



JDE PEET'S N.V. REMUNERATION POLICY 2025 FOR THE EXECUTIVE AND NON-EXECUTIVE DIRECTORS

INTRODUCTION

In accordance with article 2:135a of the Dutch Civil Code (containing the implementation of the amended European Shareholder Rights Directive II in the Netherlands) and the Dutch Corporate Governance Code, this directors' Remuneration Policy ("the Remuneration Policy" or "the Policy") of JDE Peet's N.V. ("the Company"), has been prepared for adoption by the Annual General Meeting of Shareholders ("AGM") in accordance with the Articles of Association of the Company, based on a proposal of the Board of the Company ("the Board").

After the update of the Remuneration Policy in 2024, the Board has proposed certain adjustments, which have been put to vote to the AGM in 2025. Upon its approval, this Remuneration Policy will apply with retroactive effect as of 1 November 2024.¹

REMUNERATION OF EXECUTIVE DIRECTOR(S)

POLICY OBJECTIVES AND CONSIDERATIONS

The objective of the Remuneration Policy is to attract, engage, incentivise and retain highly-skilled and qualified executive Director(s). The Policy provides a structure that aligns the compensation of the executive Director(s) with the successful delivery of the Company's long-term strategy and sustainable long-term value creation and supports an ownership mentality and entrepreneurship. When reviewing the Policy, the Board considered multiple perspectives including business requirements; shareholder views; the Company's identity, mission and values; the overall pay philosophy across the Company; the pay ratio between the executive Director pay and the average employee pay; company performance; scenario analyses of the possible outcomes of variable remuneration components; and the views of the executive Director(s) on the structure and quantum of their respective remuneration, in line with the provisions of the Dutch Corporate Governance Code.

The Company is pursuing sustainable, inclusive and profitable growth in the global coffee and tea categories in developed and emerging markets through its strategic framework. The variable compensation measures are aligned with this framework. The Company nurtures an entrepreneurial performance culture through setting challenging targets and aligning the interests of the executive Director(s) with sustainable long-term value creation. This long-term focus is reflected throughout the Remuneration Policy including through market-leading share ownership guidelines as further described below.

¹ It is noted that upon the approval of the Remuneration Policy, the change in the key elements for the remuneration of the non-executive Director(s) of the Company will apply with retroactive effect as of 1 January 2025.

POLICY ELEMENTS

The remuneration of the executive Director(s) is determined by the Board² following a recommendation from the Remuneration, Selection and Appointment Committee in accordance with the Remuneration Policy. The Policy provides for an appropriate balance between fixed and variable remuneration over the short and longer term, with a significant portion of remuneration directly linked to business performance and sustainable long-term value creation.

The Policy for executive Director(s) is simple and transparent, and comprises the following elements:

Policy element	Design	Maximum Policy Level	Link to strategy
Base fee	Fixed cash compensation, aligned with the scope & nature of the role, the experience of the executive Director(s) and relevant market benchmark data	Not applicable	Provide a fair and competitive basis to attract, engage and retain executive Director(s) of the highest calibre
Short-term incentive	Performance-related short-term incentive paid in cash subject to the achievement of annual targets. The Board has the possibility to determine that the short-term incentive is settled, in whole or in part, in shares	310% of annual base fee per annum	Ensure alignment with, and incentivise the delivery of, annual business priorities
Long-term incentive	Awarded in restricted share units, performance share units and/or options, typically with a 3-year vesting period	Award value will not exceed 500% of annual base fee	Incentivise sustainable long-term value creation and align the long-term interests of the executive Director(s) with those of the Company
Retirement & other benefits	May include health, disability and life insurance, car/mobility allowance and other benefits as determined from time to time	Not applicable	Support recruitment and retention by providing market-competitive benefits

² The authority to establish remuneration and other terms of service for Directors is vested in the Board, with due observance of the Remuneration Policy and applicable provisions of law. The executive Director(s) may not participate in the discussion and decision-making process of the Board with respect to their own remuneration.

