



**SWISS WATER DECAFFEINATED COFFEE INC.**

**Notice of Annual General and Special Meeting of Shareholders  
May 9, 2022  
Management Information Circular**

Dated  
March 30, 2022

## MESSAGE FROM DIRECTORS



Swiss Water's headquarters and production facility in Delta, BC

Dear Fellow Shareholders,

On behalf of Swiss Water Decaffeinated Coffee Inc., we are pleased to present our 2021 annual report and proxy materials for our upcoming Annual General and Special Meeting of Shareholders on May 9, 2022.

2021 was an exceptional year for the Company. Despite challenges caused by COVID-19, supply chain interruptions, and even Mother Nature (floods in Vancouver that impacted transportation) we set records for revenue, processing volume and Adjusted EBITDA. We continue to make significant progress in many critical areas and are well positioned to serve the increasing world-wide demand for clean, chemical-free decaffeinated coffees. The measures we have taken set the Company up well for increasing volumes and cash generation in the future. The following are some of the key events from the previous year:

- Achieved record revenue of \$125 million -- surpassing \$100 million for the first time in history -- and record Adjusted EBITDA;
- Coffee processing volumes also set a record, with a double digit growth reported for the year;
- Our new state-of-the-art processing plant in Delta is operating 24/7, producing high quality decaffeinated coffee;
- We renegotiated our \$15.0 mil convertible loan into a debenture with warrants with extended payment terms, and successfully negotiated a low-cost loan for \$25.0 million to finance our second production line in Delta, BC;
- We commenced the construction of our second production line in Delta, BC;
- We expanded on relationships with our existing customers and set the groundwork for attracting important new customers, which is seeing results in 2022;
- We welcomed two new directors, contributing new talent to guide us through growth and expansion;
- The cost restructuring plan that we initiated last year is contributing to improved operating cost efficiencies;
- The Board, with assistance from outside professional compensation advisors, reviewed our compensation philosophy for Company executives, and approved a new approach that ties the total compensation of key executives to performance metrics that more closely align with the interests of shareholders;

At our upcoming meeting, we are asking for your support to (1) amend the RSU Plan to allow us to implement the new, performance-based compensation approach for key executives referred to above, and (2) grant the Company the flexibility to issue preferred stock if the Board determines that such action would be an effective component of the Company's capital structure.

Thank you for your continued support of the Company.

Delta, British Columbia, Canada

(Signed) "*Frank A. Dennis*"

Frank A. Dennis, Director, CEO and President  
Swiss Water Decaffeinated Coffee Inc.

(Signed) "*Donald J. Tringali*"

Donald J. Tringali, Chairman of the Board  
Swiss Water Decaffeinated Coffee Inc.

# NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

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## You are invited to the Annual General and Special Meeting of Shareholders of Swiss Water Decaffeinated Coffee Inc.



<b>Date</b>	Monday, May 9, 2022 at 2:00 p.m. (PDT)	
<b>Teleconference (Listen only)</b>	Canada/USA (toll-free)	+1-800-319-4610
	International (toll)	+1-604-638-5340
	Interested parties should dial in 5 to 10 minutes prior to the scheduled start time and ask to join the Swiss Water call.	
<b>Pre-registration (Participants)</b>	Registered Shareholders and Proxyholders wishing to participate fully and vote during the meeting must pre-register at least 48 hours prior to the Meeting by clicking: <a href="https://services.choruscall.ca/DiamondPassRegistration/register?confirmationNumber=10018470&amp;linkSecurityString=17bc924680">https://services.choruscall.ca/DiamondPassRegistration/register?confirmationNumber=10018470&amp;linkSecurityString=17bc924680</a>	

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In this Notice, *we, us, our, Swiss Water* and *Company* refer to Swiss Water Decaffeinated Coffee Inc. and all entities controlled by it unless otherwise specified. You and your, refer to Swiss Water's Registered Shareholders and duly appointed Proxyholders. *Meeting* and *Teleconference Meeting* refer to Swiss Water's Annual General and Special Meeting of Shareholders.

An electronic version of this Notice of Meeting and Management Information Circular is also available on [www.sedar.com](http://www.sedar.com) and our website <https://investor.swisswater.com/>.

### Business of the Meeting

1. To place before the Meeting the report of the Directors, the financial statements of the Company for the year ended December 31, 2021, and the Independent Auditor's Report thereon;
2. To elect the Directors who will serve until the next Annual General Meeting of Shareholders;
3. To appoint PricewaterhouseCoopers LLP as Auditors of the Company for the ensuing year and authorize the Directors to fix their remuneration;
4. To consider and, if thought advisable, to pass an ordinary resolution approving amendments to the Company's 2011 Restricted Share Unit Plan as amended in 2019 (the "RSU Plan"), including that the number of Common Shares of the Company that may be authorized to be issued under the RSU Plan, as more particularly described in the Information Circular, be increased from 815,509 to a maximum of 1,115,509, being 12.2% of the total current issued and outstanding Common Shares;
5. To approve a special resolution set out in Appendix B-1 to the Company's Management Information Circular to alter the Articles of Amalgamation of the Company to create Class A Preferred Shares and Class B Preferred Shares.
6. To transact such other business as may properly come before the Meeting.

# NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

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## Teleconference Meeting

Our Shareholders and guests **will be able to access the Meeting by telephone only**. This year, Shareholders and guests will not be able to attend the Meeting in person.

Only Registered Shareholders and Proxyholders who have pre-registered before the deadline will be permitted to vote and participate/ask questions during the Teleconference Meeting. To pre-register for the Meeting, Registered Shareholders and Proxyholders should follow the link above. **Shareholders are strongly encouraged to submit votes early, before the Meeting, by using their Form of Proxy**. Guests and individuals who do not pre-register are welcome to dial in on the listen-only teleconference numbers provided above and will not be able to participate/ask questions during the Meeting.

## Who Can Vote

You have the right to vote at our Meeting if you are a Shareholder. The manner in which you can vote your Swiss Water's shares depends on whether: (i) your shares are held in your name or where you hold certificates or Direct Registration DRS in your name ("*Registered Shareholder*"); or (ii) your shares are held in the name of an intermediary such as a bank, trust company, securities broker or other intermediary ("*Beneficial Shareholder*"). You can also authorize another person (a "*Proxyholder*") to vote at the Meeting on your behalf. You are entitled to vote if you were a Registered Shareholder by the **close of business at 2:00 p.m. Pacific Daylight Time (5:00 p.m. Eastern Time) on Tuesday, March 29, 2022, which is the Record Date**, for determining Shareholders who are entitled to attend and vote. As a Swiss Water Shareholder, it is important that you read the accompanying Management Information Circular carefully.

## How to Vote

You can vote in advance of the Meeting by Form of Proxy, or you can vote over the phone, refer to the Management Information Circular under "*How to vote in advance of the meeting*" and "*How to vote at the meeting*".

## Voting in Advance of the Meeting is strongly encouraged by using the Form of Proxy

If you are a Registered Shareholder, complete the enclosed Proxy Form, then date, sign, and deliver it (via mail or courier) to the Company's Transfer Agent addressed to c/o Proxy Department, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Canada. Proxy Forms must be delivered, by no later than **2:00 p.m. Pacific Daylight Time (5:00 p.m. Eastern Time) on Thursday, May 5, 2022 ("*Deadline*")**. Advance voting is also available using the telephone by calling, toll free, 1-866-732-8683; or via the internet by going to the website [www.investorvote.com](http://www.investorvote.com) prior to the Deadline. You will need your Shareholders' unique 15-digit control number that is listed on the Form of Proxy.

If you are a Beneficial Shareholder, complete the enclosed voting instruction form provided by your intermediary and return it in accordance with the instructions contained in the voting instruction form. Voting instruction forms generally should be submitted one day prior to the Deadline.

## Voting at the Meeting

Registered Shareholders and duly appointed Proxyholders may participate at the Meeting via a live teleconference. Specifically, Registered Shareholders and duly appointed Proxyholders who have properly pre-registered to participate in the Meeting, will have the opportunity to speak during the Meeting and participate in telephone voting. If a Shareholder who has already voted chooses to cast their vote again, it overrides the votes they previously submitted.

## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

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The online **pre-registration link** is above and must be completed prior to the proxy cut-off time of **2:00 p.m. Pacific Daylight Time (5:00 p.m. Eastern Time) on Thursday, May 5, 2022**, which is at least 48 hours prior to the Meeting.

After pre-registration has been completed, pre-registered Registered Shareholders and duly appointed Proxyholders will see on screen a **unique PIN they have been assigned and dial-in phone numbers they will use to join the conference call**. These details will also be sent by email in the form of a calendar booking. It is recommended that you attempt to connect at least ten minutes prior to the scheduled start time of the Meeting.

All other Shareholders and stakeholders wishing to attend the Meeting by teleconference, but not ask questions, may dial the phone numbers provided at the top of page 1, approximately five minutes prior to the commencement of the Meeting and ask the operator to join the Swiss Water Decaffeinated Coffee Inc. Annual General and Special Meeting of Shareholders.

### Questions?

Accompanying this Notice of Meeting is our Management Information Circular, where you can find more information on how to vote with your Shares in the Company. **Please read the accompanying materials carefully, as there may be additional steps to follow due to the nature of the Meeting being held as a live teleconference.**

Shareholders are encouraged to email their questions early. To submit your questions ahead of the Meeting please email them to [investor-relations@swisswater.com](mailto:investor-relations@swisswater.com).

For further information and updates on Swiss Water, please visit <https://investor.swisswater.com/financial-information/>

**On behalf of the Board of Directors,**

(Signed) *“Frank Dennis”*

Frank A. Dennis  
President & Chief Executive Officer  
Swiss Water Decaffeinated Coffee Inc.

# SWISS WATER DECAFFEINATED COFFEE INC.

## 2022 Management Information Circular

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### MANAGEMENT INFORMATION CIRCULAR

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This Information Circular is provided in connection with the solicitation of proxies on behalf of the Directors of **SWISS WATER DECAFFEINATED COFFEE INC.** (“**Swiss Water**” or the “**Company**”). Information contained in this Circular is for the use at the Annual General and Special Meeting (“**the Meeting**”) of its Shareholders to be held on **Monday, May 9, 2022, at 2:00 p.m. Pacific Daylight Time (5:00 p.m. Eastern Time)**, and at any adjournment thereof, at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

### PERSONS OR COMPANIES MAKING THE SOLICITATION

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This Management Information Circular is provided in connection with the solicitation of proxies on behalf of the Directors by the management of Swiss Water. The cost of the solicitation has been and will be borne by the Company. Information contained in this Circular is dated as at March 30, 2022, except where otherwise noted. All figures are in Canadian Dollars unless stated otherwise.

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# SWISS WATER DECAFFEINATED COFFEE INC.

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### ABOUT SWISS WATER

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Swiss Water Decaffeinated Coffee Inc. (“Swiss Water” or the “Company”), is a company amalgamated under the *Canada Business Corporations Act* and its common shares (the “Common Shares” and each, a “Common Share” or the “Shares” and each, a “Share”) are listed on the Toronto Stock Exchange (the “TSX”) under the symbol “SWP”. The Company’s principal office is located at 7750 Beedie Way, Delta, British Columbia, V4G 0A5, Canada.

Swiss Water is a result of an amalgamation, which occurred on September 28, 2018, between Ten Peaks Coffee Company Inc. (“Ten Peaks”) and its 100% owned subsidiary, Swiss Water Decaffeinated Coffee Company Inc. (“SWDCC”). At the time of the amalgamation, the Company’s symbol on the TSX was changed from TPK to SWP.

Ten Peaks resulted from a reorganization (the “Reorganization”) effective January 1, 2011, pursuant to a plan of arrangement (the “Arrangement”) involving, among others, Ten Peaks, Swiss Water Decaffeinated Coffee Income Fund (“the Fund”) and SWDCC.

Information herein with respect to Swiss Water includes information in respect of the Fund prior to completion of the Reorganization and Arrangement to the extent applicable unless the context otherwise requires. In addition, references to “common shares” and “shares” should be read as references to “units” and references to “director” should be read as references to “trustee” for periods prior to January 1, 2011.

### MEETING DATE AND ACCESS

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#### Date and Time of the Meeting

Swiss Water’s Annual General and Special Meeting of Shareholders (the “**Meeting**”) is a virtual meeting, in a form of a **live audio teleconference only**. The Meeting is on **Monday, May 9, 2022, at 2:00 p.m. Pacific Daylight Time (5:00 p.m. Eastern Time)** and is for the purposes outlined in the Notice of Meeting. Shareholders and guests will not be able to attend the Meeting in person.

#### How to Access the Virtual Meeting

##### To listen only

To listen only to the Teleconference Meeting, interested parties should dial in 5 to 10 minutes prior to the scheduled start time and ask to join the Swiss Water call.

<b>Teleconference</b>	Canada/USA (toll-free)	+1-800-319-4610
<b>(Listen only)</b>	International (toll)	+1-604-638-5340

##### How to Pre-register to participate and vote

Only Registered Shareholders and Proxyholders will be able to participate/ask questions and/or vote during the live teleconference Meeting. To do so, the Registered Shareholders and Proxyholders wishing to participate fully and vote during the meeting must pre-register at least 48 hours before the Meeting.

**Pre-registration (Participants)** Registered Shareholders and Proxyholders wishing to participate fully and/or vote during the meeting must pre-register before the proxy cut-off time, at 2:00 p.m. Pacific Daylight Time (5:00 p.m. Eastern Time) on Thursday, May 5, 2022, which is at least 48 hours before the Meeting, by clicking:  
<https://services.choruscall.ca/DiamondPassRegistration/register?confirmationNumber=10018470&linkSecurityString=17bc924680>

# SWISS WATER DECAFFEINATED COFFEE INC.

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For support with pre-registration, please contact Chorus Call Canada, via email at [canada@choruscall.com](mailto:canada@choruscall.com) Attention: G. Van Dusen. After pre-registration has been completed, pre-registered Registered Shareholders and duly appointed Proxyholders will see onscreen a **unique PIN they have been assigned and dial-in phone numbers they will use to join the conference call**. These details will also be sent by email in the form of a calendar booking. It is recommended that callers attempt to connect at least ten minutes before the scheduled start time of the Meeting. **Although voting during the meeting is possible, the Board of Directors highly recommends that Shareholders vote early, prior to the meeting, using the Form of Proxy.**

### REVOCABILITY OF PROXIES

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A Shareholder executing and delivering a proxy has the power to revoke it by an instrument in writing signed by the Shareholder giving the same or by his or her attorney authorized in writing and deposited at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, or delivered to the Chair of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner provided by law. A proxy is valid only in respect of the Meeting.

### BUSINESS OF THE MEETING AND MATTERS TO BE ACTED UPON

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The following will be addressed at the meeting:

#### 1. Receiving Annual Financial Statements and the Independent Auditor's Report

Swiss Water's annual consolidated financial statements for the financial year ended December 31, 2021, including the independent auditor's report were sent to Shareholders who requested these materials. They are also available on [www.sedar.com](http://www.sedar.com) and the Company's website <https://investor.swisswater.com/>.

#### 2. Election of Directors

The Board of Directors of the Company (the "Board") is proposing the election of seven Directors and the Board recommends that Shareholders and duly appointed Proxyholders vote **FOR** the election of the following individuals:

Frank A. Dennis	Roland W. Veit	Robert B. Johnston	Nancy L. McKenzie
Anne G. Saunders	Donald J. Tringali	Alan C. Wallace	

#### 3. Appointment of Auditors

The Directors propose to nominate PricewaterhouseCoopers LLP as Auditors of the Company for remuneration to be determined by the Board to hold office until the next Annual General Meeting of the Shareholders. PricewaterhouseCoopers LLP was first appointed as the Auditor in 2017. Details as to the remuneration paid to the Auditors for the fiscal year ended December 31, 2021, can be found in the Company's Annual Information Form for the year ended December 31, 2021, filed on [www.sedar.com](http://www.sedar.com). The Board recommends that Shareholders and Proxyholders vote **FOR** the appointment of PricewaterhouseCoopers LLP.

#### 4. Approval of Amendments to the 2011 Restricted Share Unit Plan, as amended in 2019

The Board of Directors proposes an amendment to the terms of the Company's 2011 RSU Plan as amended in 2019.

# SWISS WATER DECAFFEINATED COFFEE INC.

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### The Proposed Amendment

In June 2011, Shareholders approved the adoption of an RSU Plan and on June 18, 2019 approved an amendment to increase the number of available RSUs in the RSU Plan. The maximum number of Shares available for issue under the Plan is 815,509, being 9% of the issued and outstanding Shares of the Company as at the date when it was approved by Shareholders.

The purpose of the RSU Plan is to promote the Company's interests and long-term success by providing officers, employees and consultants with greater incentive to develop and promote the Company's business and financial success over the longer term, to further align the interest of persons to whom awards may be granted with those of the Shareholders generally through a proprietary ownership interest in the Company, and to assist the Company in attracting, retaining and motivating its officers, employees and consultants. For more information on the RSU Plan, see below under 'Share-based Compensation'.

From the adoption of the RSU Plan until the date of this Circular, a total of 232,629 RSUs, representing 2.5% of the total current issued and outstanding Shares, were granted and after they vested, were exercised into Shares. As at the date of this Circular, 367,999 of RSUs (representing 4.0% of the total current issued and outstanding Shares as at the date of this Circular), have been granted and are in the process of vesting. In order to continue the Company's ability to attract, motivate and retain key personnel and reward them for significant performance, it is proposed that the number of Common Shares available for issuance under the Restricted Share Unit Plan be increased from 815,509 Shares to a maximum of 1,115,509, which is 12.2% of the current issued and outstanding Shares. In the case where Shareholder approval of the Amended RSU Plan is not obtained at the Meeting, the over-granted RSUs will be paid out in cash in the amount valued consistent with other RSUs under the RSU Plan on the date when such RSUs would vest.

The Board has approved the amended RSU Plan (the "Amended RSU Plan"), subject to TSX approval and Shareholder approval by ordinary resolution. A copy of the Amended RSU Plan is attached as **Appendix A** to this Information Circular.

### Board Recommendation and Proposed Resolution

The Board recommends that Shareholders vote for the RSU Plan Amendment resolution. To be effective, the RSU Plan Amendment resolution must be approved by a simple majority of holders of Common Shares present in person, or represented by proxy, at the Meeting. If Shareholder approval of the Amended RSU Plan is not obtained at the Meeting, the RSU Plan will remain unchanged and the Compensation and Corporate Governance Committee (the "Compensation Committee") will need to consider how to ensure that the Company can continue to attract and retain skilled and experienced employees.

The following is the proposed text of the RSU Plan Amendment resolution:

#### **"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the proposed amendments to the RSU Plan described under the heading 'Approval of Amendments to the 2011 Restricted Share Unit Plan as amended in 2019' and substantially in the form attached as Appendix A to the Company's Management Information Circular dated March 30, 2022, are hereby approved;
2. any director or officer is hereby authorized to take all necessary steps and proceedings, and to execute, deliver and file any and all applications, declarations, documents and other instruments, and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this resolution."

### 5. Approval of the Special Resolution set out in Appendix B-1 to the Company's Management Information Circular dated March 30, 2022, to alter the Articles of Amalgamation of the Company to create Class A Preferred Shares and Class B Preferred Shares.

#### Creation of New Classes of Preferred Shares

Shareholders will be asked to consider, and if thought fit, approve a special resolution amending the Articles of Amalgamation of the Company to create two new classes of shares, being Class A Preferred Shares and Class B Preferred Shares. In order for the special resolution to be passed, it must be approved by not less than two-thirds of the votes cast by holders of Common Shares in person or by proxy at the meeting.

The new classes of shares will be issuable in series, which means that the Directors may create and determine the specific rights, privileges, restrictions and conditions to attach to the shares of each series, including the rate, form, entitlement and payment of preferential dividends, the dates and place to payment thereof, the redemption price, terms, procedures and conditions of redemption (if any) and voting rights and conversion rights (if any).

The Directors and management of the Company are of the view that the proposed amendment to the Articles of Amalgamation is in the best interests of the Company for a number of reasons and, therefore, recommend that Shareholders vote **FOR** this resolution.

The creation of these new classes of shares will provide the Directors with additional flexibility to issue equity shares for the purposes of addressing the Company's future financing requirements. As the Preferred Shares are equity securities which may be treated like a category in between debt and equity, they are an attractive financing vehicle in that their issue will not appear on the debt side of the balance sheet of the Company but will appear in the Company's capitalization.

The terms of the shares (including dividend rates, redemption provisions and similar terms) will thus be able to be tailored to meet market terms for such financing requirements.

