




JAB

Human Capital Policy



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INDEX

1.	Introduction	3
2.	Application	3
3.	Roles and Responsibilities	4
4.	Commitments	4
5.	Talent Recruitment and Human Capital Development	5
6.	Performance Reviews	7
7.	Monitoring and Communication	8
8.	Reporting	9
Annex		
1.	List of Definitions	10

1. INTRODUCTION

- 1.1 This Human Capital Policy (“**HC Policy**”) is established, and may be amended by, the Managing Partners.
- 1.2 The meaning of certain capitalized or uncapitalized terms used in this HC Policy is set forth in the List of Definitions attached as **Annex 1**.

2. APPLICATION

- 2.1 The HC Policy applies to JAB Holdings B.V., its direct and indirect parent companies (i.e. JAB Investments S.à r.l. and JAB Holding Company S.à r.l., respectively), its direct wholly owned subsidiaries (“**JAB**” or the “**Company**”) and their directors, officers, full-time, part-time and seconded employees. Personnel are expected to act in a manner that will enhance JAB’s reputation for honesty, integrity and reliability. The HC Policy applies in all countries in which JAB operates or conducts business. When the laws and regulations of those countries require a higher standard, the local standards will take precedent.
- 2.2 This HC Policy will not give answers for every ethical or legal situation. In case of doubt, please seek advice from the General Counsel.
- 2.3 JAB acknowledges the importance of its Personnel for all business operations and wishes to provide an excellent workplace to all Employees and support mental, physical and financial well-being, while also complying with all relevant laws and regulations. The practices to pursue this aim have been adopted in this policy.
- 2.4 This policy provides the organizational and joint framework with respect to the following non-exhaustive list of topics, considering the nature and size of the activities of the business of JAB:
 - talent recruitment, development and retention;
 - equality of opportunity, diversity & inclusion;
 - anti-discrimination; and
 - same pay for equal work.

This policy lays out the procedures and processes JAB has in place to ensure its commitments, are adequately addressed, and appropriately communicated to stakeholders including its Employees.

- 2.5 For the purpose of this policy, gender pay equality is understood as equal compensation for equal work performed with no discrimination on grounds of gender or any other form of discrimination. The gender pay gap reflects the deviation from gender pay equality. JAB believes compensation should fairly reflect an employee’s skills, education and experience and should not be subject to any form of discrimination on the basis of gender or other possible forms of discrimination.
- 2.6 If Employees act in violation with the HC Policy, policies and procedures or any of the laws that govern JAB’s business, JAB will take immediate and appropriate action up to and including termination of employment.

2.7 The HC Policy will be periodically reviewed and updated.

3. ROLES AND RESPONSIBILITIES

3.1 It is the responsibility of the Managing Partners to:

- encourage ethical conduct and lead by example (tone from the top);
- provide leadership and promote adherence to this Policy among its Employees;
- approve and/or review the following matters related to human capital, such as: incentives, promotions, Terms of Employment;
- support the JAB Partner who oversees all Human Capital topics (“**Responsible JAB Partner**”) in their activities (further detailed below);
- assess and discuss periodically the risks identified by the Responsible JAB Partner, and other matters that may arise; and
- monitor and enforce compliance with this Program by the Employees, approve recommendations, including (risk) mitigations and corrective actions (including appropriate disciplinary actions) for significant non-compliance, illegal or unethical conduct identified/reported.

3.2 It is the responsibility of the Responsible JAB Partner to:

- assist Employees to understand the importance and requirements of this Program and how to apply them in practice;
- ensure compliance with all relevant labor laws, regulations, rules and professional standards applicable to JAB.

The Responsible JAB Partner will be entrusted with enough resources to support him/her in order to carry out its role.

3.3 The Responsible JAB Partner is responsible for identifying any risk of non-compliance within JAB based on the requirements imposed by local labor laws and regulations.

4. COMMITMENTS

4.1 JAB is committed to identify and eliminate systemic barriers along the entire employee life cycle and to create a diverse and inclusive workplace in which our people experience equality of opportunity. JAB is committed to have an inclusive culture and a diverse team.