BASE FEE

The base fee provides the main fixed element of the remuneration package. It is set at a level to attract, engage and retain the high calibre of executive Director(s) required to devise and execute the Company's strategy.

The base fee is reviewed periodically (and in the event of the appointment of a new executive Director) by the Board having obtained advice from the Remuneration, Selection and Appointment Committee. Various factors may be considered when determining any base fee changes to ensure remuneration is fair and market competitive, including, but not limited to, the scope and nature of the role, the individual experience of the executive Director(s), relevant market benchmark data, business and individual performance, salary increases of the wider workforce and local economic indicators. The actual base fee will be reported in the annual remuneration report.

In preparation of the review process, the Remuneration, Selection and Appointment Committee also considers data from companies in the global fast moving consumer goods (FMCG) sector or other relevant sectors with whom we compete for talent.

SHORT-TERM INCENTIVE

The executive Director(s) are eligible to participate in an annual performance-related short-term incentive scheme. The short-term incentive is linked to a percentage of the annual base fee with a maximum opportunity up to 310% of the annual base fee.

The purpose of the short-term incentive is to ensure executive alignment with, and to incentivise the delivery of, annual business priorities in line with the business plan approved by the Board. The Board establishes the performance measures and corresponding targets on an annual basis. The measures may include a balance of financial measures, key operational measures, and non-financial measures aligned to the strategic objectives of the Company. The financial measures are key performance indicators to measure the successful execution of the Company's strategy which can relate (but are not limited) to profit, revenue, operating working capital and other financial metrics as decided by the Board from time to time. Any non-financial measures may reflect performance on the key strategic objectives of the Company that are derived from or linked to the business plan of the Company and which reflect the Company's long-term strategy.

After the end of each financial year, the Board will review performance against the set performance targets to determine the extent to which the targets have been achieved, in order to determine the final pay-out level. The Board has the discretion, upon the recommendation of the Remuneration, Selection and Appointment Committee, to adjust the formulaic bonus outcome in cases which may include extraordinary circumstances or to better reflect the underlying performance of the business or progress towards the Company's Environmental, Social & Governance (ESG) objectives or other relevant factors that the Board may consider relevant from time to time. The exercise of any such discretion will be disclosed in the annual remuneration report.

Details of performance measures for each year and how they support the business strategy, as well as pay-out levels, will be disclosed in the annual remuneration report.

The short-term incentive is in principle settled in cash but, in order to encourage further ownership and proprietary interest by the executive Director(s) in the Company, the Board has the possibility to determine that the short-term incentive is settled, in whole or in part, in Company's shares.

LONG-TERM INCENTIVE

The executive Director(s) are eligible to participate in the JDE Peet's Long-Term Incentive plan, as amended from time to time ("the LTI"). The purpose of the LTI is to incentivise sustainable long-term value creation and align the long-term interests of the executive Director(s) with those of the Company.

Awards under the LTI are typically made annually in restricted share units, performance share units and/or options. These represent the conditional right to receive or purchase a number of Company's shares, generally subject to continued engagement during a vesting period and other conditions as may be determined by the Board for each grant.



Subject to approval of the Board, the target value of the LTI awards in any given year may not exceed 500% of the executive Director(s)' annual base fee. Each award is determined by the Board in line with the Company's remuneration principles and, to the extent pertinent, considering Company and individual performance, relevant market practice, external benchmark data and other relevant factors. To further incentivise long-term value creation, the LTI award may comprise a fixed number of instruments and/or may be based on a fixed share price or exercise price, in which event the Board may apply such fixed number and/or price to all or certain of the annual LTI awards within the four-year term of office of the executive Director and the maximum annual award value of 500% of the executive Director's annual base fee may be calculated based on such price.