It is not intended that any new series of Preferred Shares would be listed on the TSX or would give voting rights to holders. However, the creation and issue of any series of Preferred Shares will be subject to the prior approval of the TSX.

#### Dissent Rights

Registered shareholders are entitled to dissent from this special resolution in the manner provided in section 190 of the *Canada Business Corporations Act* (the "**CBCA**"). Section 190 of the CBCA is reprinted in its entirety at **Appendix B-2**.

**The following summary is qualified by the provisions of section 190 of the CBCA. Each Registered Shareholder who may wish to exercise these rights of dissent should carefully consider and comply with the provisions of section 190 of the CBCA and consult with their legal advisor as failure by such shareholder to adhere strictly to the requirements of section 190 of the CBCA may result in the loss of such shareholders' rights under that section.**

A shareholder (a "**Dissenting Shareholder**") who complies with the dissent procedure of section 190 of the CBCA will be entitled to be paid by the Company the fair value of the shares held by the Dissenting Shareholder in respect of which such shareholder dissents, determined as at the close of business on the day before this resolution is passed.

## SWISS WATER DECAFFEINATED COFFEE INC.

### 2022 Management Information Circular

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A registered shareholder who wishes to exercise Dissent Rights must send a Dissent Notice to the Company, so it is received at or before the meeting time (or any postponement or adjournment thereof), to Swiss Water Decaffeinated Coffee Inc. Attention: Eve Bartnik, Corporate Secretary, 7750 Beedie Way, Delta, British Columbia V4G 0A5, Canada.

The filing of a Dissent Notice does not deprive a shareholder of the right to vote; however, the CBCA provides, in effect, that a shareholder who has submitted a Dissent Notice and who votes in favour of this Resolution will no longer be considered a Dissenting Shareholder with respect to the shares voted in favour of the resolution. The CBCA does not provide, and the Company will not assume, that a vote against the resolution constitutes a Dissent Notice. In addition, the execution or exercise of a proxy does not constitute a Dissent Notice. Under the CBCA, there is no right of partial dissent and, accordingly, a Dissenting Shareholder may only dissent with respect to all shares held on behalf of any one beneficial owner and registered in the name of the Dissenting Shareholder.

The Company is required, within 10 days after the Shareholders adopt the resolution, to send to each Registered Shareholder who has filed a Dissent Notice, notice that the resolution has been adopted, but such notice is not required to be sent to any Registered Shareholder who voted for the resolution or who has withdrawn such Dissent Notice.

A Dissenting Shareholder must then, within 20 days after the Dissenting Shareholder receives notice that the resolution has been adopted or, if the Dissenting Shareholder does not receive such notice, within 20 days after the Dissenting Shareholder learns that the resolution has been adopted, send to the Company a written notice (a **"Payment Demand"**) containing the name and address of the Dissenting Shareholder, the number of shares in respect of which the Dissenting Shareholder dissents and a demand for payment of the fair value of such shares.

Within 30 days after sending a Payment Demand, the Dissenting Shareholder must send to the Company or its transfer agent the certificates representing the shares in respect of which such Payment Demand was made. A Dissenting Shareholder who fails to send the Payment Demand and the certificates representing the shares in respect of which the Dissent Right has been exercised within the time required will lose any right to make a claim under section 190 of the CBCA. The Company or its transfer agent will endorse on share certificates received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder and will forthwith return the share certificates to the Dissenting Shareholder.

On sending a Payment Demand, a Dissenting Shareholder ceases to have any rights as a shareholder, other than the right to be paid the fair value of the shares in respect of which such Payment Demand was made, except pursuant to the provisions of section 190 of the CBCA.

The Company is required, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day on which the Company receives the Payment Demand of a Dissenting Shareholder, to send to each Dissenting Shareholder who has sent a Payment Demand a written offer to pay (an **"Offer to Pay"**) for the shares in respect of which such Payment Demand was made in an amount considered by the Board of Directors to be the fair value thereof, accompanied by a statement showing the manner in which the fair value was determined. Every Offer to Pay to Dissenting Shareholders must be on the same terms. The Company is required to pay for the shares of a Dissenting Shareholder within 10 days after an Offer to Pay has been accepted by a Dissenting Shareholder, but any such Offer to Pay lapses if the Company does not receive an acceptance thereof within 30 days after the Offer to Pay has been made.

If the Company fails to make an Offer to Pay for the shares of a Dissenting Shareholder, or if a Dissenting Shareholder fails to accept an offer that has been made, the Company may, within 50 days after the action approved by the resolution is effective or within such further period as the Court may allow, apply to the Court to fix a fair value for the shares of Dissenting Shareholders. If the Company fails to apply to the Court within such 50 day period, a Dissenting Shareholder may apply to the Court for the same purpose within a further period of 20 days or within such further period as the Court may allow. A Dissenting Shareholder is not required to give security for costs in such an application.

Upon an application to the Court, all Dissenting Shareholders whose shares have not been purchased by the Company will be joined as parties and bound by the decision of the Court, and the Company will be required to notify each affected Dissenting Shareholder of the date, place and consequences of the application and of the right of such Dissenting Shareholder to appear and be heard in person or by counsel. Upon any such application to the Court, the Court may determine whether any person is a Dissenting Shareholder who should be joined as a party, and the Court will then fix a fair value for the shares of all Dissenting Shareholders. The final order of the Court will be rendered against the Company in favour of each Dissenting Shareholder and for the amount of the fair value of each Dissenting Shareholder's shares as fixed by the Court. The Court may, in its discretion, allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the date the action approved by the Special Resolution is effective until the date of payment of the amount ordered by the Court.

**The foregoing is only a summary of the provisions of section 190 of the CBCA which are technical and complex. It is suggested that any shareholder wishing to exercise Dissent Rights seek legal advice as failure to comply strictly with the provisions of the CBCA may prejudice such shareholder's Dissent Rights.**

### **Board Recommendation and Proposed Resolution**

As the alteration of Articles of Amalgamation of the Company to create Class A and Class B Preferred Shares will allow greater flexibility for the Company to issue equity shares for the purposes of addressing the Company's future financing requirements, the Board of Directors recommends that Shareholders vote for the approval of the Special Resolution set out in **Appendix B-1** of the Company's Management Information Circular, to alter the Articles of Amalgamation of the Company to create Class A Preferred Shares and Class B Preferred Shares.

### **6. Other Business**

The Company will consider any other business that may properly come before the Meeting. As of the date of this Management Information Circular, the Directors are not aware of any amendments to the matters to be presented for action at the Meeting or of any other matters to be presented for action at the Meeting other than the matters referred to in the Notice of Meeting.

Where any amendments or variations to the matters identified in the Notice of Meeting or such other matters that may properly come before the Meeting, Shareholders are also conferring discretionary authority to Shareholders' appointed representative to vote on such matters as they see fit.

# SWISS WATER DECAFFEINATED COFFEE INC.

## 2022 Management Information Circular

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### VOTING INFORMATION

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#### Who Can Vote and Record Date

##### Registered Shareholders, Beneficial Holders, and Proxyholders

Only Registered Shareholders, registered by the **Record Date, which is Tuesday, March 29, 2022 at 2:00 p.m. Pacific Daylight Time (5:00 p.m. Eastern Time)**, or duly appointed Proxyholders are entitled to participate and vote or have their Shares voted at the Meeting.

Shareholders can vote in advance of the Meeting by Form of Proxy, refer to section '*How to vote in advance of the meeting & Proxy Submission Deadline*'. **While the Board of Directors highly recommends voting early, in advance of the Meeting**, Shareholders can vote over the phone at the Meeting. Also, Registered Shareholders have the right to authorize another person, a "**Proxyholder**", to vote at the Meeting on their behalf.

The manner in which a Shareholder can vote depends on if the Shares are held in the Registered Shareholder's name or, in the case of a Beneficial Holder, in the name of their Intermediary (defined below).

A Registered Shareholder is a shareholder who holds share certificates issued in their name or appears as the registered shareholder on the shareholder register or who holds share certificates or Direct Registration DRS advice issued in their name.

A Beneficial Holder is a shareholder whose shares are registered in the name of a bank, trust company, investment dealer, or other institution (an "*Intermediary*") and such shares are held for that shareholder's benefit.

#### When to Vote

Shareholders can and are STRONGLY encouraged to vote early and in advance of the Meeting by Form of Proxy, refer to section '*How to vote in advance of the meeting & Proxy Submission Deadline*'. **While the Board of Directors highly recommends voting early, in advance of the Meeting**, Shareholders can vote over the phone at the Meeting. Also, Registered Shareholders have the right to authorize another person, a "**Proxyholder**", to vote at the Meeting on their behalf.

#### How to Vote in Advance of the Meeting & Form of Proxy Submission Deadline

Registered Shareholders can and are STRONGLY encouraged to vote in advance of the Meeting by completing the enclosed Proxy Form, adding a date, their signature, and delivering it (via mail or courier) to the Company's Transfer Agent. Proxy Forms must be delivered, by no later than **2:00 p.m. Pacific Daylight Time (5:00 p.m. Eastern Time) on Thursday, May 5, 2022 ("Deadline")**. Advance voting is also available using the telephone by **calling, toll-free, 1-866-732-8683**; or via the internet by going to the website [www.investorvote.com](http://www.investorvote.com) prior to the Deadline. You will need your Shareholders' unique 15-digit control number that is listed on the Form of Proxy.

If the Meeting is adjourned or postponed, the Form of Proxy must be received no later than 48 hours, excluding Saturdays, Sundays, and statutory holidays, before the commencement of such adjourned or postponed meeting.

#### Where to Submit Form of Proxy & Transfer Agent Address

The Form of Proxy must be submitted, by the Deadline, to the **Company's Transfer Agent, Computershare**, either in person, or by mail, or by courier, to the attention of c/o Proxy Department, Computershare

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Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Canada; or via the internet by going to [www.investorvote.com](http://www.investorvote.com).

### How to Vote at the Meeting

Registered Shareholders and duly appointed Proxyholders may participate at the Meeting via a live teleconference. Specifically, Registered Shareholders and duly appointed Proxyholders who have properly pre-registered to participate in the Meeting, as outlined above, will have the opportunity to speak during the Meeting and to participate in telephone voting. If a Registered Shareholder who has already voted chooses to cast their vote again, it overrides the votes they previously submitted. To pre-register, see instructions under ‘*Meeting date and access*’ subheading ‘*How to pre-register to participate and vote*’.

### How to Appoint a Proxyholder using the Form of Proxy

Registered Shareholders can appoint a Proxy /Proxyholder, either the person(s) designated by the Company or another person, who does not need to be a Shareholder, to attend and act for the Shareholder at the Meeting.

- A. The persons named in the enclosed Form of Proxy are the Directors and/or Officers of the Company (“**Company designated Proxyholders**”). Registered Shareholders can complete their voting selection on their Form of Proxy and submit it as follows:
- via the internet at [www.investorvote.com](http://www.investorvote.com) or by scanning the QR code displayed on the Form of Proxy and following the instructions. The Registered Shareholder's account number and proxy access number are also located on the Form of Proxy; or
  - by calling toll-free **1-866-732-8683** from a touch-tone phone and following the instructions. The Registered Shareholder's account number and proxy access number are located on the Form of Proxy; or
  - by completing, signing, dating, and **returning their Form of Proxy to the Company's Transfer Agent, Computershare, by the Deadline** (as defined above), as instructed on the Form of Proxy.
- B. **A Registered Shareholder has the right to appoint a person, a *Proxyholder*, other than those designated by the Company, who does not need to be a Shareholder, to attend and act for the Registered Shareholder and on the Registered Shareholder's behalf.** This is a two-step process. First, the Form of Proxy needs to be submitted and secondly, the Proxyholder will need to pre-register for the virtual Teleconference Meeting. Both steps need to be done prior to the Deadline.

**Failure to properly complete or deposit a Form of Proxy** by the Deadline may result in its invalidation. The time limit for the deposit of proxies may be waived by the Board at its discretion without notice.

After a completed Form of Proxy is delivered to Computershare before the Deadline, the Proxyholder is required to pre-register in order to represent and vote at the Meeting on behalf of the Shareholder. **Failure to pre-register the Proxyholder** by the Deadline will result in the Proxyholder not receiving a dedicated phone number and a unique pin. Without the dedicated phone number and the unique pin, the Proxyholders will not be able to vote or participate at the Meeting. To pre-register, see instructions under ‘*Meeting date and access*’ subheading ‘*How to pre-register to participate and vote*’. The two steps to appoint a Proxyholder are:

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Shareholder completes the Form Proxy by:

- inserting the full name of the person the Shareholder wishes to represent them at the Meeting in the space provided on the Form of Proxy;
- indicating how the appointed Proxy is to vote on Shareholder's behalf, signing and dating the Form of Proxy and returning it to Computershare as instructed on Form of Proxy. Shareholders who wish to appoint a Proxyholder to represent them at the live audio teleconference of the Meeting **must submit their Form of Proxy prior to pre-registering the Proxyholder prior to the Deadline** (see 'Where to submit Form of Proxy').

The Proxyholder pre-registers for the virtual Teleconference Meeting before the Deadline in order to obtain a dedicated phone number and a unique pin. To pre-register, see instructions under 'Meeting date and access' subheading 'How to pre-register to participate and vote'. **In order to participate and/or vote at the live audio Teleconference of the Meeting, the Proxyholder MUST pre-register using the link provided above for pre-registration.**

### How are Shares Voted by Proxies

The Form of Proxy accompanying this Management Information Circular confers discretionary authority upon the proxy nominee with respect to any amendments or variations to the matters identified in the Notice of Annual General and Special Meeting and any other matters which may properly come before the Meeting. By duly completing and returning and not revoking a Form of Proxy, Registered Shareholders are appointing the individuals named on the Form of Proxy to represent them at the Meeting and to vote on each resolution, or withhold from voting, in accordance with the Registered Shareholder's instructions. **If a Registered Shareholder has not indicated how they wish their Shares to be voted on a matter and have appointed the Company's designated Proxies, such Shares will be voted in favour of the resolutions referred to therein and for the election of all nominees listed in this Management Information Circular as Directors, the appointment of PricewaterhouseCoopers LLP as Auditors, the approval of proposed amendments to the 2011 Restricted Share Unit Plan, as amended in 2019 as set out in Appendix A, and the approval of the Special Resolution set out in Appendix B-1 herein, to alter the Articles of Amalgamation of the Company to create Class A Preferred Shares and Class B Preferred Shares.**

### How to Vote As a Beneficial Holder

**The majority of the Company's shares are registered in the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited) ("CDS") and Shareholders (called "Beneficial Holders") hold their shares through their brokers, intermediaries, trustees or other persons ("Intermediary").**

In accordance with Canadian securities law, the Company has distributed copies of the Notice of Meeting, this Management Information Circular, and the Form of Proxy (collectively, the "**Meeting Materials**") to CDS and Intermediaries for onward distribution to Beneficial Holders. Intermediaries are required to forward the Meeting Materials to Beneficial Holders unless a Beneficial Holder has waived the right to receive them and to seek voting instructions from Beneficial Holders in advance of Shareholders' meetings. Each Intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Holders to ensure that their shares are voted at the Meeting. Typically, Intermediaries will use a service company to forward the Meeting Materials to Beneficial Holders. If a Beneficial Holder did not receive a voting instruction form, and they have not waived their right to receive one, the Beneficial Holder should contact their Intermediary.

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Beneficial Holders will receive either a **voting instruction form** or, less frequently, a **Form of Proxy**. The purpose of these forms is to permit Beneficial Holders to direct the voting of the shares they beneficially own. The Beneficial Holder should follow the procedures set out below, depending on which type of form they receive.

- A. Voting Instruction Form. In most cases, a Beneficial Holder will receive, as part of the Meeting Materials, a voting instruction form. If the Beneficial Holder does not wish to attend and vote at the Meeting (or have another person attend the Meeting and vote on the Beneficial Holder's behalf), the voting instruction form should be completed, signed, and returned in accordance with the directions on the form. If a Beneficial Holder wishes to attend and vote at the Meeting (or have another person attend and vote on the Beneficial Holder's behalf), the Beneficial Holder must carefully complete, sign and return the voting instruction form in accordance with the directions provided.

or

- B. Form of Proxy. Less frequently, a Beneficial Holder will receive, as part of the Meeting Materials, a Form of Proxy that has already been signed by the Intermediary which is restricted as to the number of shares beneficially owned by the Beneficial Holder but which is otherwise uncompleted. If the Beneficial Holder does not wish to attend and vote at the Meeting (or have another person attend and vote on the Beneficial Holder's behalf), but wishes to submit their vote, the Beneficial Holder should complete the Form of Proxy and deposit it with the Company's Transfer Agent, Computershare, to the address indicated under '*Where to submit a Form of Proxy & Transfer Agent Address*' before the Deadline.

If a Beneficial Holder wishes to attend and vote at the Meeting (or have another person attend and vote on the Beneficial Holder's behalf), the Beneficial Holder must perform two steps. Firstly, the Beneficial Holder must strike out the names of the persons named on the Form of Proxy and insert the Beneficial Holder's (or such other person's) name in the blank space provided, and then the Beneficial Holder should complete the Form of Proxy and deposit it with the Company's Transfer Agent, Computershare to the address indicated under '*Where to submit a Form of Proxy and Transfer Agent Address*' before the Deadline. Secondly, in order for the Beneficial Holder or their Proxyholder to vote and participate at the live audio Teleconference Meeting, the Beneficial Holder must also pre-register themselves or the appointed Proxyholder. To appoint a Proxyholder, refer to section '*How to Appoint a Proxyholder using the Form of Proxy*'. To pre-register, see instructions under '*Meeting date and access*' subheading '*How to pre-register to participate and vote*'. **Pre-registration is an additional step to participate in the live audio teleconference Meeting.**

### Votes Necessary to Pass Resolutions - Majority Voting

On the recommendation of the Compensation Committee, the Board first adopted a majority voting policy in March 2015 (the "Majority Voting Policy") applicable to a Shareholders' meeting that is not a "contested election" of Directors. The Majority Voting Policy was updated and approved by the Board of Directors in February 2017 and May 2021. Under the Majority Voting Policy, a "contested election" means a meeting at which the number of Directors nominated for election is greater than the number of seats available on the Board.

Pursuant to the Majority Voting Policy, forms of proxy for the vote at a Shareholders meeting where Directors are to be elected will enable the Shareholder to vote in favour of, or to withhold from voting for, each nominee on an individual basis. If the Board determines the election of Directors at a Shareholders'

meeting is not a contested election, any director who is not elected by at least a majority (50% + 1 vote) of the votes cast with respect to his or her election shall immediately tender his or her written resignation to the Chair of the Board. The Compensation Committee will consider such an offer of resignation and will make a recommendation to the Board concerning the acceptance, rejection or other actions to be taken with respect to the tendered resignation. The Board will take formal action on the Compensation Committee's recommendation no later than 90 days following the date of the applicable Shareholders' meeting and the resignation will be effective on the date it is accepted by the Board. The Board will accept the resignation, absent exceptional circumstances that would warrant the continued service of the applicable Director on the Board.

The Company shall promptly issue a news release with the Board's decision. If the Board has determined not to accept a resignation, the news release shall fully state the reasons for that decision. A copy of the news release shall be provided to the TSX.

If a resignation is accepted by the Board, and subject to any corporate law restrictions, the Board may leave any resulting vacancy unfilled until the next Annual General Meeting or may appoint a new director to fill the vacancy who the Board considers to merit the confidence of the Shareholders, or may call a special meeting of Shareholders at which nominee(s) will be presented to fill the vacant position or positions.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

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The Company is authorized to issue an unlimited number of Shares. As of the date hereof, there is an aggregate of 9,157,829 Shares issued and outstanding. All of the Shares are entitled to be voted at the Meeting and on a poll, each Share is entitled to one vote.

To the knowledge of the Directors and the Officers of the Company and based solely upon a review of the public filings, no persons beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the outstanding Shares.

The Directors and the Officers of the Company as a group beneficially own, directly or indirectly, or exercise control or direction over, 3.7% of the issued and outstanding Shares.

#### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

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Other than the approval to amend the 2011 RSU Plan, as amended in 2019 and the approval of the special resolution to alter the Articles of Amalgamation of the Company to create Class A Preferred Shares and Class B Preferred Shares, since January 1, 2022, no Director or executive officer of the Company, or any persons nominated for election as a director at this Meeting, nor any associate or affiliate of such persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon.

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

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Other than as disclosed in this Management Information Circular, since January 1, 2022, no informed person of the Company, nominee for Director, or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

# SWISS WATER DECAFFEINATED COFFEE INC.

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### ABOUT PROPOSED DIRECTORS

#### Election of Directors

Each of the persons whose name appears hereunder is proposed to be nominated for election as a Director of the Company to serve until the next Annual General Meeting of the Shareholders or until they sooner cease to hold office. It is intended that the Shares represented by proxies solicited on behalf of the Directors will be voted in favour of the election of such persons as Directors of the Company if no choice in respect of such election is specified in the proxy.

