presence of a single member shall be sufficient for resolutions implementing capital increases and the respective amendments of the Articles of Association in accordance with articles 651a, 652g and 653g of the Swiss Code of Obligations.

It shall adopt resolutions by majority of the votes. In the event of a tie, the Chairman shall have the casting vote. Resolutions may also be adopted by telephone conference unless a member requests a discussion at a meeting.

Dual function of the Board of Directors of the Holding Company

The Board of Directors of the Holding Company shall exercise a dual Group management function:

Firstly, it shall act as an organ of the Holding Company in the terms of the law, fulfilling the tasks and following the procedural rules prescribed by law, the Articles of Association of the Holding Company and the present Regulations; and

Secondly, it shall represent the highest level of authority in the Group management structure. Its tasks and powers in this regard shall be as described in the Organizational Regulations. Where legally admissible it shall fulfill a supervisory and decision-making function in relation to the Group companies.

2.2.1 Tasks of the Board of Directors within the Holding Company

The Board of Directors shall fulfill the role of supreme authority, with a supervisory and controlling function vis-à-vis the management.

The Board has ultimate responsibility for the success of the Panalpina Group and for delivering sustainable shareholder value within a framework of prudent and effective controls. It decides on the Group's strategic aims and the necessary financial and human resources upon recommendation of the Group CEO and sets the Group's values and standards to ensure that its obligations to its shareholders and others are met.

The Board has the responsibilities and authorities set out herein, in particular in Annex B. Mandatory provisions of applicable laws, rules and regulations or rules contained in the AoA override the ORs.

Specific tasks of the Board of Directors in matters relating to the Holding Company include:

Staff pension schemes

To resolve on all issues of principle concerning the pension-schemes in the Group, especially where these may affect Group personnel policy or finances or have *de facto* repercussions on the Group.

To resolve on organizational changes or adaptations of the Swiss pension funds in accordance with their charters.

Nominations

To nominate all authorized signatories of the Holding Company. The Board of Directors and Executive Board shall endeavor to ensure that all employees of the Holding Company and its Swiss subsidiaries hold power of signature for their duties as internally established.

General meetings of shareholders

To oversee the preparation of the Annual Report and to prepare the Shareholder's meeting. To nominate candidates for election to the Board of Directors. To make proposals based on recommendation of the Audit, Risk & Compliance Committee concerning the appointment of a Group Auditor. While preparing the respective nominations, the Board of Directors shall pay due consideration to the recommendations of the Audit, Risk & Compliance and the Compensation and Nomination Committees established, pursuant to item number 2.3 below.

2.2.2 Tasks of the Board of Directors concerning Group affairs

The Board of Directors shall in particular have the following tasks regarding Group management:

Group strategies and organization

To establish the overall governance of the Group based on applications and recommendations of the Executive Board, this includes:

- approving the 3-year Strategic Financial Plans including planning priorities and action plans; annual review of the Group's strategy.
- approving strategic plans including planning priorities; annual review of the Group's strategy.
- setting guidelines for the corporate policy; and
- establishing its basic organizational structures.

Budgets

To approve the Group's annual operational and investment budgets.

To approve any additional investments and disinvestments outside routine operations.

Business Reports

To receive briefings from the CEO on the current course of business and exceptional business events. The members of the Board of Directors must be notified of exceptional events in the shortest possible time.

Group financial policy

To resolve on fundamental issues of capital structure and policy with regard to dividends, liquidity and the preparation of the Group's annual financial statements. Defining guidelines for accounting, financial controlling and financial planning systems.

Mergers and acquisitions and strategic alliances

To take decisions on any M&A transactions.

M&A transactions, with an enterprise value not exceeding CHF 20 million, can be closed by the Executive Board following in principle approval by the Board of Directors to pursue the transaction subject to due-diligence and the confirmation of the key transaction terms.

M&A transactions with an enterprise value exceeding CHF 20 million have to be finally approved by the Board of Directors following the availability of the due diligence report and finalized transaction documents.

To take the final decision on other transactions (i.e. Joint Venture and cooperation agreements) in case they are of strategic significance to the Group.

Nominations

To appoint or remove members of the Board Committees (with the exception of the CNC whose members are nominated by the shareholders' meeting) and the CEO and, based on proposal of the CEO, Executive Board members, the Corporate Secretary, the Head of Corporate Audit and the Corporate Ethics and Compliance Officer.

Ethics and Compliance

To promote the values of honesty and integrity throughout the organization and to support compliance with laws, rules and international standards.

To oversee the management of Panalpina's global risk management including its compliance risks.