4.2 JAB aims to provide an excellent workplace to all Employees and therefore commits to support equality of opportunity, diversity, inclusion, and employee wellbeing and to prevent any form of discrimination.

4.3 JAB is committed to treat colleagues and third parties with dignity and fairness and not to condone discrimination, harassment or any other unlawful or unethical behavior. Any infringement to the

present policy shall be reported to the General Counsel, the responsible JAB Partner or through the Whistleblower mechanism.

- 4.4 JAB considers equal compensation regardless of gender as an important issue. Both gender pay equality and closing the gender pay gap are important for JAB. The Company is therefore committed to strive for gender pay equality, thereby aiming to ensure that there are no disparities. Compensation is monitored and organized in terms of seniority level, function, and geographic location, with limited practical possibilities for pay gaps.
- 4.5 As part of JAB's ongoing commitment to Environment, Social and Governance ("ESG") principles, there are initiatives that the Company participates in or organizes that go beyond legal compliance. For example, JAB is a member of Business for Inclusive Growth ("B4IG"), a coalition of over forty leading international companies committed to business action to advance human rights, build inclusive workplaces, and strengthen inclusion across company value chains. In doing so, they will advance G7 government-led efforts to strengthen equality of opportunity, tackle regional disadvantages and fight gender discrimination.

5. TALENT RECRUITMENT AND HUMAN CAPITAL DEVELOPMENT

- 5.1 JAB recognizes that attracting people with the right skill, but also training and retaining those team members is at the bedrock of our long-term journey. To develop Human Capital effectively, JAB formulates human capital targets in the strategy and objectives of the Company.
- 5.2 JAB focuses on talent retention and therefore monitors the turnover rate closely. The Company strives for high employee motivation, by offering the opportunity to work on a range of diverse and challenging projects, career advancement opportunities, and offering competitive compensation.
- 5.3 **Recruitment** – Attracting diverse talents is at the core of JAB's philosophy. Talent identification and selection is undertaken in an open, fair, and transparent manner to enable this. JAB recruitment tools may include:
- hiring from our extended network through referrals;
 - actively develop new pools of talent (e.g. hiring potential executives for future investment platforms early in the platform development process);
 - assistance of a recruitment agency and headhunting practices;
 - offer graduate traineeships or internships on an ad hoc basis; and
 - offer executive level secondments to portfolio companies.
- 5.4 **Talent development and retention** - JAB views a safe and inclusive working environment and the development opportunities for its Employees as critical factors to retain its talents. JAB aims to create a working environment that allows everyone to fulfil their potential. JAB offers personal development opportunities through which Personnel can continue to make progress both in the professional and personal sphere. These development opportunities and benefits include:
- coaching on the job and/or coaching with external professionals;

- mentorship programs on an ad-hoc basis, including mentorship with senior executives or externally recognized experts in the field;
- sponsorship of various upskilling courses and programs on personal needs basis;
- an attractive investment program: JAB encourages selected employees to invest in the firm and the investment is matched by JAB, which is an excellent mechanism for talent retention; and
- comprehensive private medical health insurance.

5.4.1 With regards to a safe working environment, JAB is committed to offer a working environment without fear of discrimination or harassment. This applies to all aspects of the working relationship with respect to:

- terms of employment;
- training opportunities, career development and promotion;
- work practices, conduct issues, allocation of tasks, discipline and grievances;
- social events organized by JAB; and
- termination of employment and related issues.

5.4.2 **Equality of Opportunity, Diversity and Inclusion (EOD&I) Program:** We strive to have the best person for the role at all times, maintain a high-performing team which is demographically, culturally and cognitively diverse and empower and give confidence to the team so that everyone can bring their best and realize their full potential.

We commit to identify and eliminate systemic barriers along the entire employee life cycle to create a diverse and inclusive workplace in which our people experience equality of opportunity. We commit to have an inclusive culture and a diverse team. Our commitments are achieved through our day-to-day behaviors and the culture of the firm. In addition, our global presence provides a footprint for hiring talent of diverse demographic profiles. Personnel are free to convene in networking groups or other forms of employee resource groups to share interests and experiences.

