



JAB

# Human Capital Program



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## 1. INTRODUCTION

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

## 2. APPLICATION

- 2.1 The Program 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- and majority-owned subsidiaries (“**JAB**” or the “**Company**”) and their directors, officers, full-time, part-time and seconded employees (collectively “**Personnel**”, or “**Employees**”). Personnel are expected to act in a manner that will enhance JAB’s reputation for honesty, integrity and reliability. The Program applies in all countries in which JAB operates or conducts business. When the laws and regulations of those countries require a higher standard, such standard shall apply.
- 2.2 This Program will not give answers for every ethical or legal situation. In case of doubt, please seek advice from the relevant member(s) of Compliance or from the General Counsel, as appropriate.
- 2.3 If Employees act in violation with JAB’s Program, 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.
- 2.4 The Company operates globally and can therefore benefit from the different backgrounds of its Personnel and from general awareness of diversity for the business operations.
- 2.5 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 the Program.
- 2.6 This Program provides the organizational and joint framework as set out above 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;
  - Diversity and inclusion;
  - Equality of opportunity;
  - Anti-discrimination; and
  - Same pay for equal work.

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

2.7 For the purpose of this Program, 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. This commitment is reflected in this Program.

2.8 The Program will be periodically reviewed and updated.

### 3. ROLES AND RESPONSIBILITIES

3.1 It is the responsibility of JAB's board of directors ("**Board of Directors**"), under the guidance of the Supervisory Board, to:

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

3.2 The Board of Directors has the final responsibility for developing and executing mitigation actions whenever an issue arises or is brought to its attention. Mitigation actions may include:

- communication and collaboration with relevant authorities;
- adjustments in internal and external processes to eliminate future sources of risks; and
- careful consideration of human resource management and human capital development practices, among others.

3.3 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; and
- inform and educate Employees.

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

- 3.4 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 aims to provide an excellent workplace to all Employees and to that end the Company has made commitments to support equality of opportunity and diversity and eliminate any form of discrimination.
- 4.2 JAB aims at having the diverse society the Company operates in, to be reflected in its Personnel. 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 responsible JAB Partner.
- 4.3 JAB considers equal compensation regardless of gender 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. Pay is very transparent and organized by seniority level with limited practical possibilities for pay gaps.
- 4.4 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 40 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 In order 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 satisfaction, by offering career advancement opportunities, good and fair management and offering competitive compensation.
- 5.3 **Recruitment** - Attracting the best talents with a focus on diversity and inclusion 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:
- Assistance of a recruitment agency
  - Active approach of identified talents
- 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 offers personal development opportunities through which Personnel can continue to make progress both in the professional and personal sphere. The personal development program is tailored to the specific

wishes and needs of each individual. It may include coaching on the job, as well as various courses and programs. Areas in which courses and programs may be offered include, but are not limited to, investment management, management skills, thought leadership, technology and relationship development. To this end, JAB aims to create a working environment that allows everyone to fulfil their potential.

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 To promote an inclusive working environment JAB encourages a diverse workforce and builds awareness around diversity and inclusion through its day-to-day behaviors. JAB applies or can apply various initiatives to support this, such as for example:

- Training on diversity and inclusion. This includes training Employees to become aware of potential biases in the hiring process, supporting an inclusive work environment, stimulating female leadership and encouraging and supporting women.
- Personnel are free to convene in networking groups or other forms of employee resource groups to share interests and experiences.

5.4.3 To attract and retain high potential individuals JAB has an attractive investment program in place that are highly competitive. For example, JAB encourages selected employees to invest with a five-year cliff vesting, which is an excellent mechanism for talent retention.

## **6. PERFORMANCE REVIEWS**

6.1 For all permanent employees working for JAB, annual performance reviews are set up during which the performance of the employee is evaluated. At the same time, the performance discussion presents an opportunity to look towards the future as well.

6.2 The Compensation Committee meets annually or 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 has a monitoring program that evaluates JAB's compliance with key (HR) policies and procedures, and measures JAB's progress towards meeting its commitments. This includes monitoring and

reviewing the development of the diversity and inclusiveness within the workplace and the gender pay gap.

- 7.3 In order to effectively monitor gender pay equality, JAB performs a compensation review on an annual basis, including a review of the gender pay gap by comparing the average compensation of men versus women.
- 7.4 JAB periodically conducts surveys with 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 Investments to incorporate diversity, discrimination, gender pay equality and to close the pay gap, if any, but the matter is the responsibility of the management of the company. Furthermore, the reach of JAB’s influence largely depends on its share in the Portfolio Investments and is laid out in more detail in JAB’s Responsible Investment and Stewardship Policy

## 8. REPORTING

- 8.1 Given the size of JAB, it is not obliged to provide a written disclosure report. Nevertheless, JAB aims to promote transparency on its key human capital development practices. For this purpose, JAB intends to disclose information on relevant Human Capital topics, on its website as well as through its annual report.
- 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.

**Board of Directors** means the board of directors of JAB

**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), its direct wholly- and majority-owned subsidiaries

**Compensation Committee** means the committee responsible for deliberating on compensation level and structure of the Employees and is composed of the HR Partner, one member of the Supervisory Board and one JAB Partner who may be assigned on a rotation basis.

**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), its direct wholly- and majority-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

**Program** means the Human Capital Program of JAB

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

**Supervisory Board** means the supervisory board of JAB Holdings B.V.

**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.