The number of Shares referred to in respect of each individual is the number of Shares beneficially owned, directly or indirectly, or over which control and direction are exercised by each individual. The number of RSUs is the number of RSUs granted that have not yet been vested to such individual except as noted below the table. The number of deferred share units (“DSUs”) represents the number of fully vested DSUs held by such individuals. The general provisions of RSUs and DSUs are described under ‘Share-based compensation’. The following information concerning the respective nominees has been furnished by them and represents the amount as at the day of this report.

Name and Residence	Office Held	Director Since	Principal Occupation - Past 5 Years		
Frank A. Dennis British Columbia, Canada	President & CEO, Director	April 2002	President & CEO of Swiss Water	178,455 shares 125,200 RSUs <sup>(1)</sup>	
Roland W. Veit <sup>(2)</sup> Florida, USA	Director	September 2007	CO-Founder & Chairman, Paragon Coffee Trading Company	126,300 shares 31,171 DSUs	
Anne G. Saunders <sup>(2)</sup> California, USA	Director	November 2017	Corporate Director; previously President, US, NakedWines.com (2016-17), President, Consumer Division, FTD, Inc. (2014-16)	- shares 21,810 DSUs	
Robert B. Johnston <sup>(2)</sup> South Carolina, USA	Director	June 2020	Chief Strategy Officer of The InterTech Group Inc.	17,500 shares 10,041 DSUs	
Donald J. Tringali <sup>(3)</sup> Arizona, USA	Chairman & Director	July 2020	Founder & CEO, Augusta Advisory Group.	5,000 shares 33,279 DSUs	
Nancy L. McKenzie <sup>(3)</sup> British Columbia, Canada	Director	February 2021	Corporate Director; previously Chief Financial Officer, Seaspan ULC (2005-2017)	- shares 14,486 DSUs	
Alan C. Wallace <sup>(3)</sup> British Columbia, Canada	Director Nominee	n/a	Corporate Director at Mercer International Inc. President, Peloton Advisors Inc.	- shares 9,360 DSUs	

(1) This includes RSUs granted and RSUs accrued on dividend payments in the years 2019 and 2020.

(2) The Directors have established a Compensation and Corporate Governance Committee. The members of this Committee are Ms. Saunders (Chair), and Messrs. Veit and Johnston.

(3) The Company’s Audit Committee members are Ms. McKenzie (Chair) and Messrs. Tringali, and Wallace.

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Except as noted otherwise, each of the individuals named above has been engaged for more than five years in his or her present principal occupation or organization in which he or she currently holds his or her principal occupation.

To the knowledge of management, none of the named individuals above is at the date hereof or has been within the past ten years: (i) a director, chief executive officer or chief financial officer of any company that, while such individual was acting in such capacity, was the subject of or was the subject of an event that resulted in, after such an individual ceased to act in such capacity, an order within the meaning of Form 51-102F5 of National Instrument 51-102 - Continuous Disclosure Obligations; or (ii) been bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager, or a trustee appointed to hold any of his or her assets.

To the knowledge of management, none of the individuals named above have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for such individual as Director of the Company.

The Directors have appointed Mr. Tringali to serve as Chair of the Board. Further information concerning the Directors and the Company's Audit Committee can be found in the Company's Annual Information Form for the year ended December 31, 2021, under the headings '*Directors' and Officers'*' and '*Audit Committee'*', filed at [www.sedar.com](http://www.sedar.com).

### Director Nominees

This year we have seven nominees. The following nominee profiles include a summary of each nominee's career experience, areas of expertise, current Board committee membership and directorship at other companies over the past five years. The information on each director nominee in this circular is current as at the date of this Management Information Circular. Nominees are listed in the order of length of service with the Company.

#### Mr. Frank A. Dennis



Current role at Swiss Water: Director since 2002, President and the CEO of Swiss Water.

Mr. Dennis leads Swiss Water with over 26 years of experience in the coffee industry. His background is in packaged goods marketing with Braun Canada and Kraft Foods Canada. Mr. Dennis led the \$300 million Kraft coffee portfolio in the late 1990s and was responsible for the sale of the Swiss Water Division to private equity interests in 2000. As President and CEO of Swiss Water, he has led the growth of the business through several major expansions, overseen the development of the brand in many jurisdictions and has championed the importance of chemical free decaffeination in the industry.

Mr. Dennis is highly involved in the specialty coffee industry, has served on several boards including "Grounds For Health", a charity dedicated to reducing cancer in women living in coffee-producing regions, the World Coffee Research Foundation and the Canadian Coffee Association. Mr. Dennis earned a B.A. in Economics from the University of Western Ontario, and an M.B.A. from the University of Toronto.

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### **Mr. Roland W. Veit**

Current role at Swiss Water: Director since 2007 and a member of the Corporate Governance and Compensation Committee.

A native of Switzerland, Mr. Veit is the Co-Founder and Chairman of Paragon Coffee Trading Company ("Paragon"), a medium sized US green coffee importing/trading house. Paragon is a limited partnership. The general partner is Rovedo Inc. and Mr. Veit is the President, Secretary and Treasurer of this company. Mr. Veit started his business and coffee career at Nestlé's world headquarters in Vevey, Switzerland in 1972. He also worked for Nestle

USA and South Africa. In 1978, Mr. Veit left Nestle to work as a coffee trader, first in Johannesburg and then in New York, before co-founding Paragon in 1986. He is currently a director of Rapid Oxygen Company, LLC. He served on the board of the Specialty Coffee Association of America (SCAA) from 1989 to 1992, and SCAA's International Relations Committee for seven years, of which, the last three years as Chairman. Mr. Veit's experience includes board services for the Green Coffee Association of New York (GCA) from 1998 until 2007, including two terms as Chairman.



### **Ms. Anne G. Saunders**

Current role at Swiss Water: Independent Director since 2017 and Chair of the Corporate Governance and Compensation Committee.

Ms. Saunders is a Corporate Director and has held numerous general management positions, including as President of the US region of NakedWines.com, President of the US region of FTD, Inc. and President of Redbox, owned and operated by Coinstar, Inc. Previously, Ms. Saunders held executive and senior management positions with Knowledge Universe, Bank of America, Starbucks Coffee Company, eSociety, AT&T Wireless, and Young &

Rubicam. For six years, Ms. Saunders led global strategy, marketing and communications at Starbucks and her key responsibility was to lead the global expansion of the Starbucks brand during the company's most significant period of growth from \$800 million to \$9 billion in annual revenue. Currently, she is a member of the board of directors of Nautilus, Inc., where she is the Chair of the Nominating and Corporate Governance Committee, as well as a member of the Audit Committee and the Compensation Committee. In March 2019 Ms. Saunders was elected to the board of directors of The WD-40 Company where she chairs the Compensation Committee and serves on the Nominating/ Governance Committee. She is a past director of Blue Nile, Inc. She received a BA from Northwestern University and an MBA from Fordham University. Ms. Saunders is a member of the National Association of Corporate Directors and of Women Corporate Directors.

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### **Mr. Robert B. Johnston**

Current role at Swiss Water: Independent Director since 2020 and a member of the Compensation and Corporate Governance Committee.

Mr. Johnston is Chief Strategy Officer of The InterTech Group Inc., a leading, private investment company based in South Carolina, USA. He brings extensive public company and related industry experience to Swiss Water having served on the boards of a number of domestic and international companies in the packaging, food and agricultural industries. Mr. Johnston's previous experience includes serving as Deputy Governor, President and Chief Executive Officer and Vice Chairman of the Hudson's Bay Company. Currently, he is Chair of Supremex Inc., and a Director of Circa Enterprises Inc., Colabor Group Inc., Corning Natural Gas Holding Corporation and FIH Group PLC. In addition, Mr. Johnston also serves on the Board of Directors of the South Carolina Community Loan Fund. He holds an MBA Degree from the John Molson School of Business, a Master's Degree in Public Policy and Public Administration and a Bachelor's Degree in Political Science from Concordia University in Montreal, and has completed the University of Oxford Advanced Management and Leadership Program in the UK. Mr. Johnston also holds the ICD.D designation from the Institute of Corporate Directors.



### **Mr. Donald J. Tringali**

Current role at Swiss Water: Independent Director since 2020, Chairman of the Board of Directors and a member of the Audit Committee.

Mr. Tringali is the founder and Chief Executive Officer of Augusta Advisory Group, a US-based boutique financial and business consulting firm providing a full range of executive, operations, and corporate advisory services to companies. He has held a variety of C-level executive positions and directorships for public and private companies across many industries. In addition to board membership at Swiss Water, he is currently on boards of POSaBIT Systems Corporation (PBIT.CN), WaveDancer, Inc. (NASDAQ:WAVD), and Sporting Chance, Inc. (non-profit). He is the former Chairman of the Board of National Technical Systems, Inc., a leading international testing and engineering firm that was sold to a private equity firm in 2013, and the former Executive Chairman of the Board of Cartesian, Inc., an international telecom consulting company, which was sold to a private equity in 2018. Mr. Tringali began his career as a corporate attorney in Los Angeles, where he was a partner in a prominent firm representing public and private companies in general business matters and M&A transactions. Mr. Tringali holds a BA in Economics from UCLA and a JD (Juris Doctor) degree from Harvard Law School. He brings in over 30 years of experience as a business lawyer, C-level executive, independent corporate director and board advisor. Mr. Tringali has served in executive operating positions in public and private companies in various industries and has served on several boards of companies undergoing transformation. He has experience in corporate transactions, capital markets, and governance, from the perspective of a lawyer, operator and corporate director. Mr. Tringali is a financial expert and has served on audit committees.

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### **Ms. Nancy L. McKenzie**

Current role at Swiss Water: Independent Director since 2021, and a Chair of the Audit Committee.

Ms. McKenzie's over 30-year experience as a financial professional includes a senior executive position within industrial manufacturing & service businesses, some consumer branded and private label foods sector, and articling at a large public practice accounting firm. Her experience comprises large-scale capital project oversight of manufacturing, infrastructure & office facilities as well as marine & industrial equipment acquisition during her 12-year tenure as the Chief Financial Officer at Seaspan ULC. Currently, she is the Chair of the Board of Governors at the University of British Columbia; a Board member and Vice Chair at Coast Capital Savings Federal Credit Union where she is also the Chair of the Risk Committee, a member of the Governance and Nominating Committee, and a former member of Coast Capital's Audit and Finance Committee. Additionally, she is an Advisory Board member for BGE Air Quality Solutions Ltd. (a privately-owned manufacturing and service business). She previously served as a member of the Audit and HR & Governance Committees, and chaired the Nominations Committee at UBC Investment Management Trust Inc.; and was Chair of the Finance and Governance Committee at Western Transportation Advisory Council. She is a Fellow of the Chartered Professional Accountants of BC, holds an Honours Bachelor of Business Administration from Wilfrid Laurier University (Waterloo), and holds an ICD.D designation having completed the Directors' Education Program at the Institute of Corporate Directors.



### **Mr. Alan C. Wallace**



Current role at Swiss Water: Independent Director since 2021 and a member of the Audit Committee.

Mr. Wallace has worked for over 30 years in corporate finance including as Vice Chairman and Managing Director of CIBC World Markets Inc. He is currently the CEO of Peloton Advisors Inc., a corporate financial advisory firm. Throughout his career, he has worked with both private and public companies in industries similar and adjacent to Swiss Water's business, including distribution, processing plants, international operations, and branding. Many of these organizations provide perspectives on commodity-based businesses that are relevant to Swiss Water. He brings to the Board extensive experience in capital markets, commodity industries, risk management, mergers and acquisitions, securities regulatory matters, financial and accounting matters, international business, equity and debt financings and corporate strategic planning. He currently serves on the Board and is the Chair of the Audit Committee and a member of the Compensation and Human Resources Committee at Mercer International Inc., a global forest products company. He holds a Master of Business Administration from the University of Chicago and a Bachelor of Applied Science (Mechanical Engineering) from the University of Toronto and the ICD.D designation.

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### Directors' Compensation

The following table sets out the compensation earned by the Directors (other than Mr. Dennis) for Directorship and Committee membership services for the fiscal year ended December 31, 2021:

Name	Fees Earned	Share-Based Awards	Option-Based Awards	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Roland W. Veit <sup>(1)</sup>	51,338	--	--	--	--	--	51,338
Anne G. Saunders <sup>(1)</sup>	63,873	--	--	--	--	--	63,873
Robert B. Johnston <sup>(1)</sup>	51,338	--	--	--	--	--	51,338
Donald J. Tringali <sup>(1)</sup>	76,408	--	--	--	--	--	76,408
Nancy McKenzie <sup>(2)</sup>	44,817	--	--	--	--	--	44,817
Alan C. Wallace <sup>(2)</sup>	22,912	--	--	--	--	--	22,912
Diane M. Fulton <sup>(3)</sup> (retired)	5,183	--	--	--	--	--	5,183
Richard T. Mahler <sup>(3)</sup> (retired)	27,500	--	--	--	--	--	27,500

- (1) Compensation was paid in US\$. The amounts shown are the Canadian dollar equivalent, calculated using the average exchange rate in 2021 of US\$1 to CAD\$1.2535.
- (2) Ms. McKenzie was appointed as a Director in February 2021 to fill the vacancy when Mrs. Fulton retired from the Board. Ms. McKenzie and Mr. Wallace were elected as Directors by the Shareholders in June 2021.
- (3) Mrs. Fulton and Mahler retired in 2021.

Ms. Saunders and Messrs. Veit, Johnston and Tringali receive the cash component of their compensation in United States dollars. The Directors are also entitled to be reimbursed for reasonable travel and other expenses properly incurred by them in attending meetings of the Board or any committee thereof, or in connection with their services as Directors. In 2021 Mr. Wallace was compensated \$6,000 in recognition of his contribution to the debenture-with-warrants negotiations before he was elected as a Director. Mr. Dennis is an employee of the Company and was not entitled to receive any compensation for acting as a Director.

The compensation of the Directors is intended to attract and retain highly qualified, experienced and committed individuals to act as Directors of the Company and promote the long-term interests of the Company. The Board seeks to ensure that Directors are competitively compensated, having consideration to the size and nature of the Company's business and the expected contribution of Directors.

The Compensation Committee reviews director compensation on an annual basis. The Compensation Committee most recently reviewed director compensation in February 2022. With the assistance of Director Wallace, the Compensation Committee undertook a comprehensive review of the Company's director compensation practices by reviewing the practices of a subset of the comparator group of companies compiled by Compensation Governance Partners ("CGP") in 2020. See '*Compensation Discussion & Analysis – Compensation Philosophy – Periodic Compensation Review*'.

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## 2022 Management Information Circular

The comparator group consisted of the following companies:

Andrew Peller Limited	Bridgford Foods Corporation	AgroFresh Solutions Inc.
Lifevantage Corporation.	Coffee Holding Co. Inc.	Reliv' International Inc.
Corby Spirit and Wine Limited	Lifeway Foods Inc.	S&W Seed Company
Natural Alternatives International	Waterloo Brewing Ltd.	Big Rock Brewery Inc.
Village Farms International, Inc.		

The Compensation Committee considered the comparator group data and applied a modifying factor to the median director compensation of the Russell 3000 Consumer Staples Index to more accurately reflect the Company's context. The Compensation Committee considered a number of alternatives but determined not to recommend amending director compensation. Director compensation approved by the Board in 2018 remains as follows:

Compensation Item	Amount
Annual cash retainer	\$25,000
DSU Retainer	\$20,000
Board Chair retainer	\$20,000
Audit Committee Chair retainer	\$10,000
Compensation and Corporate Governance Committee Chair retainer	\$10,000

### Directors' Attendance at Board and Committee Meetings

The Directors have regular quarterly meetings and meet more frequently as required. At each Board and Committee meeting, the Directors hold a regularly scheduled in-camera meeting at which members of management are not present.

The following is a summary of the attendance of each of the Directors at Board and Committee meetings during the year ended December 31, 2021:

Name of Director	Board	Audit Committee	Compensation and Governance Committee
Frank A. Dennis	6 of 6	n/a	n/a
Roland W. Veit	6 of 6	n/a	4 of 4
Anne G. Saunders	6 of 6	n/a	4 of 4
Robert B. Johnston	6 of 6	n/a	4 of 4
Donald J. Tringali	6 of 6	4 of 4	n/a
Nancy McKenzie <sup>(1)</sup>	5 of 5	4 of 4	n/a
Alan C. Wallace <sup>(1)</sup>	2 of 2	2 of 2	n/a
Diane M. Fulton <sup>(2)</sup>	1 of 1	n/a	n/a
Richard T. Mahler <sup>(2)</sup>	4 of 4	2 of 2	n/a

# SWISS WATER DECAFFEINATED COFFEE INC.

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- (1) Ms. McKenzie and Mr. Wallace became Directors in 2021. The above records reflect attendance since their appointment or election, as the case may be, and neither missed a scheduled meeting.
- (2) Ms. Fulton retired in February 2021 while Mr. Mahler retired in June 2021. Neither missed a scheduled meeting.

### Directors' Share Ownership Guidelines

In February 2012, the Board adopted share ownership guidelines for the Directors. Specifically, each Director (other than Mr. Dennis, the Company's President and CEO) is required to hold that number of shares and/or DSUs equal in value to three (3) times the annual cash retainer paid to Directors. Directors have five years from the date of adoption of the guidelines (for new directors, from the date they are appointed to the Board) to achieve this level. For the purpose of measuring compliance with these guidelines, value is determined based on a Director's acquisition cost for the shares and/or DSUs.

As is noted under 'Compensation of Directors', the Board approved a director compensation structure effective January 1, 2018. The current required share ownership value is \$75,000.

As at the date hereof, the current shareholdings, number of DSUs and the cumulative acquisition cost of each Director's equity position is as follows:

Director	Shares	Acquisition Cost	DSUs	Acquisition Cost	Total
Roland W. Veit	126,300	\$367,810	31,171	\$114,107	\$481,917
Anne G. Saunders	--	--	21,810	\$90,907	\$90,907
Robert B. Johnston <sup>(1)</sup>	17,500	\$63,575	10,041	\$30,330	\$93,905
Donald J. Tringali	5,000	\$15,589	33,279	\$101,291	\$116,880
Nancy L. McKenzie <sup>(1)</sup>	--	--	14,486	\$44,817	\$44,817
Alan C. Wallace <sup>(1)</sup>	--	--	\$9,360	\$28,912	\$28,912

- (1) Mr. Johnston has until 2025 to comply with the share ownership value requirement while Ms. McKenzie and Mr. Wallace, each have until 2026 to comply with the share ownership value requirement or \$75,000.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, as at the date of this Management Information Circular, the information in respect of the aggregate indebtedness of current and former executive officers, Directors and employees of the Company or any of its subsidiaries.

Aggregate Indebtedness (\$)		
Purpose	To the Company or its Subsidiaries	To Another Entity
Share purchases	--	--
Other	\$50,530	--

The following table sets forth the indebtedness of each Director or executive officer who is, or at any time since the beginning of the most recently completed financial year has been indebted to the Company or any of its subsidiaries. The indebtedness is routine in nature and will be applied over time to vesting RSUs. No Director or executive officer has any indebtedness to another entity that is the subject of a guarantee, support agreement, letter of credit, or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

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Indebtedness of Directors and Executive Officers under <sup>(1)</sup> Securities Purchase and <sup>(2)</sup> Other Programs						
Name and Principal Position	Involvement of Company or Subsidiary	Largest Amount Outstanding During 2021 (\$)	Amount Outstanding	Financially Assisted Securities Purchases During the year	Security for Indebtedness (security purchase programs only)	Amount Forgiven During the year (\$)
Securities Purchase Programs						
--	--	--	--	--	--	--
Other Programs						
Iain Carswell, CFO	Swiss Water Decaffeinated Coffee Inc.	\$50,530	\$50,530	--	--	--

### COMPENSATION DISCUSSION AND ANALYSIS

Compensation of Directors and executives and related matters are the responsibility of the Compensation Committee. The Compensation Committee reviews and recommends compensation levels and terms for the President & Chief Executive Officer (the “**CEO**”) and the Directors to the Board. The Compensation Committee also reviews and recommends individual goals and objectives relevant to the total compensation package and the bonus payout and long term incentive plan awards, if any, for the Chief Financial Officer (the “**CFO**”). Other than as set out herein, hiring and compensation of other executives of Swiss Water and its subsidiaries is the responsibility of the CEO, operating within the guidelines established by the Compensation Committee and Board, as applicable. Following discussions with the CEO and after receiving his recommendations, the Compensation Committee is responsible for approving incentive compensation levels of other executives.