To approve Panalpina's Code of Conduct and the Ethics and Compliance policies and programs, including the establishment and continued development of an effective Ethics and Compliance organization.

Regulations regarding good corporate governance

To approve reports in line with Swiss Code of Best Practice for Corporate Governance guidelines (economiesuisse) and establish regulations ensuring compliance with SIX rules and principles, including regarding ad-hoc publicity, avoidance of insider trading and management transactions.

Financial reporting and current business

To receive briefings from the Executive Board members including reports

- on the current course of business (monthly MIS reports), the Group's consolidated monthly and year-to-date income statements, including deviation to budget and preceding year, regional- and product income statements, functional costs-/FTE development, financial position, statements on cash flows, net working capital development and trade DSO/DPO.
- on a quarterly basis condensed consolidated interim financial statements including key developments, income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and explanatory notes, IR presentation and media release.

- on major group initiatives
- on major management changes;
- on investor relations (including analyst presentations);
- on major developments in the group's regions;
- on key media articles and financial analysts' reports;
- on customer (Industry Vertical) development including major business wins and losses;
- on major developments at competing companies;
- on exceptional business events;
- In addition, minutes of the Executive Board meetings will be distributed to the Chairman of the Board of Directors.

2.2 Audit, Risk & Compliance - and Compensation and Nomination Committees

Members of the Audit, Risk & Compliance Committee (ARCC) shall be appointed by the Board of Directors. Members of the Compensation and Nomination Committee (CNC) are appointed by the Shareholders' Meeting.

The Board of Directors shall issue terms of reference for each of these committees which define their duties and powers.

2.3 Chairman of the Board of Directors

Nomination, Function and activities

The Chairman is appointed by the Shareholders' Meeting. His function shall be non-executive and he shall take necessary steps to safeguard his independence from the Executive Board.

The Chairman's expanded role also covers the assessment of opportunities for mergers and acquisitions to support the Group's long-term growth. Moreover, the Chairman is closely involved in the activities of the Group's Innovation Board to enable the exploitation of new market developments and new solutions, which anticipate customers' requirements.

The Chairman ensures the fulfillment of the Board's duties. He is responsible for an effective information flow between both, the Executive Board and the Board of Directors and amongst his fellow Board Members. The Chairman shall supervise the business affairs and activities of the Executive Board. For this purpose he shall receive regular reports from the CEO, as a principle on a monthly basis and if requested from the CFO. The Chairman may also attend Executive Board meetings upon mutual agreement with the CEO. He shall regularly receive notices of Executive Board meetings and copies of the minutes.

Deputation

If prevented, the Chairman shall be represented by the Vice-Chairman of the Board of Directors.

Subordinate officers

The Corporate Auditor shall be elected by the Audit, Risk & Compliance Committee and is subordinated to the Board of Directors, which has delegated this task to the Audit, Risk & Compliance Committee. The Corporate Auditor regularly reports to the Audit, Risk & Compliance Committee. Furthermore, he has a functional reporting line to the CFO.

The Corporate Compliance Officer shall be elected by the Audit, Risk & Compliance Committee and is subordinated to the Audit, Risk & Compliance Committee. The Corporate Compliance Officer regularly reports to the Audit, Risk & Compliance Committee. Furthermore, he has a functional reporting line to the CEO.

The Corporate Secretary shall be subordinated to the Chairman of the Board of Directors in his capacity as Secretary to the Board of Directors and its committees. He shall support and advise the Chairman of the Board of Directors in any matters as required.

Special responsibilities

Composition of the Board of Directors and the Executive Board

The Chairman shall ensure an appropriate constitution of the Board of Directors and Executive Board. He shall initiate nominations and resignations from office of members if required after consultation with his fellow board members respectively the CEO.

Meetings of the Board of Directors

The Chairman shall prepare and chair the meetings of the Board of Directors. He shall define agenda topics and prepare applications in close cooperation with the CEO. He shall be responsible for due convocation and holding of the meetings and for prompt and appropriate briefing of Board Members as early as possible before a meeting. Further, he shall be responsible for ensuring the implementation of resolutions passed by the Board of Directors. The Chairman shall ensure that the Group's governance, in particular

medium and long-term strategies, policies and organizational structures are regularly discussed and defined in the Board of Directors meetings.

Decision-making

In urgent cases, the Chairman of the Board of Directors has the power to take a decision on his own, which would otherwise fall in the competence of the Board of Directors, provided that a resolution by way of telephone conference is not possible or practicable.

