



## Agenda and Explanatory Notes of JDE Peet's Extraordinary General Meeting of Shareholders on 18 November 2020

Agenda and Explanatory Notes of the virtual Extraordinary General Meeting of Shareholders (the **EGM**), of JDE Peet's N.V. (**JDE Peet's**) which will be held at 1:00 pm CET on Wednesday 18 November 2020.

### Agenda

- (1) Opening and announcements
- (2) Proposal to appoint Mr. Fabien Simon as executive member of the Board (Resolution)
- (3) Proposal to make a technical amendment to JDE Peet's' Directors' Remuneration Policy (Resolution)
- (4) Proposal to appoint Mr. Frank Engelen as non-executive member of the Board (Resolution)
- (5) Closing of the meeting

### Explanatory Notes

#### Item 2

##### ***Proposal to appoint Mr. Fabien Simon as executive member of the Board (Resolution)***

Following the resignation of Mr. Casey Keller as CEO of JDE Peet's on 4 September 2020, the Board has appointed Mr. Fabien Simon to temporarily fulfill the duties of CEO, until his formal appointment as executive member of the Board.

The Board now nominates Mr. Fabien Simon for appointment as executive member of the Board by the General Meeting of Shareholders.

It is therefore proposed to the General Meeting of Shareholders to appoint Mr. Fabien Simon in accordance with this nomination for a period of four years (ending at the closing of the Annual General Meeting of shareholders to be held in 2025).

The Board has appointed Mr. Fabien Simon as CEO, effective following his appointment as executive member of the Board.

Mr. Fabien Simon (1971), French, is currently a non-executive Director. He also serves as chairman of JAB's pet care platform. Previously, he was a Partner and the CFO of JAB and was responsible for leading the successful IPO on the Euronext Amsterdam stock exchange in May 2020.

Between August 2014 and January 2019, he was the CFO of Jacobs Douwe Egberts B.V., during which time he led its M&A strategy and multiple large-scale integrations. Prior to JDE, he spent 13 years at Mars Inc., holding various finance leadership roles, including Asia Pacific CFO, Vice President and CFO Petcare Europe and Finance Director Europe. Fabien also spent eight years at Valeo in a variety of leadership roles, including Finance Director.

He holds a Master's degree in Finance and Economics from the University of Picardie Jules Verne, Amiens and a Chartered Accountant Certificate. He lives in Amsterdam with his wife and three children.



### *Main elements services agreement*

The main elements of the services agreement of Mr. Fabien Simon with the company are listed below. The package as set out below is in line with JDE Peet's' Directors' Remuneration Policy as amended by agenda item 3.

### *Agreed package*

- Annual base fee: EUR 1,000,000 gross.
- Monthly mobility allowance: EUR 3,300 gross.
- At-target annual cash incentive (as a percentage of base fee): 100%. Maximum bonus opportunity capped at 250%.
- Annual long term incentive award in the form of restricted share units under the JDE Peet's Long Term Incentive Plan: EUR 3,000,000, which is the minimum award value and which may be increased in future years to a maximum award value of 500% of annual base fee, in accordance to JDE Peet's' Directors' Remuneration Policy.
- Mr. Fabien Simon has the option between the International Pension Plan or the local Dutch Defined Contribution Plan of Jacobs Douwe Egberts B.V. where, under both options, he must contribute 4% of his pensionable salary/fee and the remaining contribution is paid by the company/the company's group.
- Term of agreement: four years as of the effective date of the appointment (ending at the closing of the Annual General Meeting of shareholders to be held in 2025).
- Notice period: four months for JDE Peet's and two months for Mr. Fabien Simon.
- Severance arrangement is equal to 8/12 of the annual base fee.

### *One-off awards*

The Non-Executive Directors have approved a sign-on amount of EUR 10,000,000 net which will be invested by Mr. Fabien Simon in the executive ownership plan (the **EOP**) as set out below, to compensate Mr. Fabien Simon for forfeited remuneration with his previous employer, as explicitly allowed under JDE Peet's' Directors' Remuneration Policy.

There is a pro rata repayment obligation if Mr. Fabien Simon ceases to be an executive member of the Board during the first five (5) years following appointment.

### *Investment*

To foster an entrepreneurial culture and long-term commitment, Mr. Fabien Simon will acquire an equity interest in the JDE Peet's group of companies through the EOP by acquiring shares of a special class of shares in a subsidiary of JDE Peet's, up to a maximum investment amount of EUR 23,000,000, including the EUR 10,000,000 mentioned above. These special shares will have double profit rights, which effectively means a 1:1 conditional match of his investment. The value of the special shares correspond directly to the share price of JDE Peet's.

### *Other*

- No company loans.
- Mr. Fabien Simon currently indirectly holds 214,149 shares in JDE Peet's, and will acquire additional shares in the EOP, as set out above.
- Mr. Fabien Simon holds 5,849 shares and 1,408 Restricted Stock Units directly in Peet's Coffee, Inc.



### Item 3

#### **Proposal to make a technical amendment to JDE Peet's' Directors' Remuneration Policy (Resolution)**

Presently, JDE Peet's' Directors' Remuneration Policy provides, amongst other things:

##### *Investment commitment*

*To foster the entrepreneurial culture and long-term commitment, Executive Director(s) are requested by the Board to acquire an indirect equity interest **in the JDE group** of companies through the EOP by indirectly acquiring shares or depositary receipts **of a special class of shares in JDE** up to a maximum investment amount of 25 million euro per Executive Director (the Investment Commitment).*

Mr. Fabien Simon and the Board have agreed that Mr. Fabien Simon's investment should cover not only JDE, but the entirety of JDE Peet's, to put his investment at par with the investments of investors in listed shares.

For this reason, the following technical amendment to JDE Peet's' Directors' Remuneration Policy is proposed:

##### *Investment commitment*

*To foster the entrepreneurial culture and long-term commitment, Executive Director(s) are requested by the Board to acquire an indirect equity interest in the JDE **Peet's** group of companies through the EOP by acquiring **shares in a subsidiary of JDE Peet's** up to a maximum investment amount of 25 million euro per Executive Director (the Investment Commitment).*

### Item 4

#### **Proposal to appoint Mr. Frank Engelen as non-executive member of the Board (Resolution)**

Following the formal appointment of Mr. Fabien Simon as executive member of the Board, his position as non-executive member of the Board will become vacant.

The Board nominates Mr. Frank Engelen for appointment as non-executive member of the Board by the General Meeting of Shareholders.

It is therefore proposed to the General Meeting of Shareholders to appoint Mr. Frank Engelen in accordance with this nomination for a period of four years (ending at the closing of the Annual General Meeting of shareholders to be held in 2025).

It is the intention of the Board to appoint Mr. Frank Engelen as member of the Audit Committee following his appointment as non-executive member of the Board.

The details required under article 142 (3) of Section 2 of the Dutch Civil Code are as follows.

Mr. Frank Engelen (1971), Dutch, has been a partner of JAB since September 2020. Before becoming a JAB partner, he was a partner of PwC for 17 years, during which time he was a member of the Board of PwC Netherlands for five years, and a member of the Board of PwC Europe for two years. Mr. Frank Engelen holds a Master's degree in tax law and a PhD from the University of Rotterdam.



Mr. Frank Engelen complies with the requirements of the profile of the Board, and meets the Dutch law requirements for non-executive positions with large Dutch companies that can be held at the same time. Having been designated for this position by JAB, Mr. Frank Engelen is not considered independent within the meaning of the Dutch Corporate Governance Code.

Mr. Frank Engelen currently holds no shares in JDE Peet's.

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