#### Compensation Governance

The Board has appointed a Compensation and Corporate Governance Committee (“**Compensation Committee**”) to review and approve compensation for members of management and to recommend to the Board for approval of the compensation arrangements for the CEO and the Directors. The full Terms of Reference of the Compensation Committee are included in **Appendix C**.

As of the date hereof, the Compensation Committee is comprised of Ms. Saunders (Chair), Mr. Veit, and Mr. Johnston. The majority of the members of the Compensation Committee are “independent” within the meaning of section 1.4 of Multilateral Instrument 52-110. Mr. Veit is a non-management Director member of the Compensation Committee. No member of the Compensation Committee (i) was indebted to the Company during the fiscal year ended December 31, 2021, (ii) was an officer or employee of the Company during the fiscal year ended December 31, 2021; or (iii) was formerly an officer of the Company.

Mr. Veit operates a coffee business that does business with Swiss Water. His company buys decaffeinated coffee and/or decaffeination services from Swiss Water and sells green coffee to Swiss Water. All transactions are in the normal course of business. These transactions are discussed in greater detail in the Company’s audited financial statements for the year ended December 31, 2021, which are available on [www.sedar.com](http://www.sedar.com).

#### Compensation Committee Member Experience

The Board believes that each committee member has direct experience relevant to the Compensation Committee’s responsibilities in executive compensation. The biographies and relevant experience of each Compensation Committee member are included under ‘*About Proposed Directors*’.

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### Compensation Philosophy

The Company's executive compensation program is based on a "pay for performance" philosophy and is designed to attract, retain and reward high calibre and experienced executives who will contribute to the success of the Company. Executives are motivated through various elements of the compensation program to meet annual performance goals and to enhance long-term shareholder value.

The compensation strategy is intended to accomplish the following objectives:

- to attract, retain and effectively reward executive talent;
- to provide compensation that is competitive with that offered in the marketplace;
- to align compensation with corporate business strategies; and
- to ensure alignment of personal interests of the executive team with those of the Shareholders.

The Compensation Committee believes these objectives will be reached with a total compensation package comprised of base salary, short-term variable compensation tied to performance in each fiscal year, longer-term incentives which increase share ownership of executives, benefits and perquisites. In the second half of 2020, the Compensation Committee engaged CGP to conduct a compensation review. See *"Periodic Compensation Review"*.

### Risks Associated with Compensation Policies and Practices

The Compensation Committee is responsible for considering the risks associated with the Company's compensation policies and practices. In order to fulfill this responsibility, the Compensation Committee reviews the Company's compensation components and practices annually and considers those factors that could encourage members of management to take inappropriate or excessive risks. This includes an assessment of risks facing the Company and their potential impact on compensation plans, as well as the overall balance and terms of compensation arrangements. As part of this assessment, the Compensation Committee also considers the Company's internal controls, processes and procedures which would mitigate excessive risk taking by management. The compensation risk analysis is prepared by the Chief Financial Officer, who serves as the Company's principal risk officer, and is presented to the Compensation Committee for its consideration.

The Chief Financial Officer conducted a compensation risk analysis in February 2020, and no compensation related risks were identified that are reasonably likely to have a material adverse effect on the Company.

### Periodic Compensation Review

Periodically, the Compensation Committee of the Board engages a third party consulting firm to provide an independent review of the Company's relative compensation competitiveness.

In the second half of 2020, the Compensation Committee engaged CGP to: review the Company's current executive compensation practices from a total compensation perspective; assess how well the current compensation plans align with the Company's objectives and business strategy; review and confirm appropriate peer groups for the executive team; assess the competitiveness of the Company's executive compensation based on current roles, scope and responsibilities; conduct a compensation survey; and, assess the risks associated with the Company's compensation arrangements.

In performing this work, CGP and the Compensation Committee agreed on a revised primary peer group consisting of publicly traded companies of similar size; other food industry companies with revenues of less than \$400 million; and similar sized general industry companies that regularly pay a dividend. It was noted

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that setting the primary peer group was particularly challenging as there are no publicly traded companies in the same business. At the time of the review, it was agreed that the primary peer group would consist of the following 13 North American companies:

Andrew Peller Limited	Bridgford Foods Corporation	AgroFresh Solutions Inc.
Lifevantage Corporation.	Coffee Holding Co. Inc.	Reliv' International Inc.
Corby Spirit and Wine Limited	Lifeway Foods Inc.	S&W Seed Company
Natural Alternatives International Inc.	Waterloo Brewing Ltd.	Big Rock Brewery Inc.
Village Farms International, Inc.		

Given the Company size relative to the primary peer group, CGP recommended and the Compensation Committee agreed that the Company target compensation levels at the 25th percentile of the primary peer group.

As a secondary reference point, CGP provided data compiled from its 2020 General Canadian Industrial Compensation database for all participants with annual revenue of \$500 million or less (a total of 45 companies). This secondary peer group allowed for comparisons to the 25th percentile pay levels. This is consistent with the Company's practice of using this secondary peer group to assess management compensation levels when third party consultants are not engaged by the Compensation Committee. The Compensation Committee believes that this is a relevant benchmark for the Company and its subsidiaries, as they represent companies of similar size and sales revenue that compete in the same geographic regions for executive talent.

The Compensation Committee continues to monitor the Company's relative compensation competitiveness. In 2021 it approved the adoption of the abovementioned peer group and is considering changes to executive compensation for the year 2021. The changes in the approach are to encompass compensation that is more financial-metric focused, which is in line with shareholders' expectations.

### Executive Compensation Related Fees

During 2020 and 2021, the Company paid \$37,800 in total to Compensation Governance Partners Inc. for the abovementioned review of executive compensation practices. No other services were retained from this consultant.

### Management's Role in the Compensation Setting Process

Members of management, including the CEO, participate in various aspects of the compensation setting process including: (i) recommending compensation programs, compensation policies, compensation levels, and incentive opportunities; (ii) compiling and preparing materials for Compensation Committee meetings, including benchmark market data; (iii) recommending performance targets and objectives; and (iv) ensuring effective evaluation of employee performance.

### Hedging Prohibited

The Company's Code of Business Ethics (the "Code") prohibits any Director or Officer of the Company from purchasing financial instruments (such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in the market value of any of the Company's securities granted as compensation or held, directly or indirectly, by such Director or Officer.

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### Elements of Executive Compensation

The main elements of executive compensation are base salary, benefits and perquisites, pension benefits, long-term incentive awards, and short-term variable incentive pay. Each compensation element is described as follows.

#### Base Salary, Benefits, and Perquisites

To ensure compensation is competitive in the marketplace for executive talent, base salaries are targeted to the 25th percentile levels of comparable entities, as described under *'Periodic Compensation Review'*. Salary for a position is deemed to be competitive if it is within 15% of the comparator group base salary for the relevant quartile. Salaries are adjusted as necessary to maintain the desired competitive position in the marketplace. Salaries, benefits and perquisites are reviewed annually and adjustments are made when appropriate. Individual variations in base salaries reflect job scope, experience, retention risk, and other relevant factors.

Swiss Water and its subsidiaries offer group life, health and dental benefits, paid time off, and other benefits to employees on a competitive level with peer companies, ensuring that benefit costs are prudently managed.

#### Pension Benefits

Swiss Water does not have a pension plan. Instead, the Company and its subsidiaries make contributions to RRSPs (or in the case of employees residing in the United States, to an IRA account) in the names of employees, which accounts are controlled by the individual employees. The Company contributes 5% of base salary and will also match an employee's own contribution up to a maximum of 2% of the employee's base salary, into the RRSP. For employees residing in the United States, the subsidiary contributes 2% of salary to an IRA in the name of such employee (consistent with US laws governing individual retirement accounts). Due to the annual RSP contribution limits set by the federal government, the above entitlement exceeded the CEO's RRSP annual contribution limit. Therefore, the Company contributes any amount above the annual RRSP contribution limit to a non-registered pension account controlled by the CEO.

#### Short-Term Incentive Plan ("STIP")

Each member of management participates in a variable pay bonus plan, with payments under the STIP tied to the achievement of specific targets that derive from the Company's strategic and operating plans. The amounts paid out under the STIP increase or decrease with performance, and thus provide an element of compensation at risk.

In 2021, CGP was engaged by the Compensation Committee to also review the STIP including targets and thresholds and to provide guidance on how to improve the link between pay and performance. CGP's review took a principles-based approach, and considered whether the performance targets:

1. Align with and support the business strategy
2. Align with compensation strategy and organization culture
3. Encourage appropriate risk taking (aligned with the organization's risk appetite), and
4. Align across goals consistently.

The review determined that the performance targets demonstrated strong alignment with the considerations noted above, and recommended revisions in how payments against performance are calculated. The revisions provided for more direct pay-for-performance, such that bonus amounts (and

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possible ranges of bonus payments) would have a more direct correlation to corporate performance. These recommendations were approved for implementation for 2021.

Under the STIP, the Compensation Committee annually approves the performance objectives for the executives (other than the CEO and CFO), as well as the target levels of performance for each objective, the thresholds below which no payments against an objective will be paid and the weights assigned to each objective. In respect of the CEO's and CFO's performance objectives, the Compensation Committee recommends, and the Board reviews and approves the objectives, targets, thresholds and weights for the CEO and CFO each year.

Following the review of the STIP program by CGP, it was determined by the Compensation Committee that all executives will have the same performance objectives. The proposed objectives, weights, targets, thresholds and maximum levels for each objective are reviewed and approved by the Compensation Committee each year for all executives. The Board then reviews and approves the objectives, weights, targets, thresholds and maximum ranges for each of the CEO's and CFO's objectives.

In 2021, the performance objectives, weights, targets, thresholds, maximums and actual performance for the CEO and CFO were as follows. All payments under the STIP are subject to maximum levels.

Objective	Weight	Target	Threshold (50% of target)	Maximum (200% of target)	Actual	% Pay-out
Adjusted EBITDA <sup>(1)</sup>	CEO/ CFO 100%	\$7.47 million	\$5.98 million	\$8.97 million	\$10.5 million	200%

(1) **Adjusted EBITDA** under the 2021 STIP program is Non-GAAP measure and is the same as is contained in the Company's Management Discussion and Analysis for the year ended December 31, 2021. It is defined as net income before interest, depreciation, amortization, impairments, share-based compensation, gains/losses on foreign exchange, gains/losses on disposal of property and capital equipment, fair value adjustments on embedded options, loss on extinguishment of debt, adjustment for the impact of IFRS 16 - Leases, and provision for income taxes. The Company's definition of Adjusted EBITDA also excludes unrealized gains and losses on the undesignated portion of foreign exchange forward contracts.

### Long-Term Incentive Plan ("LTIP")

The Company adopted a restricted share unit plan in June 2011, which was amended in June 2019 ("RSU Plan"). The general provisions of the RSU Plan are described in more detail under '*Share-based compensation*'. At the Shareholders Meeting in May 2022 Directors are proposing a similar amendment to the RSU Plan, as discussed in '*Business of the meeting and matters to vote on*'.

Periodic grants are proposed by management, reviewed and approved by the Compensation Committee and, for those RSUs granted to the CEO and CFO, approved by the Board. These grants vest as determined by the Compensation Committee, and may not vest later than the third anniversary of the respective grant date, provided the grant recipient is still employed by Swiss Water or one of its subsidiaries as at the date of vesting. Upon vesting, each RSU converts to one Share.

These grants allow participants to receive up to 50% of the market value of the award in cash (instead of Shares) upon vesting, in order to facilitate payment of taxes owing on the awards. Any RSUs paid in cash are returned to the pool and may be re-issued, subject to the maximum number of shares available under the Plan. Each award that is granted is increased by the value of dividends paid to Shareholders during the vesting period, using a formula that uses the higher of the then-current share price and \$3.20<sup>1</sup>.

The amounts of the initial grants as well as subsequent grants were designed to ensure that the number of shares reserved for issuance under the RSU Plan is sufficient for the RSU Plan to last at least 5 years (i.e. until June 2023) in order to limit dilution to Shareholders. In June 2019, Shareholders approved an increase in the number of common shares available for issuance under the RSU from 333,760 shares to a maximum of 815,509 Shares, which represented 9% of the issued and outstanding shares at that time.

In January 2021, Compensation Governance Partners was engaged by the Compensation Committee to review the LTIP. They determined that the current LTIP structure adequately links awards to performance however they recommended that the Company strengthen the correlation with the delivery of strategic objectives going forward.

In September 2021, following the adoption of a three-year strategy, the Board approved an LTIP structure for the CEO and CFO that identified the most critical elements driving long-term shareholder value and established performance metrics relating to EBITDA and the completion of the second production line at the Delta plant that are the qualifying criteria for the granting and vesting of RSUs through to the end of the 2023 fiscal year. The determination of the award payout levels will be based on the Company's audited financial results in each of the fiscal years 2021, 2022, and 2023.

### COMPENSATION OF EXECUTIVE OFFICERS

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Director's compensation is addressed above, under the heading '*About Proposed Directors*', while the compensation of executive officers is discussed below.

#### Report On CEO Compensation

The Board reviews and sets the CEO's compensation, using the compensation elements including base salary, short-term incentives, long-term incentives, benefits and perquisites, to recognize performance and promote leadership by the CEO. All compensation decisions for the CEO are approved by the Board on the recommendation of the Compensation Committee.

In 2019, 2020, and 2021, on the recommendation of the Compensation Committee, the CEO's salary was adjusted by the Board for a cost of living increase by 2%, 2%, and 4%, respectively. Each year the Board approves a number of performance objectives for Mr. Dennis for the coming year, as is discussed in more detail in '*Elements of Executive Compensation – Short-Term Incentive Plan*'.

#### Report On Executive Officers' Compensation

The following executive officers are considered "Named Executive Officers" for the purposes of disclosure requirements. No other individuals are in charge of a principal business unit, division, or function, or performed policy-making functions in respect of the Company. The 2019 and 2020 Annual Incentive Plans

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<sup>1</sup> The formula is: Additional RSUs = [Current RSUs \* (dividend paid/deemed share price)], where the deemed share price is the higher of the current market value of shares (using a volume weighted average share price for the 5 trading days immediately preceding the dividend payment date) or \$3.20. If the current market value is lower than \$3.20 per share, the dividend yield will be lower than the current market yield, as the denominator in the yield calculation will be higher than the current market value.

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reflect actual amounts paid out, while for 2021, the values reflect an estimated amount the Company has accrued but has not yet paid to the Named Executive Officer.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards <sup>(1)</sup> (\$)	Option-Based Awards (\$)	Plan Compensation (\$)		Pension Value (\$)	All Other Compensation <sup>(3)</sup> (\$)	Total Compensation (\$)
					Annual Incentive Plans <sup>(2)</sup>	Long-Term Incentive Plans			
Frank A. Dennis President & Chief Executive Officer	2021	371,794	114,190	--	378,788	--	--	26,019	890,791
	2020	356,858	112,000	--	106,115	--	--	24,980	599,953
	2019	349,860	177,139	--	196,797	--	--	24,490	748,286
Iain T. Carswell Chief Financial Officer	2021	276,015	48,938	--	225,084	--	--	19,463	569,500
	2020	260,100	64,000	--	54,069	--	--	18,207	396,376
	2019	255,000	75,917	--	100,406	--	--	17,850	449,173
Barry Close VP Operations	2021	189,763	32,585	--	66,443	--	--	14,267	303,058
	2020	202,415	32,000	--	25,302	--	--	14,169	273,886
	2019	198,446	50,611	--	57,549	--	--	13,891	320,497
David Kastle Senior VP Trading <sup>(4)</sup>	2021	121,550	61,483	--	--	--	--	--	183,033
	2020	258,761	32,000	--	20,379	--	--	18,113	329,252
	2019	242,901	50,611	--	74,776	--	--	5,325	373,613

- (1) Share-based awards reflect the deemed value of RSU awards granted during the year, even though these awards are not payable until vesting (on the third anniversary of the grant date). Grants were made on April 11, 2018 (which vested on February 23, 2021), February 23, 2019 (which vested on February 21, 2022), June 30, 2020, March 30, 2021, and September 14, 2021. The value was determined by multiplying the number of RSUs granted in the year by the volume-based weighted average share price for the 5 trading days immediately preceding the relevant date, in accordance with the terms of the RSU Plan. The actual value of the RSUs cannot be determined until the RSUs are converted to shares and sold or paid in cash on vesting.
- (2) Annual incentives plans represent payments made under the Company's STIP program and include any discretionary bonus payments. The Company has no long-term non-equity incentive plans.
- (3) The Company does not offer a pension plan. The amounts in this column consist of contributions paid to retirement savings plans in the name of the respective Named Executive Officers. For Canadian resident employees, the plan provides for payment of 5% of their base salary and the Company will also match an employee's own contribution up to a maximum of 2% of the employee's base salary. For employees residing in the United States, the Company contributes 2% of cash compensation to individual retirement accounts. Perquisites and other personal benefits do not exceed the lesser of \$50,000 and 10 percent of the total salary for any of the Named Executive Officers, and as such are not disclosed here.
- (4) Until January 2021, David Kastle was employed by Swiss Water Decaffeinated Coffee Company USA, Inc. (a wholly owned subsidiary of Swiss Water), and was paid in US dollars. All amounts shown were converted into Canadian dollars using the average US-Canadian dollar exchange rate for the applicable year.

### Share-Based Awards Agreements

The outstanding RSU awards contain provisions related to change in control, death or termination without cause. Specifically, in the event that an Award recipient passes away or is terminated without cause including upon change of control, the Award will vest rateably to the relevant date. Additionally, each of Mr. Dennis' and Mr. Carswell's RSUs vest in full in the case of termination within 12 months of a change in control.

### Incentive Plan Awards

The following table shows the value of share-based awards vested during the year, as well as the value of non-equity incentive plan compensation earned during the year 2021. The Company has no option-based awards.

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Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
President & CEO	--	\$135,063	\$378,788
Chief Financial Officer	--	--	\$225,084
VP Operations	--	\$38,589	\$66,443
Senior VP	--	\$63,007	--

### Outstanding Share-Based Awards

The following table shows all equity-based awards outstanding at the end of the most recently completed fiscal year. The only share-based awards the Named Executive Officers hold are RSUs. The Company has no option-based awards.

Name	Option-based awards				Share-based awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (\$)	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested <sup>(1)</sup> (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Frank A. Dennis	--	--	--	--	161,594	\$495,571	--
Iain T. Carswell	--	--	--	--	103,697	\$318,016	--
Barry Close	--	--	--	--	25,398	\$77,891	--

(1) Share-based awards reflect the number of granted RSUs (and not yet vested) as at the end of the most recently completed fiscal year, even though these awards are not payable until these grants vest, which is on the third anniversary of the grant date.

### Employment Agreements, Termination, and Change of Control Benefits

Mr. Dennis, Mr. Carswell, and Mr. Close are employees of Swiss Water Decaffeinated Coffee Inc. The following describes the key terms of each of their employment agreements and other applicable agreements.

#### Mr. Frank A. Dennis, Director, President and CEO

In the event that Mr. Dennis' employment is terminated without cause by the Company (including upon a change of control) or he terminates his employment (1) within twelve months of a change of control, or (2) for good reason (both as defined in the executive employment agreement), Mr. Dennis' employment agreement provides for severance payments of 24 months of salary and a pro-rata payment under the short-term incentive plan for the year in which employment was terminated. In addition, Mr. Dennis would receive a continuation of specified benefits (where reasonably practicable and permitted under the terms of any group or individual insurance programs) for 12 months. In the event of Mr. Dennis' death during his service with the Company, his estate will be entitled to receive a pro-rata portion, if any, of his base salary and annual bonus entitlement, if any, up to the date of his death which remains unpaid. Mr. Dennis' RSU award agreements also contain a change in control provisions. In the case of termination for cause or resignation, Mr. Dennis would forfeit all of his granted RSUs. In the case of termination not for cause or

death of Mr. Dennis, Mr. Dennis (or his estate) would receive a pro-rata share of unvested RSUs at the date of termination or date of death, as the case may be. For RSUs granted in 2020, in the case of termination by the Company or Mr. Dennis within twelve (12) months of a Change in Control (as defined in the RSU Plan), the RSUs will vest in full to the date of termination. In the case of a Change in Control, Mr. Dennis' RSUs would vest upon the Change in Control. For RSUs granted in 2021, 2022, and 2023, the vesting of such RSUs will be subject to the Board's evaluation of the achievement of previously approved performance metrics, following the completion of the applicable fiscal year.