Other members of the Board of Directors shall be immediately notified in writing of any decisions taken in this way by the Chairman of the Board of Directors, and are subject to ratification by the Board of Directors at its next meeting or by way of circular letter.

AGM and Annual Report

The Chairman shall be responsible for the preparation of the Annual Report and convocation of shareholder meetings in close cooperation with the Executive Board. He shall chair the General Meeting of Shareholders; appoint the minutes secretary and the tellers.

Information to Shareholders and to the Public

The Chairman has a duty to ensure that fair information is given to the shareholders and to the public according to the principles of equal treatment. In particular, he should ensure the fulfillment of the company's reporting duties under the Swiss listing rules. In addition, the Chairman suggests to the Board of Directors regulations regarding ad-hoc publicity, avoidance of insider trading (including close-periods) and management transactions.

Media and analyst conferences

The Chairman will jointly with the CEO prepare and may attend media conferences and if required, also analyst (phone) conferences.

Extraordinary Events

Should extraordinary events occur, it will be the Chairman's duty to immediately take necessary action after consultation with the CEO. He will immediately inform his fellow Board members and seek approval for his action program.

2.5 Executive Board (EB)

2.5.1 The Executive Board as a forum

Membership and subordination

The Executive Board shall consist of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Commercial Officer (CCO), Chief Human Resources Officer (CHRO), the Chief Information Officer (CIO) and the Corporate Secretary / Chief Legal Officer (CLO), representing all groups' key functions, thus underlining global process ownership with full accountability for the respective results in their functions.

Decision-making

The CEO shall at all times ensure that decisions are driven from business needs and that operational and strategic group management is aligned. The CEO shall convene Executive Board meetings as often as business requires, however in principle at least on a monthly basis. The Executive Board shall constitute a quorum in the presence of the CEO and three members.

In the absence of the CEO, resolutions passed by the Executive Board shall require subsequent endorsement by the CEO. If the CEO is absent for a lengthy period, the endorsement of such resolutions by the Chairman of the Board of Directors shall be required.

Resolutions of the Executive Board will be passed by the CEO, taking into account the recommendations and opinions of the other Executive Board members. Opposing Executive Board members shall have the right to escalate any decisions to the Chairman of the Board of Directors.

Tasks

In the context of Group management, the Executive Board shall have the particular tasks of:

Strategy and Management:

Developing, implementing and communicating Group strategies; supporting and executing M&A activities, overall Group management including definition of leadership and governance mechanisms; ensuring appropriate risk management, definition of compliance standards, Public relations, appointing agents and other strategic partners where appropriate.

Finance:

The functional leadership, group- and country financial target setting, group income and liquidity monitoring, corporate accounting, controlling, tax management and treasury, strategic finance & balance sheet management, definition of corporate standards and policies, investment planning, internal control systems, and Investor Relations.

Products:

The functional leadership, product/service definition, definition of standards (incl. processes, systems and governance), ensuring adequate central procurement, capacity administration and core carrier management, development of tradelane and Industry Vertical strategies, definition of security standards, risk mitigation and business continuity planning, definition of management tools.

Sales:

The functional leadership, global key account management, lead for tenders of corporate- and strategic key accounts, sales pipeline management, marketing, development of standards for operations improvement and process management and ISO certifications.

IT:

The functional leadership, definition of IT strategy, infrastructure master planning and core applications, ensuring IT operations, systems- and data centers, IT governance, incl. security and contingency.

HR:

The functional leadership including development of corporate remuneration and benefit structures, training- and development and related systems support, key management succession planning and managing performance processes including respective KPI's, talent development, expat programs, aligning group's incentive programs to mid- and long term group strategies.

Legal:

The functional leadership; ensuring adequate structures and processes in legal and insurance services to mitigate identified business risks.

In order to ensure achievement of the aforementioned tasks and the global implementation of the respective actions, the Executive Board is supported by the Executive Committee.

The Executive Committee's functions and responsibilities are outlined under item 2.6.

The Executive Board shall also have the following tasks:

Credits to Group companies

To decide on the granting of credits by the Holding Company or a subsidiary to other Group companies.

Credits to third parties

To decide on the granting of credits by the Holding Company or a subsidiary to agents and customers.

Guarantees and letters of awareness

To decide on acceptance of guarantee obligations and the issue of guarantees and letters of awareness by the Holding Company.

Investments and disinvestments

To decide on all investments within the approved annual investment budget.

To decide on any additional investments and disinvestments in the Group within its routine operating business.