Typically, a cliff vesting period of 3 years applies with the Board retaining the flexibility to apply a different vesting period or tiered vesting. The actual long-term incentive award, the applicable vesting period and a summary of conditions attached to each award will be disclosed in the annual remuneration report. In addition, the LTI contains further specific terms and conditions, including leaver treatment and change in control treatment.

In order to encourage ownership and proprietary interest in the Company, restricted share units, performance share units and/or options are, following vesting (in the case of options: exercise), settled in Company's shares, with the possibility of net settlement to allow for the payment of taxes due. In principle, the cumulative period during which any restricted share units, performance share units and/or options granted are subject to any vesting or holding periods is 5 years following the date of grant, unless the share ownership guideline is complied with.

For awards of performance share units, the applicable performance measures and targets for those measures may be set at the discretion of the Board. The measures may include a balance of financial and non-financial (for example ESG, operational or strategic) measures aligned to the objectives of the Company. For any portion of the LTI award which is subject to performance conditions, the maximum pay-out cannot exceed 200% of the target award. A statement on the applied performance measures (if any), the achievement level and vesting levels will be reported in the relevant annual remuneration report.

The Board has the optionality to include dividend equivalents on the long-term incentive awards.

RETIREMENT AND OTHER BENEFITS

Retirement and other benefits for which executive Director(s) are eligible are intended to be competitive in the relevant market and may evolve year on year. The executive Director(s) may be eligible for benefits such as (but not limited to) health insurance, disability and life insurance, a directors' and officers' liability insurance, a car or cash alternative, and to participate in any other benefits that may be offered to other employees at any given point.

Additional benefits and allowances may be offered in case of international relocations. These may include relocation support, reimbursement for international schools, housing support, reimbursement of flight costs, and other benefits in line with the applicable international mobility policy at the time and market practice for international relocations.

Retirement arrangements are designed to reflect relevant market practice. The executive Director(s) may participate in the applicable retirement benefit plans available to other executives or the wider workforce in the country of employment.

Further information regarding the benefits and retirement arrangements for the executive Director(s) will be disclosed in the annual remuneration report.

SHARE OWNERSHIP GUIDELINES

In order to ensure alignment between the interests of the executive Director(s) and sustainable long-term value creation, minimum share ownership guidelines apply, set at 800% of the annual base fee. These shareholdings may be built up over five years from appointment. At its discretion, the Board may (partly) waive this obligation for a limited period of time in the event of extraordinary circumstances. At all times, the executive Director(s) are allowed to sell Company shares to cover taxes at the time of vesting (or, in the case of options, exercise).

CLAW-BACK AND DISCRETION

Under the Dutch Civil Code, the Board is entitled to recover variable payments, in full or in part, to the extent that payment thereof has been made on the basis of incorrect information about the realisation of the underlying goals or about the circumstances from which the entitlement to the payment arose. Furthermore, the Board may adjust the outcome of variable remuneration to an appropriate level if payment of the variable remuneration is unacceptable according to the requirement of reasonableness and fairness. For the LTI, additional grounds for claw-back apply: detrimental activity (such as the violation of important restrictive covenants), circumstances warranting dismissal for cause and any other circumstances where the Remuneration, Selection and Appointment Committee determines such action is justified. Any application of claw-back or discretion will be disclosed and explained in the annual remuneration report.

SERVICE AGREEMENTS AND SEVERANCE PAYMENTS

In line with the Dutch Corporate Governance Code, executive Directors will typically be appointed for four-year terms.

As policy, notice period and severance payments (combined) will be limited to one year's base fee in total. Typically, a notice period of four months applies for the Company and two months for the executive Director(s). The Board may set a different notice period in the future, in line with Company needs and market practice prevailing at the time. If the contract is terminated by the Company other than for urgent cause or serious misconduct, the CEO is entitled to a one-off severance payment of eight months' base fee.

The treatment of incentive awards upon termination of employment will depend on the circumstances of departure in accordance with the applicable incentive plan rules.