### Mr. Iain T. Carswell, CFO

In the event that Mr. Carswell's employment is terminated without cause by the Company or he or the Company terminates his employment within twelve months of a change of control (as defined in the executive employment agreement), Mr. Carswell will receive or give, as the case may be, 3 months written notice of termination, as well as severance payments equal to 12 months of base salary and incentive payments that would have been owed to him during his period of service with Swiss Water. In addition, Mr. Carswell would receive a cash payment equal to the cost of all benefits which would have been paid by Swiss Water for himself and his family for 6 months immediately following his termination. Since Mr. Carswell's RSU award agreements also contain a change in control provisions. In the case of termination for cause or resignation, Mr. Carswell would forfeit all of his granted RSUs. In the case of termination not for cause or death of Mr. Carswell, Mr. Carswell (or his estate) would receive a pro-rata share of unvested RSUs at the date of termination or date of death, as the case may be. For RSUs granted in 2020, in the case of termination by the Company or Mr. Carswell within twelve (12) months of a Change in Control (as defined in the RSU Plan), the RSUs will vest in full to the date of termination. In the case of a Change in Control, Mr. Carswell's RSUs would vest upon the Change in Control. For RSUs granted in 2021, 2022, and 2023, the vesting of such RSUs will be subject to the Board's evaluation of the achievement of previously approved performance metrics, following the completion of the applicable fiscal year.

### Mr. Barry Close, Vice President of Operations

In the event that Mr. Close's employment is terminated without cause by the Company or he or the Company terminates his employment within twelve months of a change of control (as defined in the executive employment agreement), Mr. Close will receive or give, as the case may be, 3 months written notice of termination, as well as severance payments equal to 6 months of base salary and incentive payments that would have been owed to him during his period of service with Swiss Water. In addition, Mr. Close would receive a cash payment equal to the cost of all benefits which would have been paid by Swiss Water for himself and his family for 6 months immediately following his termination.

### **Agreements Summary Table**

The following table sets out the severance amounts that would have been payable to the Named Executive Officers had their employment been terminated without cause including upon change in control (and in the case of Mr. Dennis, if he terminated his employment for good reason as defined in the executive employment agreement).

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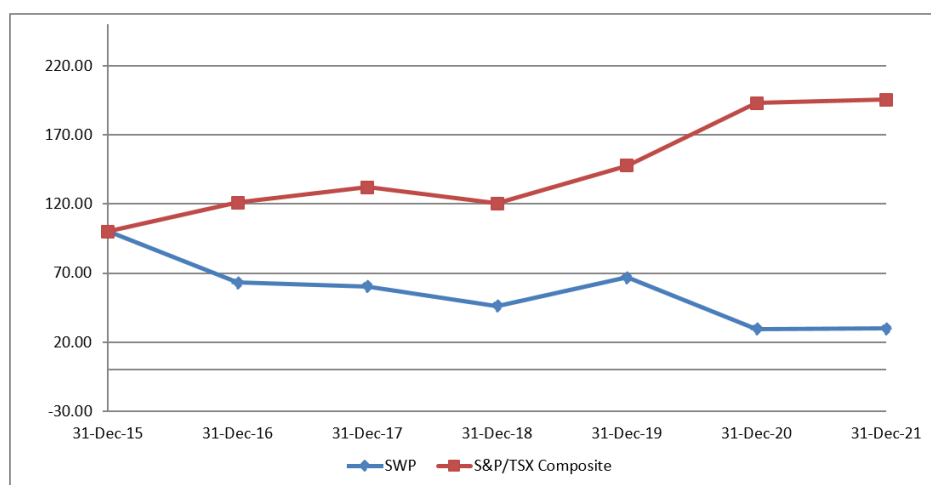
	Frank A. Dennis (\$)	Iain T. Carswell (\$)	Barry Close (\$)
Salary	743,588	276,015	94,882
Incentive Payments	180,394	92,034	25,554
Share-Based Compensation <sup>(1)</sup>	206,163	108,480	53,416
Estimated Cost of Benefits	26,019	9,732	7,134
Total	1,156,164	486,261	180,985

(1) The estimated value of the share-based compensation reflects the number of RSUs that would have vested for each of the Named Executive Officers as at December 31, 2021, assuming vested rateably. The value was determined by multiplying the number of RSUs granted and vested, and outstanding as at the date of this report, by the volume-based weighted average share price for the 5 trading days immediately preceding the relevant date, in accordance with the terms of the RSU Plan. The actual value of the RSUs cannot be determined until the RSUs are converted to shares and sold or paid in cash on vesting.

### SHARE-BASED COMPENSATION

#### Performance Graph

A substantial portion of executive compensation is fixed irrespective of financial or share price performance, reflecting the non-variable portions (salary and RRSP contributions) of the total compensation which do not change with the level of cash generated by the business. The Board believes that non-variable compensation components are necessary to attract and retain executives, and these aspects of compensation are consistent with the Company's discussed under '*Compensation Philosophy*'. The following graph compares the cumulative total return, including the reinvestment of distributions and dividends, from an investment of \$100 in shares made on December 31, 2015, with the cumulative total return of the S&P/TSX Composite Index.



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### Information Regarding the Company's Common Shares

During the twelve months preceding the date of this Management Information Circular, no common shares of the Company have been purchased or sold by the Company.

The Company's common shares are listed on the TSX. The following table sets out the volume of trading and price range of the common shares during the six month period preceding the date of this Management Information Circular.

Month	High (\$)	Low (\$)	Close (\$)	Volume ('000)
September, 2021	\$3.15	\$3.01	\$3.02	153,900
October, 2021	\$3.10	\$2.83	\$2.88	133,900
November, 2021	\$3.75	\$2.86	\$3.25	369,900
December, 2021	\$3.30	\$2.96	\$3.11	176,000
January, 2022	\$3.23	\$2.94	\$3.10	110,200
February, 2022	\$3.27	\$3.02	\$3.08	113,200

The number of Common Shares of outstanding Common Shares beneficially owned, or over which control and direction is exercised, by each of the directors and officers of the Company are set out under the heading "*About Proposed Directors*" of this Management Information Circular, which is approximately 3.9% of all issued and outstanding common shares. The number of Common Shares and percentage of outstanding Common Shares beneficially owned, or over which control and direction is exercised, by each insider of the Company, other than a director or officer of the Company, is 26,304 shares or 0.3% respectively. To the knowledge of the Company, after reasonable inquiry, there are no Common Shares beneficially owned or over which control and direction is exercised by any associate or affiliate of an insider of the Company, any associate or affiliate of the Company, or any person acting jointly or in concert with the Company.

### Restricted Share Unit Plan

In June 2019, Shareholders approved amendments to the RSU Plan, which was originally approved by the Shareholders in 2011. Under the RSU Plan, Swiss Water Shareholders approved a maximum of 815,509 common shares, being 9% of the issued and outstanding shares of the Company, for issuance under the Restricted Share Unit Plan. The following is a summary of important provisions of the RSU Plan. The Board is proposing an amendment to the terms of the RSU Plan. See '*Business of the Meeting and Matters to be Acted Upon*' and Appendix A to this information circular.

### Summary of RSU Plan

**Purpose.** The purpose of the RSU Plan is to promote the Company's interests and long-term success by providing officers, employees and consultants with greater incentive to develop and promote the Company's business and financial success over the longer term, to further align the interest of persons to whom Awards may be granted with those of the Shareholders generally through a proprietary ownership interest in the Company, and to assist the Company in attracting, retaining and motivating its officers, employees and consultants. As the values of the awards under the RSU Plan increase or decrease with the share price, the RSU Plan provides an element of compensation at risk.

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*Eligible Participants.* The RSU Plan is administered by the Compensation Committee which has been empowered by the Board to set the terms of incentive awards under the Plan. The Compensation Committee can, from time to time, grant Awards to any officer, employee, including an employee who is also a director, in their capacity as an employee, or any individual, company or other person engaged to provide ongoing valuable services to the Company (a “**Consultant**”) (an “**Eligible Person**”).

*No Grants to Independent Directors.* Independent Directors are not eligible to participate in the RSU Plan.

*Maximum Grant to Any One Participant.* The aggregate number of shares issuable to any person to whom Awards have been granted under the RSU Plan (each, a “**Participant**”) within any one year period cannot, in aggregate, exceed 1% of the then outstanding Shares. In addition, the maximum number of shares issuable at any time, and issued in any one year period, to Participants who are Insiders, pursuant to the RSU Plan or when combined with any other share compensation arrangements of the Company, cannot exceed 10% of the total number of outstanding Shares.

*Vesting of Awards.* Each Award will vest on the date or dates determined by the Compensation Committee and specified in the Award Agreement pursuant to which such Award is granted, provided that unless previously forfeited, such date may not be later than the date which is the last day of the 3<sup>rd</sup> calendar year following the date on which such Award is granted.

*Forfeiture of RSUs.* Except as determined by the Compensation Committee, all Awards will cease to vest upon: (i) the date upon which the Participant ceases to be employed or (ii) the death of the Participant. Unvested Awards shall be forfeited and terminated, provided, however, that the Compensation Committee may, when it finds that a waiver would be in the best interest of the Company, waive in whole or in part of any or all remaining restrictions with respect to RSUs.

*Payment.* Awards will be settled in Shares, unless the Company offers the Participant the right to receive cash in lieu of shares and the Participant, in his/her sole discretion, so elects. If an Award is settled in cash, the Participant will receive payment of an amount equal to the market price of the Shares underlying the Award at the time of vesting. The market price is determined based on the volume weighted average trading price of the Shares over the five trading days prior to the date of vesting. *Procedure for Amending.* Shareholder approval must be obtained by ordinary resolution for any amendment that would: (i) increase the number of shares reserved for issuance under the RSU Plan; (ii) extend the term of an Award beyond its original expiry time; (iii) allow for the participation by independent directors in the RSU Plan; or (iv) permit an Award to be transferable or assignable to any person other than in accordance with the RSU Plan.

Notwithstanding the foregoing, Shareholder approval is not required for amendments of a clerical nature, amendments to reflect any regulatory authority requirements (including those of the TSX), and amendments to the expiry date of an Award so long as such amendments do not extend the term of an Award past the original date of expiration.

*Non-transferability of awards.* RSUs granted are not transferable or assignable to anyone other than the Participant. RSUs can only be exercised by the Participant or their legal representative in case of death or incapacity by reason of physical or mental infirmity.

*Other Material Information.* Appropriate adjustments to the RSU Plan and to the Awards granted thereunder will be made by the Compensation Committee to give effect to adjustments in the number and type of shares (or other securities or other property) resulting from subdivisions, consolidations, substitutions, or reclassifications of Shares, payment of stock dividends or other changes in the Company’s capital. In the event of any merger, acquisition, amalgamation, arrangement, or another scheme of

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reorganization that results in a change of control, the Compensation Committee will, in an appropriate and equitable manner:

- (a) determine any adjustment to the number and type of shares (or other securities or other property) that thereafter shall be made the subject of Awards;
- (b) determine the number and type of shares (or other securities or other property) subject to outstanding Awards;
- (c) determine the unit price with respect to any Award, provided, however, that the number of shares covered by any Award or to which such Award relates shall always be a whole number;
- (d) determine the manner in which all unexercised Awards granted under this Plan will be treated including, without limitation, requiring the acceleration of the time for the exercise of such Awards by the Participants, the time for the fulfilment of any conditions or restrictions on such exercise, and the time for the expiry of such rights;
- (e) offer any Participant the opportunity to obtain a new or replacement award for securities into which the shares are changed or are convertible or exchangeable, on a basis proportionate to the number of shares issuable under the Award (and otherwise substantially upon the terms of the Award being replaced, or upon terms no less favourable to the Participant) including, without limitation, the periods during which the Award may be exercised and expiry dates; and in such event, the Participant shall, if he/she accepts such offer, be deemed to have released his/her Award and such Award shall be deemed to have lapsed and be cancelled; and
- (f) commute for or into any other security or any other property or cash, any Award that is still capable of being exercised, upon giving to the Participant to whom the Award has been granted at least 30 days written notice of its intention to commute such Award, and during such period of notice, the Award, to the extent it has not been exercised, can be exercised by the Participant without regard to any vesting conditions attached thereto, and on the expiry of such period of notice, the unexercised portion of the Award will lapse and be cancelled.

### Securities Authorized for Issuance under RSU Compensation Plan

From the adoption of the RSU Plan until the date of this Management Information Circular, all of the RSUs representing the right to acquire shares under the RSU Plan were granted and were either exercised (232,629 RSUs) into shares or, are in the process of vesting (367,999 RSUs).

In the last three years, the Company granted the following amount of RSUs:

Description	2019	2020	2021
RSUs granted	98,000	121,140	245,300
RSUs issued for dividends	8,142	2,098	0
Total	106,142	123,238	245,300
Weighted average number of outstanding Shares as at December 31, 2021	9,061,210	9,076,188	9,122,283
Granted RSUs as a percentage of weighted average number of outstanding Shares	1.2%	1.4%	2.7%

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The following table sets forth, as at December 31, 2021, the information in respect of the Company's compensation plans under which shares are authorized for issuance. The 439,747 securities to be issued upon the exercise of outstanding RSUs represents 4.8% while the 171,289 securities remaining available for future issuance under the RSU Plan represents 1.9% of the total issued and outstanding shares as at December 31, 2021.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by securityholders <sup>(1)</sup>	439,747	--	171,289
Equity compensation plans not approved by securityholders <sup>(1)</sup>	--	--	--
Total	439,747	--	171,289

Subsequent to December 31, 2021, the 2019 RSU's vested and recipients elected to receive shares. The following table sets forth, as at the date of this Management Information Circular, the information in respect of the Company's compensation plans under which shares are authorized for issuance. The 367,999 securities to be issued upon the exercise of outstanding RSUs represents 4.0% while the 214,881 securities remaining available for future issuance under the RSU Plan represents 2.3% of the total issued and outstanding shares as at the date of this Management Information Circular.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by securityholders <sup>(1)</sup>	367,999	--	214,881
Equity compensation plans not approved by securityholders <sup>(1)</sup>	--	--	--
Total	367,999	--	214,881

(1) The only equity compensation plan under which shares can be issued is the RSU Plan, described in '*Share-based Compensation*'. The weighted average exercise price of outstanding RSUs is based on a formula using a volume weighted average share price for the 5 trading days immediately preceding the maturity date. The actual value of the RSUs weighted average exercise price cannot be determined until the RSUs are converted to shares and sold or paid in cash on vesting.

### Deferred Share Unit Plan

In September 2011, the Compensation Committee and the Board approved the creation of a Deferred Share Unit Plan ("**DSU Plan**") for Directors and designated employees of the Company. The DSU Plan is designed to allow Directors, and if designated by the Compensation Committee, specified employees, the opportunity to defer a portion of their cash compensation by directing it into a phantom-equity plan, and thus align their interests with Shareholders. The DSU Plan is administered by the Compensation Committee, subject to Board approval of certain awards as determined by the terms of the DSU Plan. The following is a summary of important provisions of the DSU Plan.

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### Summary of DSU Plan

Directors and employees who are eligible to participate in the DSU Plan in any particular fiscal year may elect to receive in DSUs a specified percentage of their Directors' remuneration (in the case of Directors) or bonus entitlement (in the case of employees) for such fiscal year by giving written notice to the Company in a form specified in the DSU Plan. DSUs acquired through such an election are automatically vested in full upon issuance.

Subject to Board approval, the Company may grant discretionary awards of DSUs to any Director or designated employee.

*Accounts.* The company is required to establish an account for each participant. All DSUs shall be credited to the accounts of participants as at the applicable award date. The deferred amount shall be expressed in Canadian dollars, and in each case, the number of DSUs to be credited to an account shall be determined by dividing the deferred amount by the fair market value on the trading day immediately preceding the award date.

On the last day of each fiscal quarter, the Company shall determine whether any dividend has been paid on shares during such fiscal quarter, and if so, the rate thereof per share (expressed as a percentage based on the closing price of the shares on the record date for the payment of the applicable dividend) (the "**Dividend Rate**"). The Company shall credit each account with an additional number of DSUs equal to the number of DSUs in the respective account on the record date for such dividend multiplied by the Dividend Rate.

*Redemption Events.* DSUs shall not be redeemed except upon the occurrence of any one of the following events (each a "**Redemption Event**"): (a) the death of such participant; (b) the retirement of such participant; (c) in the case of a designated employee, the termination of such employee's employment with the Company or one of its subsidiaries; or (d) unless the Board in good faith determines that the nature of the transactions resulting in a change of control are such that it would not be appropriate for such change of control to constitute a Redemption Event, a change of control.

*Redemption.* Upon the occurrence of a Redemption Event with respect to a particular participant, such participant will be entitled to receive a lump sum payment, net of applicable withholding taxes, equal to the product of (i) the number of DSUs in such participant's account on the date of the Redemption Event and (ii) the fair market value of one share on the date of the Redemption Event. Upon the occurrence of a Redemption Event, the DSUs in the applicable participant's account will not represent any right other than the right to receive a lump sum cash payment referred to herein, and such DSUs shall automatically be cancelled immediately following the payment of such lump sum amount.

### DSUs Granted

In February 2018, the Board approved a director compensation structure that included a retainer in the form of DSUs with a value of \$20,000. Directors are also encouraged to voluntarily participate in the DSU Plan, by directing a portion of the cash compensation paid to them into DSUs. In 2021 four out of seven Directors elected to direct a portion of their cash compensation into DSUs. See 'Compensation of Directors'. As at the date hereof, 120,146 discretionary awards have been granted under the DSU Plan.

### DSUs Redeemed

During 2021 Mr. Mahler and Mrs. Fulton retired and were eligible for DSU redemption. Mr. Mahler had 104,071 vested DSUs (acquired at \$471,000) and they were redeemed for \$317,000. Ms. Fulton had 49,742

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vested DSUs (acquired at \$230,000) and they were redeemed for \$171,000. At their discretion, the former directors have not yet collected their redeemed DSUs.

### CORPORATE GOVERNANCE PRACTICES

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#### The Board of Directors

The majority of Directors are “Independent” as such term is defined for the purposes of National Instrument 58-101 “Disclosure of Corporate Governance Practices”. Mr. Frank Dennis is the President and CEO of Swiss Water. Mr. Veit is the Chairman of a coffee company which does business with Swiss Water. That company buys decaffeinated coffee and/or decaffeination services from Swiss Water, and sells green coffee to Swiss Water. All transactions are in the normal course of business, and none of the transactions are material to the Company. Mr. Veit is a non-management Director of the Company. The Chair of the Board is Mr. Tringali, who is an Independent Director.

#### Nomination of Directors

The Compensation Committee, which is comprised of a majority of independent Directors, considers proposed nominees for Directors as part of planned Board renewal and as vacancies arise, with a view to ensuring that the Board is comprised of individuals with a complementary range of general business and industry-specific experience and financial literacy. This Committee may, if necessary, engage the assistance of outside advisors to identify suitable nominees for election as Directors. The terms of reference detailing the responsibilities of this Committee are attached as **Appendix C** to this Management Information Circular.

#### Business Ethics

The Company has adopted a written Code of Business Ethics that applies to the Directors, management and employees of Swiss Water and its subsidiaries. The Code of Business Ethics also applies to third parties, as determined by the Board of Directors. The Code of Business Ethics is reviewed on an annual basis and it was most recently revised and approved by the Board in November 2020. It is anticipated that the Board will approve amendments to the Code of Business Ethics in the second quarter of 2022. Amendments include alternative reporting channels in relation to conflicts of interest and other Code of Business Ethics violations and enhanced language relating to groups that may not be discriminated against or harassed, in accordance with human rights legislation. The Board monitors compliance with the Code of Business Ethics. The Board, in compliance with the Code of Business Ethics and applicable corporate law, ensures that Directors who have a material interest in proposed transactions involving the Company disclose such interest prior to consideration of the relevant matter by the Board and abstain from voting on approval of such transactions as appropriate.

#### Number of Women on the Board and in Executive Officer Positions

Swiss Water currently has seven directors, two of whom are women, representing 29%, of the Directors. Of the seven nominees for election at the 2022 Annual General and Special Meeting of Shareholders, the two female directors will represent 29% of the Board. At this time there are no Named Executive Officers who are women.

#### Position Descriptions for Board and Committee Chairs

Each of the Chair and the Committee Chairs is an Independent Director. The Board has developed written position descriptions for the Chair of the Board and the chairs of the Committees (the “Committee Chairs”).

The Chair is responsible for the management, development and effective performance of the Board and leads the Board to ensure that it fulfils its duties as required by law and as set out in the Board's terms of reference. The Committee Chairs are responsible to lead and oversee the applicable Committee to ensure it fulfils its mandate as set out in its terms of reference and reporting regularly to the Board on the activities of the Committee.