3-year financial plan / annual budget and annual financial statements

It is the responsibility of the Executive Board to:

- decide on the budgeting system and procedure in the Group;
- formulate the Group's three year plan, the corresponding annual budget for referral to the Board of Directors;
- approve the budgets of Group companies and commercial delegations;
- compile the corresponding annual financial statements;
- determine the distribution of profits.

General reporting

The Executive Board, in accordance with their respective powers and responsibilities, shall inform members of the Board of Directors, respectively its Committees, concerning business progress and success in all significant areas of the Group.

The information which the Executive Board is thus bound to provide shall include, in particular:

- Structural changes to the organization;
- Remuneration and incentive scheme concept;
- Appointments and dismissals of key management staff in the Group and successor planning in key managerial positions;
- Remuneration and benefit schemes including key management share based incentive programs;
- Significant developments in the staff pension schemes;
- Principles of IT development;
- Lawsuits and claims with group-wide implications, ;
- Significant changes affecting key accounts;
- Major developments at competing companies;
- Significant developments in investor relations respectively in dealings with the boards of the Swiss Exchange (SIX);
- Announcements to be made to the SIX under ad-hoc publicity requirements;
- Principles of public relations and advertising campaigns;
- Other exceptional events.

Financial reporting

Concerning the Holding Company, the Executive Board shall submit the following to the Board of Directors for approval:

- Annual financial statements;
- Auditors' reports and notes by the Executive Board;
- Annual report;
- A report of contingent liabilities.

Concerning the Group, the Executive Board shall submit the following to the Board of Directors for approval:

- Three year Strategic Financial Plan, including planning priorities and action plans.
- Annual and interim Group consolidated financial statements and Group Auditors' annual reports with notes (including report on interim audit results);
- Annual operational- and investment budgets;
- on a quarterly basis condensed consolidated interim financial statements including key developments, income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and explanatory notes, IR presentation and media release and description of FX impact;
- Monthly financial updates on the current course of business (monthly MIS reports), the Group's consolidated monthly and year-to-date income statements, including deviation to budget and preceding year, regional- and product income statements, functional costs-/FTE development, financial position, statements on cash flows, net working capital development and trade DSO/DPO, monthly respectively year-to-date results including deviations.

2.5.2 Chief Executive Officer (CEO)

The Group CEO sets the business and corporate agenda, ensures high quality and timely decision-making and controls the implementation of decisions made. He is responsible for the EB fulfilling its tasks and assuming its responsibilities. The Group CEO ensures alignment of the individual EB members to the business and corporate agenda. He supports and advises management on all organizational levels and fosters an integrated entrepreneurial leadership spirit across the Group. The Group CEO assumes a leading role in preparing the Board's consideration of Panalpina's strategy, business risk and compensation principles.

Together with the Chairman, he has the responsibility for Panalpina's reputation. He represents Panalpina in coordination with the Chairman, in contacts with important investors, customers and other stakeholders, as well as to the general public.

The Group CEO has an all-encompassing right to information about and examination of all matters handled in the business. He has the power to overrule any decisions made by any management body.

Main responsibilities include:

- Developing the Group's strategy and business plans;
- Ensuring close alignment of operative and strategic management;
- Ensuring continuous optimization of organizational structures;
- Managing fellow Executive Board members, Regional CEO's and Group Product Heads in particular ensuring strategy implementation;
- Setting targets and objectives (KPI's) for the Regions;
- Developing and implementing Group strategies for the Air, Ocean, Logistics and Energy and Project Solutions products.
- Managing and developing the Air and Ocean products, covering:
 - Product and service definition
 - Tradelane strategy
 - Tradelane management
- Procurement and capacity administration;
- Definition of standards, incl. processes, systems and Governance;

- Pricing standards, rate and tariff management;
- Steering own controlled network (Air and LCL);
- Definition of Order- and Freight management products;
- Gross Profit, volume and EBIT contribution;
- Managing and developing the Logistics products, covering:
 - Product and service definition
 - Definition of standards, incl. processes, systems and governance;
 - Pricing standards, rate and contract management;
 - Gross Profit and EBIT contribution.
- Managing strategic Group projects, M&A activities and representation of the interests of the Executive Board towards important business partners and industrial forums;
- Taking decisions on the formation of group subsidiaries and the acquisition-, sale-, pledging or liquidation of Group equity interests;
- Approving operational Joint Venture- and cooperation agreements;
- Ensuring the establishment and continued development of appropriate ethics and compliance policies, organization and procedures and its approval by the Board of Directors, including an appropriate system of internal accounting controls, policies and procedures;
- Ensuring Management Development, in consultation with fellow EB members, including the nomination of Regional CEO's, Global Product Heads for Air/Ocean/Logistics/Energy and Project Solutions and the group's Managing Directors;
- Promoting Panalpina and its Group strategy and market position to customers, investors, employees and the public;
- Providing public relations work in the Group, as well as effective external and internal communications;
- Reporting to the Chairman of the Board of Directors and the Board of Directors on the course of business, planning, exceptional business events and the Group's financial position;
- Convening meetings of the Executive Board and the Executive Committee (ExCom);