Furthermore, as active shareholders, we encourage our investee companies to develop their own EOD&I programs, including defining targets and reporting on KPIs at the portfolio company level.

We have defined several EOD&I targets and we report progress against these annually:

- Gender balance in the Partner and Management Team over the long term
- No gender pay gap
- 100% of the portfolio companies having at least 30% gender diversity at board of director level by 2025
- 100% of the portfolio companies having at least 30% gender diversity at executive leadership team level by 2025

5.4.3 As an active participant in the B4IG Coalition, JAB extends its efforts in equality of opportunity, diversity and inclusion beyond its immediate workforce. B4IG is currently focused on four key areas in its fight for equality: advancing human rights in direct operations and supply chains; building inclusive workplaces; strengthening inclusion in company value chains & ecosystems; and developing adapted tools to measure and value the impact of inclusive growth initiatives.

- The Working Groups bring together representatives from the numerous companies that have taken the B4IG pledge. Together with experts from the OECD as well as B4IG partners and academics, these representatives work to coordinate actions for inclusive growth via appropriately adapted incentives.
- Each Working Group approaches its efforts with an eye toward triggering systemic change. As knowledge is created and shared, new projects can spring from the WGs. Company representatives then champion these projects within their home organizations, always with the goal of turning collaboration into concrete action.

5.4.5 **Parental support:** To foster equality of opportunity and diversity among its workforce, JAB is committed to supporting its employees as they embark on the journey to combine an exciting career with building a family. JAB offers its employees parental support in the form of parental mentoring and coaching pre and post leave, parental benefits, and parental leave. The parental leave includes six months of fully paid leave for the primary care giver and four weeks of fully paid leave for the secondary care giver. Employees can choose to split the leave in the weeks preceding and the year following birth, adoption, or surrogacy.

5.5 **Grievance reporting and escalation tools:** All career related concerns and questions, including the ones related to labor relations and career perspectives, can be addressed with the Responsible JAB Partner or General Counsel, in a confidential manner, to support employee satisfaction and employee retention. Employees who wish to address concerns anonymously can use the reporting tool for career concerns operated by an external provider. All reported issues are followed up and addressed. With regards to a safe working environment, (suspected) misconduct can be reported confidentially and anonymously to the General Counsel or by using the Whistleblower system as stated in the Code of Conduct. JAB will not retaliate against any person who raises concerns and questions in good faith.

5.6 For further detail, please refer to the Speaking Up - Whistleblower Policy, available on the JAB website and our Training Portal.

6. PERFORMANCE REVIEWS

6.1 Human capital is monitored periodically to identify risks and opportunities within the skills and capacity of the workforce.

6.2 For all permanent employees working for JAB, ongoing performance reviews are conducted during which the performance of the employee is evaluated. In parallel, these performance discussions act as an opportunity to receive feedback from the employees and discuss their future goals and career development milestones.

6.3 The Compensation Committee meets annually or on an ad-hoc basis to discuss and deliberate on the

Employee's level of compensation and its main components.

7. MONITORING AND COMMUNICATION

7.1 The responsible JAB Partner monitors compliance with the relevant labor laws, regulations, rules, and professional standards applicable to JAB, mitigates identified risks and communicates results, where needed, to the Employees.

7.2 JAB evaluates compliance with key (HR) policies and procedures, and measures JAB's progress towards meeting its commitments. Employee wellbeing and engagement is followed up continuously. This includes monitoring and reviewing the development of diversity and inclusiveness within the workplace and the gender pay gap, amongst others.