### **Director Orientation and Continuing Education**

The Compensation Committee is responsible for ensuring that Directors receive appropriate orientation and education as to their duties and responsibilities and an understanding of the Company's business. In 2020, the Compensation Committee updated the Director Orientation process. From time to time, management provides the Directors with education sessions during Board meetings on topics such as the coffee industry, trends in the food industry in general, market conditions, financing alternatives and governance practices. Individual Directors also participate in education sessions offered by the Institute of Corporate Directors ("ICD"), the National Association of Corporate Directors ("NACD"), investment banks, professional associations, accounting firms, governance consulting firms and other professional services firms, attend association conferences, and from time to time, and read publications on a broad range governance matters published by the ICD, NACD, investment banks, accounting firms, governance consulting firms and other professional services firms. The governance matters include risk oversight, human capital oversight, cybersecurity, environmental, social and governance topics, proxy matters, diversity, equity and inclusion matters and climate change.

### **Board Assessment**

Typically, the Board conducts an annual evaluation and review of the performance of the Board, its committees and the Board Chair during the past year. In 2020, taking into account the Company's strategic plan and key risks, the Compensation Committee undertook a comprehensive review of the Board's skills matrix to identify skills gaps and priority skills to recruit for. In the first quarter of 2022, the Board undertook a Board self-assessment, reviewing the performance of the Board, its committees and the Board Chair. The self-assessment identified areas of focus for the Board in the next year, as well as areas where the Board may wish to improve its effectiveness.

### **Director Term Limits and Other Mechanisms of Board Renewal**

The Company has not adopted term limits for Directors because the Board believes the imposition of arbitrary term limits may result in an effective Director being disqualified and discounts the value of deep knowledge held by longer serving Directors. As a small company with a very small market capitalization, it is more difficult to attract and retain qualified people to serve on the Board. A vacancy created by adopting Director term limits could create an imbalance in the Board for an extended period of time, which could be detrimental to the overall governance of the Company. However, the Compensation Committee is committed to an orderly process for Board renewal. The Compensation Committee is responsible for assessing the effectiveness of the Board of Directors and Board renewal is one of the factors the Compensation Committee considers in its evaluation. The Board self-assessment has also identified skills gaps and priority skills to recruit for.

### **Diversity Targets Regarding the Representation of Designated Diversity Groups on the Board and in Executive Officer Positions**

The Company has not adopted targets regarding Designated Diversity Groups on the Board or in executive officer positions.

### **Diversity on the Board**

The Company seeks to maintain a Board comprised of talented and dedicated directors with a diverse mix of expertise, skills, experience and backgrounds. In 2019, the Board adopted a Diversity Policy with a broad definition of diversity, including, but not limited to gender, Aboriginal status, disability, ethnicity, geographical location, education, skills and experience, age and personal circumstances (the “Designated Diversity Groups”). The Diversity Policy articulates existing Board practices relating to diversity considerations and is reviewed by the Compensation Committee on an annual basis.

The Compensation Committee is responsible for overseeing Board renewal, including the evaluation, identification and recommendation of nominees to the Board. The Compensation Committee must identify nominees with the appropriate skills, experience and characteristics to promote the continued growth and success of Swiss Water. One of the factors that the Compensation Committee considers is the diversity criteria contained in the Diversity Policy. The Compensation Committee also considers the Company’s corporate strategy and takes into consideration the skills and experience of the current Directors (individually and the Board as a whole) in identifying nominees to the Board. It also considers the time and energy required to devote to Swiss Water’s Board and committee work and knowledge of the business and operations of the Company. The Diversity Policy specifically states that the Compensation Committee will consider that qualified candidates for directors may be found in a broad range of organizations and engage, where appropriate, qualified independent executive search firms to conduct searches for candidates, to help achieve the Company’s diversity objectives in relation to the Board. In 2017 utilizing the services of a search firm, the Compensation Committee identified Ms. Saunders as a Director nominee, taking into consideration all of the above. Most recently in 2021, utilizing the networks of individual Directors and the Corporate Secretary, the Compensation Committee identified Ms. McKenzie as a Director, taking into consideration all of the above.

### **Directors’ and Officers’ Liability Insurance**

The Company has purchased directors’ and officers’ liability insurance policies for the benefit of the Directors and executive officers of Swiss Water and its subsidiaries against any liability, including legal costs, incurred by them in their capacity as Directors or executive officers, subject to all of the terms and conditions of such policies. The aggregate amount of premiums paid in the fiscal year ended December 31, 2021, in respect of Directors and executive officers as a group was approximately \$20,026 total limit of insurance purchased under the policy was \$10 million per loss in the annual aggregate.

### **Diversity in Executive Officer Appointments**

The Company’s Diversity Policy informs its executive officer appointments. When identifying and considering the selection of candidates for appointment or promotion to executive officer positions, the President and Chief Executive Officer, with assistance from the Chief Financial Officer, considers the skills, experience and leadership abilities necessary for the position. They also consider diversity criteria relating to the Designated Diversity Groups. Consistent with the Compensation Committee’s practice, the Diversity Policy specifically states that the President and Chief Executive Officer and Chief Financial Officer will consider that qualified candidates may be found in a broad range of organizations and engage, where appropriate, qualified independent executive search firms to conduct searches for candidates, to help achieve the Company’s diversity objectives in relation to executive officer positions.

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### **Mandate of the Board of Directors**

#### Scope of the Board's Duties

The Board is responsible for the stewardship of the Company and satisfies its legal responsibility to manage or supervise the management of the business in the interest of its Shareholders through the CEO. In doing so, each Director must act honestly, in good faith, and in the best interests of the Company. The Board guides the strategic direction, evaluates the performance of senior management, monitors financial results, provides oversight of the Company's material risks and risk mitigation strategies, and is ultimately accountable to the Company's Shareholders, employees, customers, suppliers and regulators. The members of the Board are kept informed of the Company's operations at meetings of the Board and its committees, and through reports and analyses by, and discussions with, management. The Board manages the delegation of decision making authority to management through Board resolutions under which management is given authority to transact business, but only within specific limits and restrictions.

#### Selection of Management

The Board is responsible for appointing the CEO, monitoring and evaluating the CEO's performance, and approving the CEO's and CFO's total compensation. Through the recommendation of the CEO and the Compensation Committee, the Board is also responsible for oversight of the remuneration of all other senior executives of the Company. The Board also ensures that adequate plans are in place for management succession and, through the Compensation Committee, conducts an annual review of such plans.

#### Corporate Strategy

The Board is responsible for reviewing and approving the corporate strategy on a yearly basis, as well as determining the goals and objectives to achieve and implement the corporate strategy, while taking into account, among other things, the opportunities and risks of the business. Each year, the Board meets for a strategic planning session to set the plans for the upcoming year. In addition to the general management of the business, the Board expects management to achieve the corporate goals set by the Board and the Board monitors throughout the year the progress made against these goals.

In addition, the Board approves key transactions that have a strategic impact on the Company, such as acquisitions, key supply arrangements and strategic alliances. Through the delegation of signing authorities, the Board is responsible for setting out the types of transactions that require the approval of the Board before completion.

#### Fiscal Management and Reporting

The Board monitors the financial performance of the Company and must ensure that the financial results are reported (a) to Shareholders and regulators on a timely and regular basis and (b) fairly and in accordance with generally accepted accounting principles for publicly accountable enterprises. The Board must also ensure that all material developments of the Company are disclosed to the public on a timely basis in accordance with applicable securities regulations. The Board reviews and approves the Company's audited financial statements, management discussion and analysis and related disclosures which describe the achievements and performance of the Company for the preceding year. The Audit Committee also recommends that the Board approve (subject to Shareholder approval) the appointment of the Company's auditors on an annual basis.

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### Legal Compliance

The Board is responsible for overseeing compliance with all relevant policies and procedures by which the Company operates and ensuring that the Company operates at all times in compliance with all applicable laws and regulations and to the highest ethical and moral standards.

### Statutory Requirements

The Board is responsible for approving all matters which require board approval as prescribed by applicable statutes and regulations. Management ensures that such matters are brought to the attention of the Board as they arise.

### Risk Management

The Board is responsible for ensuring that management identifies the Company's principal risks and implements appropriate systems to manage these risks. The Board is also responsible for the integrity of the Company's internal control and management of information systems.

### External Communications

The Board is responsible for overseeing the establishment, maintenance and annual review of the Company's external communications policies which should address how the Company interacts with analysts and the public and contain measures for the Company to avoid selective disclosure. The Board is responsible for establishing a process for receiving Shareholder and other stakeholder feedback.

### **Committees of the Directors**

The following committees of the Board have been established:

#### **Audit Committee**

The Audit Committee consists of three Independent Directors. The Audit Committee's principal functions are:

- (i) to review all financial information and statutory disclosure documents prior to their approval by the Directors and their distribution to Shareholders and other interested persons;
- (ii) to review the Company's systems of internal control; and
- (iii) to monitor the performance of the external auditors.

For more information regarding the Audit Committee, including a detailed description of the Audit Committee's mandate and the qualifications of the members of the Audit Committee, as well as information regarding the compensation paid to the Company's auditors; please refer to the Company's current Annual Information Form, which is available on [www.sedar.com](http://www.sedar.com).

#### **Compensation and Corporate Governance Committee**

The Compensation Committee consists of three Directors, the majority of whom are independent (with the other Director being a non-management Director). The Compensation Committee's principal functions are:

- (i) to develop and monitor the Company's overall approach to corporate governance issues;
- (ii) to recommend to the Directors nominees for election and re-election as Directors;
- (iii) to review the performance of the Directors and their Committees; and

- (iv) to oversee organizational structure, executive appointment and succession, executive compensation, and performance review of the President and CEO.

The mandate of the Compensation Committee is contained in **Appendix C** of this Management Information Circular.

### **Shareholder Communications**

The Finance Department is charged with the responsibility of ensuring that the communication needs of Shareholders, and investors generally, are satisfied, by written communication including via email to or by direct contact with senior management.

### **Mandate of the President and Chief Executive Officer and Expectations of Management**

The President and CEO, and the CFO report directly to the Chair of the Board on a regular and on-going basis. They have full accountability to the Board for the operating, financial and strategic performance of the Company.

The Board reviews and approves annually specific personal goals and objectives for the ensuing year. An annual review of the President and CEO's, and the CFO's performance is conducted by the Compensation Committee.

## **ADDITIONAL INFORMATION**

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### **Availability of Documents**

The Company's Annual Information Form, consolidated financial statements and related management's discussion and analysis for the year ended December 31, 2021 and can be found at [www.sedar.com](http://www.sedar.com).

The Company will provide to any security holder, upon request to the Chief Financial Officer at [investor-relations@swisswater.com](mailto:investor-relations@swisswater.com) or 604.420.4050, one copy of the following documents:

1. the Company's most recent Annual Information Form, together with any document, or the pertinent pages of any document, incorporated therein by reference, filed with the applicable securities regulatory authorities;
2. the annual consolidated financial statements of the Company filed with the applicable securities regulatory authorities for the Company's most recently completed fiscal period in respect of which such financial statements have been issued, together with the report of the auditors thereon, related management's discussion and analysis and any interim financial statements of the Company filed with the applicable securities regulatory authorities subsequent to the filing of the annual financial statements; and
3. the most recent Management Information Circular of the Company filed with the applicable securities regulatory authorities in respect of the most recent Annual General and Special Meeting of Shareholders of the Company which involved the appointment of Directors.

Copies of the above documents will be provided, upon request, free of charge to Shareholders of the Company. The Company may require the payment of a reasonable charge by any person or company who is not a Shareholder of the Company and who requests a copy of such a document.

# SWISS WATER DECAFFEINATED COFFEE INC.

## 2022 Management Information Circular

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### Approval of this Management Information Circular

The contents and the sending of this Management Information Circular have been approved by the Board of Directors of the Company.

**On behalf of the Board of Directors,**

(Signed) "Frank Dennis"

Frank A. Dennis  
President & Chief Executive Officer  
Swiss Water Decaffeinated Coffee Inc.



## **APPENDIX A: RSU PROPOSED AMENDED PLAN**

### **SWISS WATER DECAFFEINATED COFFEE INC.**

#### **2011 RESTRICTED SHARE UNIT PLAN AS AMENDED IN 2019 AND 2022**

(REVISED AND APPROVED BY SHAREHOLDERS: MAY 9, 2022)

### **1.0 PURPOSE OF THIS PLAN**

1.1 *Purpose of this Plan.* The purpose of this Plan is to promote the interests and long-term success of the Corporation by:

- (a) furnishing certain officers, employees or Consultants of the Corporation or its Affiliates, with greater incentive to further develop and promote the business and financial success of the Corporation;
- (b) furthering the alignment of interests of persons to whom Awards may be granted with those of the shareholders of the Corporation generally through a proprietary ownership interest in the Corporation; and
- (c) assisting the Corporation in attracting, retaining and motivating its officers, employees and Consultants.

The Corporation believes that these purposes may best be effected by granting Awards and affording such persons an opportunity to own Common Shares of the Corporation pursuant to the grant of Awards.

### **2.0 DEFINITIONS**

2.1 *Definitions.* In this Plan, unless there is something in the subject matter or context inconsistent therewith, capitalized words and terms will have the following meanings:

- (a) “Affiliate” means an affiliate as defined in the Securities Act and includes issuers that are similarly related, whether or not any of the issuers are corporations, companies, partnerships, limited partnerships, trusts, income trusts or investment trusts or any other organized entity issuing securities;
- (b) “Associate” means an associate as defined in the Securities Act;
- (c) “Award” means any Restricted Share Unit granted under this Plan;
- (d) “Award Agreement” means any written agreement, contract or other instrument or document evidencing any Award granted under this Plan. Each Award Agreement shall be subject to the applicable terms and conditions of this Plan and any other terms and conditions (not inconsistent with this Plan) determined by the Compensation Committee;
- (e) “Board of Directors” means the board of directors of the Corporation as constituted from time to time;

## SWISS WATER DECAFFEINATED COFFEE INC.

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- (f) “Change in Control” means:
- (i) any merger or amalgamation in which voting securities of the Corporation possessing more than fifty percent (50%) of the total combined voting power of the Corporation’s outstanding securities are transferred to a person or persons different from the persons holding those securities immediately prior to such transaction and the composition of the Board of Directors following such transaction is such that the directors of the Corporation prior to the transaction constitute less than fifty percent (50%) of the number of directors comprising the Board of Directors following the transaction;
  - (ii) any acquisition, directly or indirectly, by a person or Related Group of Persons (other than a person that is a registered dealer as described in Section 2.1(u)(iii) and other than the Corporation or a person that directly or indirectly controls, is controlled by, or is under common control with, the Corporation) of beneficial ownership of voting securities of the Corporation possessing more than fifty percent (50%) of the total combined voting power of the Corporation’s outstanding securities;
  - (iii) any acquisition, directly or indirectly, by a person or Related Group of Persons of the right to appoint a majority of the directors of the Corporation or otherwise directly or indirectly control the management, affairs and business of the Corporation;
  - (iv) any sale, transfer or other disposition of all or substantially all of the assets of the Corporation;
  - (v) a complete liquidation or dissolution of the Corporation; or
  - (vi) any transaction or series of transactions involving the Corporation or any of its Affiliates that the Board of Directors in its discretion deems to be a Change in Control;

provided however, that a Change in Control shall not be deemed to have occurred if such Change in Control results solely from the issuance, in connection with a bona fide financing or series of financings by the Corporation or any of its Affiliates, of voting securities of the Corporation or any of its Affiliates or any rights to acquire voting securities of the Corporation or any of its Affiliates which are convertible into voting securities;

- (g) “Common Shares” means the common shares in the capital of the Corporation as constituted on the Effective Date, provided that if the rights of any Participant are subsequently adjusted pursuant to Article 16 hereof, “Common Shares” thereafter means the shares or other securities or property which such Participant is entitled to purchase after giving effect to such adjustment;
- (h) “Compensation Committee” has the meaning ascribed thereto by Section 4.1 of this Plan;

- (i) “Consultant” means any individual, company or other person engaged to provide ongoing valuable services to the Corporation or its Affiliates;
- (j) “Corporation” means Swiss Water Decaffeinated Coffee Inc. and includes any successor company thereto;
- (k) “Effective Date” has the meaning ascribed thereto by Section 3.1 of this Plan;
- (l) “Eligible Person” means an officer, employee or Consultant of the Corporation or its Affiliates, including, for greater certainty, an employee that is also a director of the Corporation, in his or her capacity as an employee of the Corporation;
- (m) “Exchange” means the Toronto Stock Exchange, or such stock exchanges or other organized markets on which the Common Shares are listed or posted for trading;
- (n) “Insider” means:
  - (i) an insider as defined in the Securities Act; and
  - (ii) an Associate or Affiliate of any person who is an Insider;
- (o) “Market Price” of Common Shares at any relevant date means the volume weighted average Canadian dollar trading price of the Common Shares on the Exchange for the five trading days prior to that relevant date, calculated by dividing the total value by the total volume of Common Shares traded.
- (p) “Merger and Acquisition Transaction” means:
  - (i) any merger;
  - (ii) any acquisition;
  - (iii) any amalgamation;
  - (iv) any offer for shares of the Corporation which if successful would entitle the offeror to acquire all of the voting securities of the Corporation; or
  - (v) any arrangement or other scheme of reorganization;that results in a Change in Control;
- (q) “Outstanding Common Shares” at the time of any issuance of Common Shares or grant of Awards means the number of Common Shares that are outstanding immediately prior to the share issuance or grant of Awards in question, on a non-diluted basis, or such other number as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the Exchange;
- (r) “Participant” means an Eligible Person designated to be granted an Award under this Plan;
- (s) “Permitted Assign” means:

# SWISS WATER DECAFFEINATED COFFEE INC.

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- (i) a trustee, custodian or administrator acting on behalf of or for the benefit of, a Participant;
- (ii) a holding entity of a Participant;
- (iii) Registered Retirement Savings Plan (“RRSP”), Registered Retirement Income Fund (“RRIF”) or a tax-free savings account (“TFSA”) of a Participant;
- (iv) a spouse of a Participant;
- (v) a trustee, custodian or administrator acting on behalf of, or for the benefit of, the spouse of a Participant;
- (vi) a holding entity of the spouse of a Participant; or
- (vii) a RRSP, a RRIF or a TFSA of the spouse of a Participant;
- (t) “Plan” means the Swiss Water Decaffeinated Coffee Inc. 2011 Incentive Plan, as the same may from time to time be supplemented or amended and in effect;
- (u) “Related Group of Persons” means:
  - (i) persons and any one or more of their Associates and Affiliates; and
  - (ii) any two or more persons who have an agreement, commitment or understanding, whether formal or informal, with respect to:
    - (A) the acquisition of or the intention to acquire, directly or indirectly, beneficial ownership of, or control and direction over, voting securities of the Corporation; or
    - (B) the exercise of voting rights attached to the securities of the Corporation beneficially owned by such persons, or over which such persons have control and direction, on matters regarding the appointment of directors or control of the management, affairs and business of the Corporation;
  - (iii) despite the above Section 2.1(u)(ii)(A), a registered dealer acting solely in an agency capacity for a person or Related Group of Persons in connection with the acquisition of beneficial ownership of, or control and direction over, securities of the Corporation, and not executing principal transactions for its own account or performing services beyond customary dealer’s functions, shall not be deemed solely by reason of such agency relationship to be a related person for the purposes of the definition of Related Group of Persons;
- (v) “Restricted Share Unit” means any unit granted under Article 8 of this Plan evidencing the right to receive a Common Share (or cash payment equal to the Market Price of a Share) at some future date;
- (w) “Securities Act” means the Securities Act, R.S.B.C. 1996, c.418, as amended from time to time;
- (x) “U.S. Internal Revenue Code” means the United States Internal Revenue Code of 1986, as amended from time to time; and

- (y) “U.S. Securities Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended from time to time.

### **3.0 EFFECTIVE DATE OF PLAN**

- 3.1 *Effective Date of this Plan.* The effective date (the “Effective Date”) of this Plan is **[June 20]**, 2011.

### **4.0 ADMINISTRATION OF PLAN**

4.1 *Administration of Plan.* The Board of Directors may at any time appoint a committee of the Board of Directors (the “Compensation Committee”) to, among other things, interpret, administer and implement this Plan on behalf of the Board of Directors in accordance with such terms and conditions as the Board of Directors may prescribe, consistent with this Plan (provided that if at any such time such a committee has not been appointed by the Board of Directors, this Plan will be administered by the Board of Directors, and in such event references herein to the Compensation Committee shall be construed to be a reference to the Board of Directors). The Board of Directors will take such steps that in its opinion are required to ensure that the Compensation Committee has the necessary authority to fulfil its functions under this Plan.