- Establishing budgets for submission to the Board of Directors;
- Submitting the Groups Financial Statements as well as the Annual Report to the Board of Directors for approval and subsequent presentation to the Shareholders;
- Implementing decisions taken by the Board of Directors;
- Overseeing the preparation of supporting documents for decisions, which are to be made by the Board of Directors;
- Agent Relations (set-up, contracting)

The CEO has direct responsibility for:

- Fellow Executive Board members
- Regional CEO's
- Global Heads of Product (Air/Ocean/ Logistics/Energy and Project Solutions)
- Corporate Development, incl. Strategic M&A, Project Management, and Agent Relations
- Corporate Communications and Marketing

2.5.3 Chief Financial Officer (CFO)

The CFO is responsible for transparency in, and assessment of, the financial performance of the Panalpina Group, for the Group's financial-reporting, forecasting, planning and controlling processes and for providing advice on financial aspects of strategic projects and transactions. He has management responsibility over the regional and the financial control functions. He is responsible for the management and control of the Group's tax affairs and for treasury and capital management, including management and control of funding and liquidity risk.

After consultation with the ARCC, he makes proposals to the Board regarding the standards for accounting and defines the standards for financial reporting and disclosure.

The CFO coordinates, under the supervision of the ARCC, the working relationships with the external auditors.

The CFO responsibilities include:

- Global process ownership of Finance and Controlling;
- Monitoring the cost development within the Group and the initiation of corresponding cost containment / cost reduction measures;
- Monitoring the development of Group income and liquidity;
- Establishing financial planning and financing for the Group companies;

- Establishing an investment plan;
- Establishing Group policies on debtors and creditors, hedging and tax;
- Establishing an applicable accounting policy according to the guidelines of the Board of Directors (IFRS principles);
- Establishing guidelines for the Group's financial management (Reporting and Accounting Manual) and monitoring their application
- Ensuring financial controlling in all companies and establishing Group Controlling reports for the Executive Board and the Board of Directors;
- Implementing the assigned initiatives approved by the Executive Board;
- Establishing and maintaining appropriate management information systems;
- Developing and implementing the Internal Control System (ICS);
- Fostering the establishment of centralized and shared service centers for finance related functions;
- Assisting and contributing to the establishment of centralized and shared service centers in other functions to increase productivity and efficiency of services;
- Assisting the Executive Board with matters relating to financial management;
- Managing and controlling Group companies in the financial field and referrals to the Executive Board;
- Managing of Investor Relations by ensuring professional and systematic care of investors, analysts and financial media;
- Having a functional responsibility for Corporate Audit.

The CFO has direct responsibility for:

- Corporate Financial Accounting and Reporting
- Corporate Tax Management
- Corporate Treasury
- Corporate Controlling
- Corporate Finance Shared Service Center Operations
- Corporate Investor Relations
- Headquarter Finance and Controlling
- Corporate Indirect Purchasing
- Corporate Strategic Finance and Projects

2.5.4 Chief Commercial Officer (CCO)

The Chief Commercial Officer shall be responsible for the following:

- Developing and implementing Group strategies in Marketing & Sales, Quality and Operational Transformation (OTP);
- Managing and developing the Sales function, covering:
 - Definition and implementation of Industry Vertical strategies
 - Definition and implementation of Sales channels and Customer segmentation
 - Global Key Account management, including lead in major tenders
 - Definition of standards, incl. processes, systems and governance
 - Implementation of CRM tool, including pipeline management
- Managing and developing the Quality and Operational Transformation function, covering:
 - ISO 9001, 14001 and 18001 certification
 - Implementation of Quality, Health Safety and Environment (QHSE) standards and processes
 - Definition of security standards, risk mitigation and business continuity planning
 - Driving Operational Transformation Program, including implementation of SAP TM
- Managing and developing staff with focus on training and succession planning.