7.3 **Gender Pay Equality Program and Gender Pay Gap Analysis:** JAB has the following initiatives in place to monitor and close the pay gap:

- JAB performs a compensation review and conducts an annual gender pay gap analysis by comparing the average compensation of men versus women considering the particularities of role, geography, and level of experience of each professional.
- The gender pay gap analysis compares the ratio of pay of men to women in specific positions, seniority level, and geography and indicates the global average and median pay gap.
 - The objective of JAB's pay gap analysis is to evaluate differences in compensation of men and women and to identify necessary adjustments to close the pay gaps when they exist.
 - A meaningful (comparable) pay gap analysis requires a statistically significant number of employees, a clear function house and relatively similar responsibilities, competencies, and function descriptions, among others.
 - In a 50-60 people organization with offices located in six different countries, statistically significant analyses are more challenging and therefore, given the relatively limited number of employees, JAB's pay gap analysis focuses mainly on position and geography.
- Several initiatives related to increasing diversity also contribute to gender pay gap reduction. Beyond those, initiatives to eliminate gender pay gap may include:
 - Targeted pay increases to adjust for gaps when they appear
 - Equal compensation for partners at the same level
- The results of the gender pay gap analysis are published annually in JAB's Extended Annual Report.

7.4 JAB strives to be a non-bureaucratic organization. JAB's leadership team keeps an "open-door"

approach towards the team and encourages open dialogue across all levels. As such, all JAB Partners regularly conduct conversations with its Employees to monitor topics such as job satisfaction and engagement, adherence to values, among others.

7.5 As for the companies that JAB invested in (“**Portfolio Investments**”), JAB encourages every Portfolio Investment to have an EOD&I strategy and implement actions which incorporate among other matters, anti-discrimination policy, gender pay equality and to close the pay gap if any, whilst the strategy remaining the responsibility of the management of the Company. Furthermore, the reach of JAB’s influence largely depends on its share in the Portfolio Investments. For further detail please refer to JAB’s Responsible Investment and Stewardship Policy.

8. **REPORTING**

8.1 JAB aims to promote transparency on its key human capital development practices. For this purpose, JAB discloses information on relevant Human Capital topics on its website as well as through its annual report, including KPIs such as training hours, training expenditure, percentage of female employees at different seniority levels, gender pay gap, new hires, and employee turnover.

8.2 JAB encourages Portfolio Investments to disclose information on relevant Human Capital topics such as same pay for equal work, when applicable. Some of the Portfolio Investments, especially those with large teams, already do this.

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ANNEX 1

1. LIST OF DEFINITIONS

1. In this Human Capital Program, the following terms have the following meanings:

Annual Report means the document that JAB publishes annually on its website and that describes JAB's operations and financial condition.

Company means JAB Holdings B.V., its direct and indirect parent companies (i.e. JAB Investments S.à r.l. and JAB Holding Company S.à r.l., respectively) and its direct wholly owned subsidiaries.

Compensation Committee means the committee responsible for deliberating on compensation level and structure of the Employees.

Employees means any director, officer, full-time, part-time and seconded employee including any third-party contractor, who receives or is entitled to receive remuneration for goods or services from JAB.

General Counsel means the general counsel of the group of companies headed by JAB.

JAB means JAB Holdings B.V., its direct and indirect parent companies (i.e. JAB Investments S.à r.l. and JAB Holding Company S.à r.l., respectively) and its direct wholly owned subsidiaries.

Personnel means any director, officer, full-time, part-time and seconded employee including any third-party contractor, who receives or is entitled to receive remuneration for goods or services from JAB.

Portfolio Investments means companies that JAB has invested in.

Responsible JAB Partner means the Partner from JAB who oversees all topics relating to Human Capital.

Subsidiary has the meaning attributed to it in Section 2:24a of the Dutch Civil Code.

2. Save where the context dictates otherwise, in this Human Capital Program:
 - (a) unless a different intention clearly appears, a reference to a Clause or Annex is a reference to a clause or annex of this Human Capital Program;
 - (b) words and expressions expressed in the singular form also include the plural form, and vice versa;
 - (c) words and expressions expressed in the masculine form also include the feminine form; and
 - (d) a reference to a statutory provision counts as a reference to this statutory provision including all amendments, additions and replacing legislation that may apply from time to time.
3. Headings of clauses and other headings in this Human Capital Program are inserted for ease of reference and do not form part of this Human Capital Program for the purpose of interpretation.