4.2 *Powers of Compensation Committee.* The Compensation Committee is authorized, subject to the provisions of this Plan, to establish from time to time such rules and regulations, make such determinations and to take such steps in connection with this Plan as in the opinion of the Compensation Committee are necessary or desirable for the proper administration of this Plan. For greater certainty, without limiting the generality of the foregoing, the Compensation Committee will have the power, where consistent with the general purpose and intent of this Plan and subject to the specific provisions of this Plan and any approvals or requirements of any regulatory authorities to which the Corporation is subject, including the Exchange, if applicable:

- (a) to delegate such duties and powers as the Compensation Committee may see fit with respect to this Plan (including, for greater certainty, the powers set out in Sections 4.2(c) through (j) below, pursuant to guidelines approved by the Compensation Committee, and in such event and in respect of those powers so delegated, references herein to the Compensation Committee shall be construed to be a reference to those persons to whom such powers have been so delegated);
- (b) to interpret and construe this Plan and any Award Agreement and to determine all questions arising out of this Plan and any Award Agreement, and any such interpretation, construction or determination made by the Compensation Committee will be final, binding and conclusive for all purposes;
- (c) to determine to which Eligible Person Awards are granted and to grant Awards;
- (d) to determine the type or types of Awards to be granted to each Eligible Person;
- (e) to determine the time or times when Awards will be granted;
- (f) to determine the number of Common Shares covered by each Award (or the method by which payments or other rights are to be determined in connection therewith);

- (g) to determine whether, to what extent and under what circumstances Awards may be payable in cash, Common Shares, other securities, other Awards or other property, or cancelled, forfeited or suspended;
- (h) to enter into an Award Agreement evidencing each Award which will incorporate such terms as the Compensation Committee in its discretion deems consistent with this Plan;
- (i) to prescribe the form of the instruments relating to the grant, exercise and other terms and conditions of an Award;
- (j) to take such steps and require such documentation from each Eligible Person which in its opinion are necessary or desirable to ensure compliance with the rules and regulations of the Exchange and all applicable laws;
- (k) to adopt such modifications, procedures and subplans as may be necessary or desirable to comply with the provisions of the laws of Canada, the United States and other countries in which the Corporation or its Affiliates may operate to ensure the viability and maximization of the benefits from the Awards granted to Participants residing in such countries and to meet the objectives of this Plan; and
- (l) to determine such other matters as provided for herein.

Unless otherwise expressly provided in this Plan, all designations, determinations, interpretations and other decisions under or with respect to this Plan or any Award shall be within the sole discretion of the Compensation Committee, may be made at any time and shall be final, conclusive and binding upon any Eligible Person and any holder or beneficiary of any Award.

**4.3 Compensation Committee Governance if U.S. Registrant.** If and so long as the Common Shares are registered under Section 12(b) or 12(g) of the U.S. Securities Exchange Act, the Board of Directors will consider in selecting the members of the Compensation Committee, with respect to any persons subject or likely to become subject to Section 16 of the U.S. Securities Exchange Act, the provisions regarding “nonemployee directors” as contemplated by Rule 16b-3 under the U.S. Securities Exchange Act.

## **5.0 COMMON SHARES AVAILABLE FOR AWARDS**

**5.1 Common Shares Available.** Subject to adjustment as provided in Article 16 of this Plan, the aggregate number of Common Shares that may be issuable pursuant to this Plan shall not exceed **1,115,509** Common Shares, being **12.2%** of all issued and outstanding Common Shares of the Corporation as at **March 30, 2022**.

**5.2 Accounting for Awards.** If an outstanding Award for any reason expires or is terminated or cancelled without having been settled in full, or if Common Shares acquired pursuant to an Award subject to forfeiture or repurchase are forfeited or repurchased by the Corporation for an amount not greater than the Market Price of a Common Shares as at the date such Common Shares were issued to the Participant, the Common Shares shall again be available for issuance under this Plan. Common Shares shall not be deemed to have been issued pursuant to this Plan with respect to any portion of an Award that is settled in cash.

5.3 *Reservation of Shares.* The Board of Directors will reserve for allotment from time to time out of the authorized but unissued Common Shares sufficient Common Shares to provide for issuance of all Common Shares which are issuable under all outstanding Awards.

5.4 *No Fractional Shares.* No fractional Common Shares may be issued under this Plan.

## **6.0 GRANT OF AWARDS**

Subject to the rules set out below, the Compensation Committee may from time to time grant to any Eligible Person one or more Awards as the Compensation Committee deems appropriate. A Participant, who holds any Award at the time of granting an Award, may hold more than one Award.

6.1 *Date Award Granted.* The date on which an Award will be deemed to have been granted under this Plan will be the date on which the Compensation Committee authorizes the grant of such Award or such other future date as may be specified by the Compensation Committee at the time of such authorization.

6.2 *Number of Common Shares/Maximum Grant.* The amount of any Award that shall be granted in any form that results in the issuance of Common Shares will be determined by the Compensation Committee, provided that:

- (a) the number of Common Shares reserved for issuance to any one Participant pursuant to this Plan within any one year period shall not, in aggregate, exceed 1% of the total number of Outstanding Common Shares; and
- (b) the number of Common Shares:
  - (i) issuable, at any time, to Participants that are Insiders; and
  - (ii) issued to Participants that are Insiders within any one year period;

pursuant to this Plan, or when combined with all of the Corporation's other security based compensation arrangements that provide for the issuance from treasury or potential issuance from treasury of Common Shares shall not, in aggregate, exceed 10% of the total number of Outstanding Common Shares.

For the purposes of this Section 6.2, Common Shares issued pursuant to an entitlement granted prior to the grantee becoming an Insider may be excluded in determining the number of Common Shares issuable to Insiders.

6.3 *Award Agreements.* Each Award will be evidenced by an Award Agreement which incorporates such terms and conditions as the Compensation Committee in its discretion deems appropriate and consistent with the provisions of this Plan (and the execution and delivery by the Corporation of an Award Agreement with a Participant shall be conclusive evidence that such Award Agreement incorporates terms and conditions determined by the Compensation Committee and is consistent with the provisions of this Plan). Each Award Agreement will be executed by the Participant to whom the Award is granted and on behalf of the Corporation by any member of the Compensation Committee or any officer of the Corporation or such other person as the Compensation Committee may designate for such purpose.

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### 7.0 ELIGIBILITY

Any Eligible Person shall be eligible to be designated a Participant. In determining which Eligible Person shall receive an Award and the terms of any Award, the Compensation Committee may take into account the nature of the services rendered by the respective Eligible Person, their present and potential contributions to the success of the Corporation or such other factors as the Compensation Committee, in its discretion, shall deem relevant.

### 8.0 RESTRICTED SHARE UNIT AWARDS

The Compensation Committee is hereby authorized to grant Restricted Share Unit Awards to an Eligible Person evidencing the right for such Eligible Person to receive a Common Share (or cash payment equal to the Market Price of a Common Share) at some future date.

8.1 *Award Agreement.* An Award will be subject to an Award Agreement containing such terms and conditions not inconsistent with the provisions of this Plan, as the Compensation Committee shall determine including, (i) the number of Restricted Share Units which are being granted to the Participant, (ii) any time based or other conditions as to the vesting of the Restricted Share Units, and (iii) the date and requirements for vesting and payout of the Restricted Share Units.

8.2 *Vesting of Award.* Subject to the terms of this Plan, each Award will vest as determined by the Compensation Committee and specified in the Award Agreement pursuant to which such Award is granted, provided that unless forfeited prior to such date(s) may not be later than the date which is the end of the third calendar year following the date on which such Award is granted.

8.3 *Vesting Conditions.* Subject to the terms and conditions of this Plan, the Compensation Committee may impose such limitations or conditions on the vesting of any Award as the Compensation Committee in its discretion deems appropriate including time based or other conditions which will be specified in the Award Agreement with respect to such Award.

8.4 *Payment.* As soon as practicable after any vesting of an Award, a certificate or certificates representing the Common Shares in respect of which such Award is payable or cash payment in lieu thereof, if applicable, will be delivered by the Corporation to the Participant or the legal representative of the Participant.

8.5 *Forfeiture.* Except as otherwise determined by the Compensation Committee and as set forth in the applicable Award Agreement all applicable Restricted Share Units at such time subject to restriction and unvested shall be forfeited and terminated:

- (a) in the event of a Participant's termination of employment or ceasing to be an Eligible Person for any reason (which, in the case of an employee or Consultant of the Corporation or its Affiliates, shall be the date on which active employment or engagement, as applicable, with the Corporation or its Affiliates terminates, specifically without regard to any period of reasonable notice or any salary continuance or as otherwise determined under criteria established by the Compensation Committee) immediately on such date, and

(b) in the event of the death of a Participant prior to (i) the Participant ceasing to be an Eligible Person (which, in the case of an employee or Consultant of the Corporation or its Affiliates, shall be the date on which active employment or engagement, as applicable, with the Corporation or its Affiliates terminates, specifically without regard to any period of reasonable notice or any salary continuance), or (ii) the date on which the Award, but for this Section 8.5(b), would have expired pursuant to Section 8.5(a), the date which is one year after the date of death of such Participant or such earlier or later date as the Compensation Committee may determine,

(c) provided, however, that the Compensation Committee may, when it finds that a waiver would be in the best interest of the Corporation, waive in whole or in part any or all remaining restrictions with respect to Restricted Share Units.

8.6 *For Canadian Residents.* Awards shall be settled in Common Shares, unless the Corporation offers the Participant the right to receive cash in lieu of Common Shares and the Participant, in its sole discretion, so elects.

## **9.0 GENERAL TERMS OF AWARDS**

9.1 *Awards May Be Granted Separately or Together.* Awards may, in the discretion of the Compensation Committee, be granted either alone or in addition to, in tandem with or in substitution for any other Award or any award granted under any plan of the Corporation or any Affiliate. Awards granted in addition to or in tandem with other Awards or in addition to or in tandem with awards granted under any such other plan of the Corporation or any Affiliate may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

9.2 *Forms of Payment under Awards.* Subject to the terms of this Plan, payments or transfers to be made by the Corporation or an Affiliate upon the vesting of an Award may be made in such form or forms as the Compensation Committee shall determine in accordance with rules and procedures established by the Compensation Committee, provided, however, that in no event shall a form of payment or transfer be made if such form of payment or transfer would be subject to section 409(A) of the U.S. Internal Revenue Code.

9.3 *Restrictions, Securities Exchange Listing.* All Common Shares or other securities delivered under this Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Compensation Committee may deem advisable under this Plan, applicable United States federal or state, Canadian provincial, or foreign securities laws and regulatory requirements, and applicable Canadian corporate laws, and the Compensation Committee may direct appropriate stop transfer orders and cause other legends to be placed on the certificates for such Common Shares or other securities to reflect such restrictions. If the Common Shares or other securities are traded on a securities exchange, the Corporation shall not be required to deliver any Common Shares or other securities covered by an Award unless and until such Common Shares or other securities have been admitted for trading on such securities exchange.

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### 10.0 CHANGE IN STATUS

A change in the status, office, position or duties of a Participant from the status, office, position or duties held by such Participant on the date on which the Award was granted to such Participant will not result in the termination of the Award granted to such Participant provided that such Participant remains an Eligible Person.

### 11.0 NON-TRANSFERABILITY OF AWARDS

Each Award Agreement will provide that the Award granted thereunder is not transferable or assignable to anyone other than a Permitted Assign. The Award Agreement will also provide that the Award granted thereunder may only be exercised by the Participant or a Permitted Assign, or in the event of:

- (a) the death of the Participant or a Permitted Assign; or
- (b) the appointment of a committee or duly appointed attorney of the Participant or a Permitted Assign, or of the estate of the Participant or a Permitted Assign on the grounds that the Participant or a Permitted Assign is incapable, by reason of physical or mental infirmity, of managing their affairs;

the Participant's or a Permitted Assign's legal representative.

### 12.0 REPRESENTATIONS AND COVENANTS OF PARTICIPANTS

12.1 *Representations and Covenants.* Each Award Agreement will contain representations and covenants of the Participant that:

- (a) the Participant is an officer, employee, or Consultant of the Corporation or its Affiliates or a person otherwise determined as an Eligible Person under this Plan by the Compensation Committee; and
- (b) the Participant has not been induced to enter into such Award Agreement by the expectation of employment or continued employment with the Corporation or its Affiliates; and
- (c) the Participant is aware that the grant of the Award and the issuance by the Corporation of Common Shares thereunder are exempt from the obligation under applicable securities laws to file a prospectus or other registration document qualifying the distribution of the Common Shares to be distributed thereunder under any applicable securities laws; and
- (d) upon each vesting of an Award, the Participant, or the legal representative of the Participant, as the case may be, will, if requested by the Corporation, represent and agree in writing that the person is, or the Participant was, an officer, employee or Consultant of the Corporation or its Affiliates or a person otherwise determined as an Eligible Person under this Plan by the Compensation Committee and has not been induced to purchase the Common Shares by expectation of employment or continued employment with the Corporation or its Affiliates, and that such person is not aware of any commission or other

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remuneration having been paid or given to others in respect of the granting of the Award; and

- (e) upon vesting of an Award which is settled in Common Shares, the Participant or their legal representative, as the case may be, will prior to and upon any sale or disposition of any Common Shares received pursuant to an Award, comply with all applicable securities laws and all applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the Exchange, and will not offer, sell or deliver any of such Common Shares, directly or indirectly, in the United States or to any citizen or resident of, or any company, partnership or other entity created or organized in or under the laws of, the United States, or any estate or trust the income of which is subject to United States federal income taxation regardless of its source, except in compliance with the securities laws of the United States.

**12.2 Provisions Relating to Common Share Issuances under an Award Agreement.** Each Award Agreement will contain such provisions as in the opinion of the Compensation Committee are required to ensure that no Common Shares are issued on the vesting of an Award unless the Compensation Committee is satisfied that the issuance of such Common Shares will be exempt from all registration or qualification requirements of applicable securities laws and will be permitted under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the Exchange. In particular, if required by any regulatory authority to which the Corporation is subject, including the Exchange, an Award Agreement may provide that shareholder approval to the grant of an Award must be obtained prior to the exercise of the Award or to the amendment of the Award Agreement.

### 13.0 WITHHOLDING TAX

The Participant will be solely responsible for paying any applicable withholding taxes arising from the grant or vesting of any Award and payment is to be made in a manner satisfactory to the Corporation. Notwithstanding the foregoing, the Corporation will have the right to withhold from any Award or any Common Shares issuable pursuant to an Award or from any cash amounts otherwise due or to become due from the Corporation to the Participant, an amount equal to any such taxes. In the event that the Corporation or its Affiliate (in either case, the “Employer”) is required to withhold, pay or provide for taxes as a result of the grant of Awards, the issuance of Common Shares hereunder or the payment of cash hereunder, the Participant shall, at the election of the Corporation in its sole discretion, and at the relevant time:

- (a) make a payment in immediately available funds to the Employer sufficient to cover all taxes payable in accordance with applicable law (“**Required Taxes**”), in an amount determined by the Corporation in its sole discretion;
- (b) surrender to the Employer, or authorize and direct the Employer (directly or indirectly through an agent or otherwise) to sell, a number of Common Shares sufficient to generate sale proceeds equal to the amount of such Required Taxes; or
- (c) where the Corporation, in its sole discretion, has established alternative procedures for the payment of the Required Taxes the Participant shall comply with such procedures.

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### 14.0 CONDITIONS

Notwithstanding any of the provisions contained in this Plan or in any Award Agreement, the Corporation's obligation to issue Common Shares to a Participant pursuant to the granting of any Award will be subject to, if applicable:

- (a) completion of such registration or other qualification of such Common Shares or obtaining approval of such governmental authority as the Corporation will determine to be necessary or advisable in connection with the authorization, issuance or sale thereof and
- (b) the receipt from the Participant of such representations, agreements and undertakings, including as to future dealings in such Common Shares, as the Corporation or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

### 15.0 SUSPENSION, AMENDMENT OR TERMINATION OF PLAN

15.1 *Suspension, Amendment or Termination of Plan.* The Compensation Committee will have the right at any time to suspend or terminate this Plan and, subject to Section 15.2, may:

- (a) with the prior approval of shareholders of the Corporation by ordinary resolution make any amendment to any Award Agreement or this Plan, including any amendment that would:
  - (i) increase the number of Common Shares reserved for issuance under this Plan as set out in Section 5.1;
  - (ii) extend the term of an Award beyond its original expiry time;
  - (iii) allow for the participation by independent directors; or
  - (iv) permit an Award to be transferable or assignable to any person other than in accordance with Articles 11 or Article 15;
- (b) without the prior approval of shareholders of the Corporation make any other amendments not listed in (a) above to any Award Agreement or this Plan, including:
  - (i) amendments of a clerical nature, including but not limited to the correction of grammatical or typographical errors or clarification of terms;
  - (ii) amendments to reflect any requirements of any regulatory authorities to which the Corporation is subject, including the Exchange;
  - (iii) amendments to any vesting provisions of an Award; and
  - (iv) amendments to the expiration date of an Award that does not extend the term of an Award past the original date of expiration for such Award.

Notwithstanding the foregoing, all procedures and necessary approvals required under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject shall be complied with and

obtained in connection with any such suspension, termination or amendment to this Plan or amendments to any Award Agreement.

**15.2 Limitations.** In exercising its rights pursuant to Section 15.1, the Compensation Committee will not have the right to affect in a manner that is materially adverse to, or that materially impairs, the benefits and rights of any Participant under any Award previously granted under this Plan (except: (a) with the consent of such Participant; (b) as permitted pursuant to Article 16; or (c) for the purpose of complying with the requirements of any regulatory authorities to which the Corporation is subject, including the Exchange).

**15.3 Powers of Compensation Committee Survive Termination.** The full powers of the Compensation Committee as provided for in this Plan will survive the termination of this Plan until all Awards have been exercised in full or have otherwise expired.

## **16.0 ADJUSTMENTS**

**16.1 Adjustments.** Appropriate adjustments to this Plan and to Awards shall be made, and shall be conclusively determined, by the Compensation Committee to give effect to adjustments in the number of Common Shares resulting from subdivisions, consolidations, substitutions, or reclassifications of the Common Shares, the payment of stock dividends by the Corporation (other than dividends in the ordinary course) or other changes in the capital of the Corporation or from a Merger and Acquisition Transaction. Any dispute that arises at any time with respect to any such adjustment will be conclusively determined by the Compensation Committee, and any such determination will be binding on the Corporation, the Participant and all other affected parties.

**16.2 Merger and Acquisition Transaction.** In the event of a Merger and Acquisition Transaction or proposed Merger and Acquisition Transaction:

- (a) the Compensation Committee shall, in an appropriate and equitable manner, determine any adjustment to the number and type of Common Shares (or other securities or other property) that thereafter shall be made the subject of Awards; and
- (b) the Compensation Committee shall, in an appropriate and equitable manner, determine the number and type of Common Shares (or other securities or other property) subject to outstanding Awards; and
- (c) the Compensation Committee shall, in an appropriate and equitable manner, determine the acquisition price with respect to any Award; provided, however, that the number of Common Shares covered by any Award or to which such Award relates shall always be a whole number; and
- (d) the Compensation Committee shall, in an appropriate and equitable manner, determine the manner in which all unvested Awards granted under this Plan will be treated including, without limitation, requiring the acceleration of the time for the vesting of such Awards by the Participants, the time for the fulfilment of any conditions or restrictions on such exercise, and the time for the expiry of such rights; and
- (e) the Compensation Committee or any company which is or would be the successor to the Corporation or which may issue securities in exchange for Common Shares upon the

Merger and Acquisition Transaction becoming effective may offer any Participant the opportunity to obtain a new or replacement award for securities into which the Common Shares are changed or are convertible or exchangeable, on a basis proportionate to the number of Common Shares issuable under the Award (and otherwise substantially upon the terms of the Award being replaced, or upon terms no less favourable to the Participant) including, without limitation, the periods during which the Award may be exercised and expiry dates; and in such event, the Participant shall, if he accepts such offer, be deemed to have released his Award and such Award shall be deemed to have lapsed and be cancelled; and

- (f) the Compensation Committee may commute for or into any other security or any other property or cash, any Award that is still capable of being exercised, upon giving to the Participant to whom such Award has been granted at least 30 days written notice of its intention to commute such Award, and during such period of notice, the Award, to the extent it has not been exercised, may be exercised by the Participant without regard to any vesting conditions attached thereto, and on the expiry of such period of notice, the unexercised portion of the Award shall lapse and be cancelled.