The CCO has direct responsibility for:

- Corporate Sales
- Corporate Security
- Corporate QHSE
- Corporate Operations Transformation

2.5.5 Chief Human Resources Officer (CHRO)

The CHRO shall be responsible for the following:

- Having global process ownership of Human Resources;
- Establishing group staff policies and ensuring group wide compensation & benefits, contract structures and performance measurement (KPIs) for management positions;
- Establishing and implementing processes in order to attract, manage and deploy required talent, including succession planning, training and development and identification of management resources and talent and hence securing a sustainable leadership pipeline;
- Implementing the assigned initiatives approved by the Executive Board and /or the Compensation and Nomination Committee;
- Supporting a high performance organization and workforce with appropriate HR tools;
- Developing leadership and collaboration competence throughout the group;
- Developing and administering group's Management Incentive Plans and other appropriate incentive schemes which are geared to the group's mid- and long-term strategic development;
- Optimizing HR processes, service delivery and resources;
- Fostering the establishment of centralized and shared service centers on all levels to increase productivity and efficiency of services;
- Establishing and implementing expat policies and related employment terms;
- Coordinating executive nominations;
- Establishing policies related to staff pension schemes;
- Managing personnel and internal concerns of PAC.

The Chief HR Officer has direct responsibility for:

- Corporate HR Processes, Projects & Systems
- Corporate Compensation & Benefits
- Corporate HR Business Partners
- Corporate Learning & Development

2.5.6 Chief Information Officer (CIO)

The CIO shall be responsible for the following:

- Having global leadership and process ownership of IT, in particular including IT strategy, responsibility for IT systems and processes, setting standards and policies, ensuring delivery of key IT projects and actively promoting IT applications with customers;
- Establishing a group-wide IT organization and ensuring its optimum alignment with the group's business functions;

The CIO has direct responsibility for:

- IT governance across the Group;
- IT financial management;
- IT procurement;
- Defining and implementing the Corporate Information Security policy;
- Defining the strategic IT architecture;
- Defining the data architecture and management standards across the Group;
- Delivering the core IT systems, both transactional and informational;
- Creating the standard customer visibility and integration tools;
- Ensuring the right IT team and capabilities are established across the Group;
- Delivering high quality, cost effective services to all Group entities to agreed service levels;
- Designing and delivering the Group IT infrastructure;
- Defining Corporate IT standards and policies;
- Having a functional responsibility for Regional Business Solutions;
- Implementing assigned initiatives approved by the EB;
- Manage and monitor the EB defined portfolio of strategic projects.

The Chief Information Officer has direct responsibility for:

- Group IT Governance
- IT Service Delivery
- Customer Facing Systems
- Productivity Systems
- Core Systems

2.5.8 Corporate Secretary / Chief Legal Officer (CLO)

The Corporate Secretary shall be responsible for the following:

- Having global process ownership of Legal and Insurance;
- Counseling the Chairman of the Board of Directors and EB members on legal matters;
- Managing administration for the Board of Directors meetings, Audit, Risk & Compliance Committee and the Compensation and Nomination Committee meetings as well as Executive Board Meetings, other management meetings and Annual General Meetings.;
- Supporting group projects such as M&A transactions, strategic alliances;
- Ensuring adequate structures and processes in legal and insurance to mitigate identified business risks;
- Fostering the establishment of centralized and shared service centers on all levels to increase productivity and efficiency of services;
- Managing a continuous global risk mapping program in close cooperation with the CEO for further review and approval by the Audit, Risk & Compliance Committee and notification to the Board of Directors;
- Managing significant lawsuits and other legal proceedings with group-wide implications;
- Keeping the share register for the Holding company;
- Ensuring compliance with Swiss listing rules, in particular:
 - Arranging ad hoc publicity announcements on any price sensitive facts subject to prior consultation with the CEO and Chairman of the Board of Directors;
 - Filing reports with the Swiss Stock exchange (SIX);
 - Notifying the Swiss Stock Exchange on shareholdings (notable percentages) and notable management transactions.

- Administrating of the group's company records
- Managing and administrating global trademark registration.
- Chairing the Swiss Pension Fund, arranging meetings of the Board of Trustees and monitoring activities of the pension fund management.

The Corporate Secretary has direct responsibility for:

- Legal Services on Corporate and Regional level
- Claims & Insurance Management
- Monitoring the management of the Swiss Pension Fund.

2.6 Executive Committee (ExCom)

The ExCom, consisting of the members of the Executive Board, the Regional CEO's, the Global Heads of Air/Ocean/Logistics, Energy and Project Solutions and Communications and Marketing, is a management and sounding body which convenes on a quarterly basis. Its activities are primarily focused on the review of the core business, and products and the progress of group strategy implementation in the respective regions.

Resolutions of the ExCom will be passed by the CEO, taking into account the recommendations and opinions of the other ExCom members.