REMUNERATION OF NON-EXECUTIVE DIRECTORS

POLICY OBJECTIVES AND CONSIDERATIONS

The Remuneration Policy for non-executive Directors is designed to ensure that the Company attracts, retains and appropriately compensates a diverse and internationally-experienced set of non-executive Directors. When developing this Policy for non-executive Directors, the Board considered multiple perspectives including business requirements, shareholder views, the overall pay philosophy across the Company, international market standards and the societal context. For remuneration fee benchmarking purposes, relevant market data from companies in the global FMCG sector or other relevant sectors will be utilized.

In accordance with the Articles of Association, the authority to establish remuneration and other terms of service for non-executive Directors is vested in the Board.³

The Remuneration Policy for the non-executive Directors is simple and transparent in design:

Policy elements	Design	Maximum Policy Level	Link to strategy
Annual retainer & Committee fees	Reflects responsibilities and expected time commitment. Paid in cash	Not applicable	Provide fair and competitive reward to attract and retain non-executive Directors of the highest calibre

³ The authority to establish remuneration for the non-executive Directors is vested in the Board, with due observance of the Remuneration Policy and applicable provisions of law.



ANNUAL RETAINER & COMMITTEE FEES

The fees reflect time spent and responsibilities of the roles and consist of an annual retainer for board membership and committee fees, awarded fully in cash. All expenses reasonably incurred by non-executive Directors in the course of performing their duties are considered business expenses and are reimbursed at cost. In line with the Dutch Corporate Governance Code, the non-executive Directors are not remunerated in the form of (rights to) shares.

Details of the fees of non-executive Directors will be disclosed in the annual remuneration report.

SERVICE AGREEMENTS

Non-executive Directors are typically appointed by the AGM for a period of not more than four years at a time and may then be reappointed once for a period of four years. A non-executive Director may then subsequently be reappointed for a period of two years, which appointment may be extended by at most two years. The applicable rules and procedures with respect to appointments, reappointments, suspension, and dismissal are governed by Dutch law, the Articles of Association of the Company, and the Board By-Laws. Non-executive Directors are not entitled to contractual severance arrangements.

PROCESS AND GOVERNANCE

DEVIATIONS

In exceptional circumstances, the Board upon recommendation of the Remuneration, Selection and Appointment Committee, may decide to temporarily derogate from the Remuneration Policy. Exceptional circumstances only cover situations in which the derogation from the Remuneration Policy is necessary to serve the long-term interests and sustainability of the Company as a whole or to assure its viability, such as an interim appointment or the appointment of a new executive Director.

For example, the Board may grant an award in order to buy-out any remuneration forfeited on joining the Company to facilitate recruitment of a new or interim executive Director equal to the value of the forfeited remuneration to be determined by the Board, comprising cash or medium to long-term incentives. The rationale and detail of any such deviation will be disclosed in the annual remuneration report.

DECISION-MAKING PROCESS

In accordance with the Dutch Corporate Governance Code, the Remuneration, Selection and Appointment Committee prepares the decisions regarding revisions to the Remuneration Policy and the execution thereof. In accordance with the Dutch Civil Code, the Remuneration Policy will be submitted for adoption to the AGM at least every four years, as well as in case of amendments to the Remuneration Policy.

All amendments of the Remuneration Policy shall be accompanied by a description and explanation of all significant changes and the decision-making process followed for its determination, review and implementation. When proposing amendments to the Remuneration Policy, the Remuneration, Selection and Appointment Committee will also explain how it takes into account the votes and views of shareholders and other stakeholders of the Remuneration Policy since the most recent vote on the Remuneration Policy by the AGM. If the AGM does not adopt the proposed amendments to the Remuneration Policy, the Company shall continue to remunerate in accordance with the existing adopted Remuneration Policy and shall submit a revised policy for approval at the following AGM.