Subsections (a) through (f) of this Section 16.2 may be utilized independently of, successively with, or in combination with each other and Section 16.1, and nothing therein contained shall be construed as limiting or affecting the ability of the Compensation Committee to deal with Awards in any other manner. All determinations by the Compensation Committee under this Article 16 will be final, binding and conclusive for all purposes.

**16.3 Cancellation.** The Compensation Committee may, in its sole discretion, cancel any or all outstanding Awards and pay to the holders of any such Awards that are otherwise vested, in cash, the value of such Awards based upon the price per share of capital stock received or to be received by other shareholders of the Corporation in such event, provided that if and to the extent required by U.S. Internal Revenue Code Section 409A and applicable guidance thereunder this sentence shall not apply to any award that is subject to U.S. internal Revenue Code Section 409A.

**16.4 No Limitation.** The grant of any Awards under this Plan will in no way affect the Corporation's right to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, amalgamate, reorganize, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets or engage in any like transaction.

**16.5 No Fractional Shares.** No adjustment or substitution provided for in this Article 16 will require the Corporation to issue a fractional share in respect of any or other Awards and the total substitution or adjustment with respect to each Award will be limited accordingly.

## **17.0 GENERAL**

**17.1 No Rights as Shareholder.** Except as the Compensation Committee may otherwise determine and specify in an Award Agreement, nothing herein or otherwise shall be construed so as to confer on any Participant any rights as a shareholder of the Corporation with respect to any Common Shares reserved for the purpose of any Award, including for greater certainty, no Award shall confer any entitlement as to voting rights on a Participant.

17.2 *No Effect on Employment.* Nothing in this Plan or any Award Agreement will confer upon any Participant any right to continue in the employ of or under contract with the Corporation or its Affiliates or affect in any way the right of the Corporation or any such Affiliate to terminate his or her employment at any time or terminate his or her consulting contract, nor will anything in this Plan or any Award Agreement be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any such Affiliate to extend the employment of any Participant beyond the time that he or she would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or its Affiliates or any present or future retirement policy of the Corporation or its Affiliates, or beyond the time at which he or she would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or its Affiliates. Neither any period of notice nor any payment in lieu thereof upon termination of employment shall be considered as extending the period of employment for the purposes of this Plan.

17.3 *No Fettering of Directors' Discretion.* Nothing contained in this Plan will restrict or limit or be deemed to restrict or limit the right or power of the Board of Directors in connection with any allotment and issuance of Common Shares which are not allotted and issued under this Plan including, without limitation, with respect to other compensation arrangements.

17.4 *Applicable Law.* The Plan and any Award Agreement granted hereunder will be governed, construed and administered in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

17.5 *Interpretation.* References herein to any gender include all genders and to the plural includes the singular and vice versa. The division of this Plan into Sections and Articles and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Plan.

**APPENDIX B-1: PREFERRED SHARES – SPECIAL RESOLUTION**

The following is text of Special Resolution of the Shareholders to Amend Article 3 of Articles of Amalgamation.

**RESOLVED** as a special resolution that the Articles of Amalgamation of Swiss Water Decaffeinated Coffee Inc. be amended as follows:

Item 3 – Shares is amended to add the following provisions:

“(2) The Corporation is authorized to issue an unlimited number of Class A Preferred Shares, issuable in series, with the following rights, privileges, restrictions and conditions:

- (a) The Board of Directors of the Corporation may from time-to-time issue the Class A Preferred Shares in one or more series, each series to consist of such numbers of shares as may before issuance thereof be determined by the Board of Directors.
- (b) The Board of Directors of the Corporation may by resolution amend the Articles of Amalgamation of the Corporation (subject as hereinafter provided) to create any series of Class A Preferred Shares and to fix before issuance, the designation, rights, privileges, restrictions and conditions to attach to the Class A Preferred Shares of each series, including, without limiting the generality of the foregoing, the rate, form, entitlement and payment of preferential dividends, the dates and place to payment thereof, the redemption price, terms, procedures and conditions of redemption, if any, voting rights and conversion rights (if any) and any sinking fund, purchase fund or other provisions attaching to the Class A Preferred Shares of such series; and to send to the Director under the *Canada Business Corporations Act* in such form as the Director may determine, articles of amendment to designate such series of Class A Preferred Shares.
- (c) If any cumulative dividends or amounts payable on return of capital in respect of a series of Class A Preferred Shares are not paid in full the shares of all series shall participate rateably in respect of accumulated dividends and return of capital.
- (d) The Class A Preferred Shares shall be entitled to preference over the Common shares and any other shares of the Corporation ranking junior to the Class A Preferred Shares with respect to the payment of dividends, if any, and in the distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, and may also be given such other preferences over the Common Shares and any other shares of the Corporation ranking junior to the Class A Preferred Shares as may be fixed by the resolution of the Board of Directors of the Corporation as to the respective series authorized to be issued.
- (e) The Class A Preferred Shares of each series shall rank on a parity with the Class A Preferred Shares of every other series with respect to priority and payment of dividends and in the distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, exclusive of any conversion rights that may affect the aforesaid.

- (f) No dividends at any time shall be declared or paid or set apart for payment on any shares of the Corporation ranking junior to the Class A Preferred Shares (which for greater certainty shall include the Common shares) unless all dividends, if any, up to and including the dividend payable for the last completed period for which such dividend shall be payable on each series of the Class A Preferred Shares then issued and outstanding shall have been declared and paid or set apart for payment at the date of such declaration and payment or setting apart for declaration and payment on such shares of the Corporation ranking junior to the Class A Preferred Shares, nor shall the Corporation call for redemption or redeem or purchase for cancellation or reduce or otherwise pay off any of the Class A Preferred Shares (less than the total amount then outstanding) or any shares of the Corporation ranking junior to the Class A Preferred Shares unless all dividends up to and including the dividend payable on each series of the Class A Preferred Shares then issued and outstanding shall have been declared and paid or set apart for payment at the date of such call for redemption, purchase, reduction or other payment.
  - (g) Class A Preferred Shares of any series may be purchased for cancellation or made subject to redemption by the Corporation out of capital pursuant to the provisions of the *Canada Business Corporations Act*, if the Board of Directors so provide in the resolution of the Board of Directors of the Corporation relating to the issuance of such Class A Preferred Shares, and upon such other terms and conditions as may be specified in the designations, rights, privileges, restrictions and conditions attaching to the Class A Preferred Shares of each such series as set forth in the said Resolution of the Board of Directors and the Articles of the Corporation relating to the issuance of such series.
  - (h) No class of shares may be created or rights and privileges increased to rank in parity or priority with the Class A Preferred Shares with regard to the rights and privileges thereof and without limiting the generality of the foregoing, capital and dividends, without the approval of the holders of the Class A Preferred Shares.
- (3) The Corporation is authorized to issue an unlimited number of Class B Preferred Shares, issuable in series, with the following rights, privileges, restrictions and conditions:
- (a) The Board of Directors of the Corporation may from time-to-time issue the Class B Preferred Shares in one or *more* series, each series to consist of such numbers of shares as may before issuance thereof be determined by the Board of Directors.
  - (b) The Board of Directors of the Corporation may by resolution amend the Articles of Amalgamation of the Corporation (subject as hereinafter provided) to create any series of Class B Preferred Shares and to *fix* before issuance, the designation, rights, privileges, restrictions and conditions to attach to the Class B Preferred Shares of each series, including, without limiting the generality of the foregoing, the rate, form, entitlement and payment of preferential dividends, the dates and place to payment thereof, the redemption price, terms, procedures and conditions of redemption, if any, voting rights and conversion rights (if any) and any sinking fund, purchase fund or other provisions attaching to the Class B Preferred Shares of such series; and to send to *the* Director under the *Canada Business Corporations Act* in such form as the Director may determine, articles of amendment to designate such series of Class B Preferred Shares.
  - (c) If any cumulative dividends or amounts payable on return of capital in respect of a series of Class B Preferred *Shares* are not paid in full the shares of all series shall participate rateably in respect of accumulated dividends and return of capital.

- (d) The Class B Preferred Shares shall be entitled to preference over the Common shares and any other shares of the Corporation ranking junior to the Class B Preferred Shares with respect to the payment of dividends, if any, and in the distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, and may also be given such other preferences over the Common Shares and any other shares of the Corporation ranking junior to the Class B Preferred Shares as may be fixed by the resolution of the Board of Directors of the Corporation as to the respective series authorized to be issued.
- (e) The Class B Preferred Shares of each series shall rank on a parity with the Class B Preferred Shares of every other series with *respect* to priority and payment of dividends and in the distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, exclusive of any conversion rights that may affect the aforesaid.
- (f) No dividends at any time shall be *declared* or paid or set apart for payment on any shares of the Corporation ranking junior to the Class B Preferred Shares (which for greater certainty shall include the Common shares) unless all dividends, if any, up to and including the dividend payable for the last completed period for which such dividend shall be payable on each series of the Class B Preferred Shares then issued and outstanding shall have been declared and paid or set apart for payment at the date of such declaration and payment or setting apart for declaration and payment on such shares of the Corporation ranking junior to the Class B Preferred Shares, nor shall the Corporation call for redemption or redeem or purchase for cancellation or reduce or otherwise pay off any of the Class B Preferred Shares (less than the total amount then outstanding) or any shares of the Corporation ranking junior to the Class B Preferred Shares unless all dividends up to and including the dividend payable on each series of the Class B Preferred Shares then issued and outstanding shall have been declared and paid or set apart for payment at the date of such call for redemption, purchase, reduction or other payment.
- (g) Class B Preferred Shares of any series may be purchased for cancellation or made subject to redemption by the Corporation out of capital pursuant to the provisions of the *Canada Business Corporations Act*, if the Board of *Directors* so provide in the resolution of the Board of Directors of the Corporation relating to the issuance of such Class B Preferred Shares, and upon such other terms and conditions as may be specified in the designations, rights, privileges, restrictions and conditions attaching to the Class B Preferred Shares of each such series as set forth in the said Resolution of the Board of Directors and the Articles of the Corporation relating to the issuance of such series.
- (h) No class of shares may be created or rights and privileges increased to rank in parity or priority with the Class B Preferred Shares with regard to the rights and privileges thereof and without limiting the generality of the foregoing, capital and dividends, without the approval of the holders of the Class B Preferred Shares.”

**APPENDIX B-2: PREFERRED SHARES SECTION 190 OF CBCA**

Below is section 190 of *the Canada Business Corporation Act*.

**Right to dissent**

- 190.** (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to
- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
  - (b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;
  - (c) amalgamate otherwise than under section 184;
  - (d) be continued under section 188;
  - (e) sell, lease or exchange all or substantially all its property under subsection 189(3); or
  - (f) carry out a going-private transaction or a squeeze-out transaction.

**Further right**

- (2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

**If one class of shares**

- (2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

**Payment for shares**

- (3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

**No partial dissent**

- (4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

**Objection**

- (5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

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### Notice of resolution

- (6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

### Demand for payment

- (7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing
- (a) the shareholder's name and address;
  - (b) the number and class of shares in respect of which the shareholder dissents; and
  - (c) a demand for payment of the fair value of such shares.

### Share certificate

- (8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

### Forfeiture

- (9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

### Endorsing certificate

- (10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

### Suspension of rights

- (11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where
- (a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),
  - (b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or
  - (c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

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### Offer to pay

- (12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice
- (a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or
  - (b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

### Same terms

- (13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

### Payment

- (14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

### Corporation may apply to court

- (15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

### Shareholder application to court

- (16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

### Venue

- (17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

### No security for costs

- (18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

### Parties

- (19) On an application to a court under subsection (15) or (16),
- (a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

- (b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

**Powers of court**

- (20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

**Appraisers**

- (21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

**Final order**

- (22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

**Interest**

- (23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

**Notice that subsection (26) applies**

- (24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

**Effect where subsection (26) applies**

- (25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may
  - (a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or
  - (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

**Limitation**

- (26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that
  - (a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or
  - (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

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### APPENDIX C: CCGC TERMS OF REFERENCE

#### SWISS WATER DECAFFEINATED COFFEE INC. Compensation and Corporate Governance Committee TERMS OF REFERENCE (Revised and Approved by the Board: February 16, 2022)

#### **Establishment of the Committee**

There shall be a Committee of the Board of Directors (the "Board") of Swiss Water Decaffeinated Coffee Inc. (the "Company") to be known as the Compensation and Corporate Governance Committee ("Committee") whose membership, authority and responsibilities shall be as set out in this charter.

#### **Mandate of Committee – Corporate Governance and Nomination**

##### **1. Identification and Long-Term Planning of Board Member Characteristics**

The Committee shall:

- (a) identify and review with the Board the appropriate skills and characteristics required of Board members, taking into consideration the Board's short-term needs and long-term succession plans; and
- (b) develop a long-term plan for the Board's composition that takes into consideration the characteristics of independence, skills, experience and availability of service of its members, as well as the opportunities, risks, and strategic direction of the Company.

##### **2. Evaluation, Identification and Recommendation of Nominees to the Board**

In consultation with the Board Chair, the Committee shall identify and recommend to the Board nominees for election or re-election to the Board or for appointment to fill any vacancy that is anticipated or has arisen on the Board.

##### **3. Monitoring and Review of Board Member Education and Commitments**

The Committee shall:

- (a) review, monitor and make recommendations regarding the initial orientation and education of new Board members and the ongoing education of Directors; and
- (b) upon a significant change in a Board member's principal occupation or upon a member assuming any significant outside commitments, review the continued Board membership of such individual.

##### **4. Recommendation of Directors to Serve as Committee Members and Chairs**

The Committee shall identify and recommend to the Board individual Directors to serve as members and Chairs of Board Committees.

##### **5. Disclosure of Corporate Governance Practices**

The Committee shall be responsible for the Company's disclosure obligations regarding compliance with governance guidelines, recommendations or requirements under applicable securities laws, rules and regulations and the requirements of any applicable stock exchange.

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### 6. Board Guidelines, Policies, Procedures and Terms of Reference

The Committee shall:

- (a) review periodically the Board's policies and procedures by which the Board will operate and the Terms of Reference for the Board, committees of the Board, the Board Chair, Committee Chairs, individual Directors and the Chief Executive Officer of the Company;
- (b) advise the Board regularly with respect to significant developments in the law and practice of corporate governance as well as the compliance with applicable laws and regulations;
- (d) make recommendations to the Board on all matters of corporate governance, including any reports that may be required or considered advisable, and on any corrective action to be taken, as the Committee may deem appropriate; and
- (e) at the request of the Board Chair or the Board, undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of the Company.

### 7. Establishment and Implementation of Evaluation Processes

The Committee shall establish criteria for, and periodically undertake, an evaluation process for the Board, the Board Chair and each committee of the Board in order to assess the effectiveness of the Board as a whole, the Board Chair and each committee of the Board.

### **Mandate of the Committee – Compensation**

#### 1. Director Compensation

The Committee shall review and make recommendations to the Board with respect to the compensation of the Directors of the Company to ensure that the compensation is appropriate and adequately reflects their responsibilities.

#### 2. Compensation Guidelines and Agreements

The Committee shall review and recommend to the Board a compensation strategy and incentive policies and programs for the Company's senior management, and any material changes to such strategy, policies or programs, and administer the executive compensation and benefits program in accordance with such strategy, policies and programs.

The Committee shall also be responsible for reviewing and recommending to the Board certain matters relating to all employees, including material changes to annual salary and incentive policies and programs, material new benefit programs, or material changes to existing benefit programs.

#### 3. Chief Executive Officer Evaluation and Compensation

The Committee shall review and recommend to the Board the individual goals and objectives relevant to the total compensation package of Chief Executive Officer for the current year, recommend to the Board a performance evaluation process for the Chief Executive Officer, evaluate the performance of the Chief Executive Officer in light of these goals and objectives and determine and recommend to the Board the Chief Executive Officer's compensation level, bonus payout and LTIP awards, if any, based on this evaluation.

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In reviewing the long-term incentive component of the compensation of the Chief Executive Officer, the Committee shall consider the performance and relative shareholder return and performance of the Company, the value of similar incentive awards to chief executive officers at comparable companies and the awards given to the Chief Executive Officer in past years.

### 4. Other Executive Compensation and Oversight

The Committee shall review and recommend to the Board the individual goals and objectives relevant to the total compensation package of Chief Financial Officer for the current year. The Committee shall review and recommend to the Board the bonus payout and LTIP awards, if any, for the Chief Financial Officer for the most recently completed financial year.

The Committee shall oversee the Chief Executive Officer in the establishment of goals and objectives of the Company's senior management (including executive officers) other than the Chief Executive Officer and the Chief Financial Officer, the evaluation of the Company's senior management (including executive officers) and shall approve the total compensation package for the senior management (including executive officers) other than the Chief Executive Officer and Chief Financial Officer.

### 5. Equity Compensation Review

The Committee shall review periodically, and make recommendations to the Board regarding incentive compensation or equity plans, programs or similar arrangements that the Company establishes for, or makes available to, its employees and consultants.

In addition, the Committee shall review periodically the extent to which these forms of compensation are meeting their intended objectives and shall make recommendations to the Board regarding modifications that will more accurately relate such compensation to employee performance.

### 6. Management Resources and Plans for Executive Development

The Committee shall review existing management resources and plans, including recruitment, training and evaluations, to ensure that qualified personnel will be available for succession to senior management positions. On an annual basis, the Committee will receive a report from the Chief Executive Officer containing his or her views as to a successor for the position of Chief Executive Officer and all other senior management positions.

### 7. Retirement Matters

The Committee shall:

- (a) review and recommend for approval by the Board any material changes in the Company's retirement plans;
- (b) where appropriate, give direction concerning retirement program matters to the management committee that supervises the Company's retirement programs; and
- (c) where appropriate, receive reports from management on any retirement program matters that may be of concern to the Board and report to the Board on such matters.

### 8. Compensation Committee Report

The Committee shall review the disclosure on executive officer compensation required to be published by applicable securities laws, rules and regulations, including the Compensation Discussion and Analysis, and recommend such disclosure for approval by the Board.

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### Procedural Matters

#### 1. Membership

- (a) The Committee will be comprised of at least three (3) members, the majority of whom will be non-executive, independent Directors as defined in applicable securities laws, rules and regulations.
- (b) Members will be appointed by the Board and shall serve until the earlier to occur of the date on which he or she shall be replaced by the Board, resigns from the Committee, or ceases to be a Director.
- (c) The Board shall appoint one of the Directors elected to the Committee as the Chair of the Committee. In the absence of the Chair of the Committee at any meeting, the members shall elect a Chair from those in attendance to act as Chair of the meeting. The fundamental responsibility of the Chair is to be responsible for the management and effective performance of the Committee and provide leadership to the Committee in fulfilling its mandate and any other matters delegated to it by the trustees and directors. The Chair's responsibilities shall include:
  - a) working with the Committee members and the Chief Executive Officer to establish the frequency of Committee meetings and the agendas for meetings;
  - b) providing leadership to the Committee and presiding over Committee meetings;
  - c) ensuring that the Committee is properly organized and effectively discharges its duties;
  - d) facilitating the flow of information to and from the Committee and fostering an environment in which Committee members may ask questions and express their viewpoints;
  - e) reporting to the Board with respect to the significant activities of the Committee and any recommendations of the Committee;
  - f) leading the Committee in annually reviewing and assessing the adequacy of its mandate and evaluating its effectiveness in fulfilling its mandate; and
  - g) taking such other steps as are reasonably required to ensure that the Committee carries out its mandate.
- (d) The secretary of the Committee will be the Company's Secretary, or such other person as determined by the Committee.

#### 2. Meetings

- (a) The Committee shall meet as frequently as required, but no fewer than two times annually. The Chair shall prepare an agenda in advance of each meeting. A majority of the members of the Committee shall constitute a quorum and the act of a majority of the members present at a meeting where a quorum is present shall be the act of the Committee. The Committee may also act by unanimous written consent of its members. The Committee shall maintain minutes or other records of meetings and activities of the Committee.

- (b) Notice of a meeting of the Committee may be given orally or by letter, electronic mail, facsimile transmission or telephone not less than 24 hours before the time fixed for the meeting, unless such notice is otherwise waived in writing by the all of the members of the Committee.
- (c) The Committee may invite such other persons (e.g. the CEO, CFO) to its meetings, as it deems necessary.

### 3. Authority

The Board grants authority to the Committee, within the scope of its responsibilities, to:

- (a) Seek any information it requires from any employee (and all employees are directed to co-operate with any request made by the Committee) or external parties.
- (b) Obtain outside legal or other professional advice as deemed necessary and to set and authorize the compensation to be paid to such advisors.
- (c) Ensure the attendance of officers of the Company at meetings as appropriate.

### 4. Terms of Reference and Calendar

The Committee review these terms of reference and the calendar of activities on an annual basis and submit any recommended changes to the Board for approval



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