2.7 Regional CEO's

The RCEO's shall be nominated by the Group CEO after consultation with fellow EB members.

RCEO's main competencies are focused on regional implementation of the group strategy geared at driving the group's growth and people management. RCEO's voice their countries' concerns in the ExCom.

Their responsibilities in particular cover:

Strategy implementation and execution

- Developing Regional and Country strategic action plans (jointly with Corporate Development);
- Supporting Country Managing Directors in their strategic initiatives and action plans, acting as a sparring partner and ensuring implementation;
- Participating in the Countries' financial planning and target setting;

- Ensuring alignment of Country plans/targets with global functions and other regions.

Driving country growth

- Aligning regional teams.
- Ensuring the execution of sales excellence programs, active engagement with identified key- and target customers and key agents in their Regions.
- Driving pipeline management.
- Participation IV strategy execution and IV management.
- Drive growth of Supply Chain Solutions and value added services
- Tradelane development and tradelane management
- Implementing niche IV's and order- and freight management products (ocean).

Driving profitability improvement initiatives

- Driving productivity improvements related to all functions.
- Driving projects to realize synergies.

People management and development

- Managing Corporate Functions (Head of Finance, Product Air, Ocean, Logistics, Energy and Project Solutions, M&S, QHSE, HR, and occasionally appointed Heads of IT and Legal) in dual reporting line including target setting.
- Ensuring appropriate staffing for key positions in order to reach targets including remuneration in line with Corporate HR grading and aligned with Corporate Functions.
- Ensuring succession planning and securing talent pipeline.
- Managing regional projects, in particular M&A implementation, identified trade lane and product specific projects.

All Country-/ District MD's report into the RCEO. The RCEO's span of control extends to all regional functions incl. Finance, Products (Air/Ocean/Logistics/Energy and Project Solutions), Sales, HR, Legal, IT, Global Business Services and Strategic Development.

2.8 Managing Directors

The **Managing Directors** shall be appointed by the Group CEO after consultation with the Regional CEO and fellow EB members. Depending on the size of a specific country, the span of control may extend to a cluster of countries. As a principle, a Managing Director simultaneously assumes the function of representative of the legal entity or entities in his or her respective area of responsibility.

The Managing Director is responsible for:

Financial issues

- providing financial results according to budgets and targets defined by the Executive Board;
- submitting the financial results to the Executive Board for approval;
- reporting on the course of business and financial status to the Regional CEO, , including activities in the fields of accounting, financial controlling and strategic planning;
- reporting to the Regional CEO any incidents (including potential misconduct of staff) which may have a financial impact on the company;
- preparing the annual budget, including the investment program, together with detailed documentation according to the instructions issued by Corporate Controlling and submitting it to the Regional CEO and subsequently to the Executive Board;
- preparing the annual business plan and (3-month) Rolling Forecasts submitting it to the Regional CEO and subsequently to the Executive Board;
- supporting continuous optimization of payables and receivables management;
- implementing the Internal Control System (ICS);
- controlling costs.

Operations, organizational and process-related issues

- managing in dual reporting line with the respective Function the Country direct reports (Head of Finance, Product Air, Ocean, Logistics, Energy and Project Solutions, M&S, Quality, HR and occasionally appointed Heads of , IT and Legal).

- ensuring Management Development, including the nomination and submission for Regional CEO and Function approval of all members of the Country Management Team;
- establishing, supervising and optimizing of Country and Business Unit organizational structures;
- setting targets and objectives (KPI's) for the Country Team and the Business Units within the Country(ies) according to regional instructions and Standards;
- implementing decisions taken and instructions provided by members of the Executive Board or the Regional CEO;
- overseeing the preparation of supporting documents for decisions to be taken by the Regional CEO and/ or the Executive Board;
- defining and implementing, for local issues, efficient security policies, standards and operational guidelines;
- setting up and maintaining of the IMS;
- implementing all processes in the Integrated Management System (IMS) according to corporate guidance;
- driving the standardization of processes, structures, and systems according to Corporate decisions;
- setting-up and operating internal service providers, shared service and competence centers on the highest possible level;
- implementing Health, Safety & Environment (HSE) programs;
- providing adequate global process engineering (including process support, quality assurance and operational audit);
- managing relations with agents in accordance with global Agent policies;
- driving ongoing control and optimization of operational data quality.

Product issues

- adhering to policies and procedures for preferred and core carriers defined by Global Product;
- implementing business and trade lane initiatives in accordance with Executive Board growth strategies;

- developing and guiding subcontractor management and carrier service and performance quality;
- implementing NVOCC processes and policies.

Sales issues

- developing business according to defined growth targets and increasing market share in identified fields of growth, trade lanes and key industry verticals;
- providing market information (short and mid-term planning) to procurement, thus ensuring efficient management and steering of growth initiatives and related capacity planning;
- developing and expanding customer relationships;
- implementing sales group strategies including initiatives for sales training and incentive programs and product innovation;
- developing of sales and expert capabilities in the group's strategic industry verticals;
- establishing processes, guidelines and supporting tools to develop SME sales;
- initiating risk management processes including assessment and authorization of major customer agreements in line with group policies;
- optimizing accounts receivable management, in particular, negotiating the best credit terms and supporting collection efforts;
- ensuring implementation of processes and standards regarding customer relationship management (CRM).

Human Resources issues

- continually managing staff development, including establishing and implementing processes in order to attract, manage and deploy required talent;
- continuous succession planning, training and development and identification of management resources and potential;
- coordination of succession planning and development of direct reports with the Regional CEO and the respective ExCom member responsible for the global process;
- implementing Corporate expat policies and related employment terms;

Legal issues

- ensuring adequate measures, structures and processes in the Area to mitigate identified and potential risks;
- ensuring compliance with the Panalpina Code of Conduct and the Ethics and Compliance policies;
- ensuring compliance with all Corporate policies and guidelines, such as all standards and guidelines on IMS, including but not limited to the Scope of Competence and Signing Powers policy, the reporting and accounting manual and the contract review and claims handling processes;
- arranging the required compulsory local insurance cover;
- implementing local insurance policies in accordance with Corporate Insurance Management guidelines relating to Panalpina's International Insurance programs;
- requesting prior written approval from the Corporate Secretary before taking office as a member of a company's board of directors;
- informing himself/herself about all applicable local and international laws, regulations and legal obligations, and ensuring compliance;
- reporting to the Corporate Secretary any extraordinary incidents (or indication resulting in potential incidents) which may give rise to legal action.

A detailed listing of duties and decision can be found in the Panalpina responsibilities in Annex B.

3. Procedural principles for the convening of meetings

3.1 Meetings of the Board of Directors

A schedule of meeting dates shall be compiled for each calendar year. As a rule, the Board of Directors shall meet a minimum of four times each year.

Board documentation

Every transaction shall be documented in writing except those of minor importance, those where the facts of the matter are clearly apparent or those which, by their nature, are normally only conducted verbally. Such documentation shall form part of the minutes of the meeting. The documentation shall include clearly worded motions for decisions to be taken. If a transaction is insufficiently documented or the documentation was sent too late, it may be decided not to proceed with the transaction, or to postpone it.

Resolutions by circular and telephone conference

Resolutions taken by circular or telephone conference shall be approved in the minutes of the following meeting.

Minutes

The minutes shall in principle be kept as a record of proceedings. In addition to reflect the sequence of business, the minutes and accompanying documentation shall serve to give a fair picture of the progress of the Group's business.

The documentation relevant to the minutes shall be attached to the original minutes.

A list of all outstanding matters from current and past meetings shall be annexed to the minutes. This list will define who is responsible for taking action, and by when. Minutes shall be signed by the Chairman and the minutes secretary.

Reporting

In principle the establishment of the respective documentation shall be a matter for the Executive Board.

When budgets and accounts are submitted, the trend over at least 3 years shall be presented with comments.

3.2 Other Management Meetings

The procedural rules established for meetings of the Board of Directors shall apply as appropriate to the monthly meetings of the Executive Board, the quarterly meetings of the Executive Committee and the monthly meetings of the Regional- and Country Management.

4. Further provisions

4.1 Withdrawal

Persons performing functions on organs of the Group shall be forced to withdraw if they are involved in business which is dealt with and which affects their own interests or the interests of natural or legal persons associated with them.

4.2 Secrecy and return of documents

Persons performing functions on organs of the Group shall maintain secrecy towards third parties about matters which come to their knowledge during the performance of their duties. Such secrecy obligation remains effective after termination of performance of the respective function. Business documents shall be returned no later than on leaving the Group.

4.3 Age limit

Regardless of any remaining term of office or period of election:

- Members of the Board of Directors of the Holding Company shall retire at the ordinary general meeting in the year of their 72nd birthday;
- All other persons performing functions on organs of the Group shall retire on reaching pensionable age as per the terms of the applicable contract of employment.

5. Amendments to the Regulations

These Regulations shall be amended periodically and at least every three years in accordance with changed circumstances.

Annex A: Organizational chart

Annex B: Panalpina Approval Matrix