



# RELATED PARTY TRANSACTION POLICY

## 1. INTRODUCTION

- 1.1 Transactions with Related Parties (as defined below) may cause prejudice to JDE Peet's N.V. (the **Company**) and its shareholders, as they may give the Related Party the opportunity to appropriate value belonging to the Company. In the light of these provisions, the Company has framed this Policy on Related Party Transactions (the **Policy**).
- 1.2 This Policy, and any amendments thereto, must be adopted by the Board of the Company in accordance with the Investor Rights Agreement among Acorn Holdings B.V., Mondelez Coffee HoldCo B.V. (**MDLZ**) and the Company (the **Investor Rights Agreement**). For so long as required under the Investor Rights Agreement, this Policy may not be amended without MDLZ's prior written consent.
- 1.3 This Policy applies in addition to any provision regarding conflict of interests included in the Dutch Civil Code (the **DCC**), the Dutch Corporate Governance Code, the articles of association of the Company and the Board Rules.

## 2. SCOPE AND DEFINITIONS

- 2.1 This Policy applies to any transaction, agreement or arrangement (including the termination or waiver of rights under, or amendment to, any transaction, agreement or arrangement) that:
  - (a) involves (i) the Company or any of its subsidiaries (a **Group Company**) and (ii) a Related Party, in which the amount involved exceeds or is expected to exceed €120,000; or
  - (b) is otherwise covered by Sections 2:167 up to and including 2:170 DCC (as those read from time to time – the provisions as they read on the day of establishment of this Policy set out in Annex 1 for reference)(a **Related Party Transaction**).
- 2.2 A **Related Party** is:
  - (a) a legal entity (or legal entities) or individual(s) who (jointly) legally or beneficially holds at least 5% of the shares and/or depositary receipts thereof in the issued share capital of the Company from time to time;
  - (b) a member of the Board of the Company or executive officer of the Company from time to time;
  - (c) a legal entity (or legal entities) or individual(s) who (jointly) legally or beneficially 10% or more of Acorn Holdings B.V. from time to time;
  - (d) an individual who is an immediate family member of an individual referred to under (a), (b) or (c);
  - (e) an affiliate of a Person referred to under (a), (b) or (c); or
  - (f) other legal entities or individuals who are regarded as related parties in International Accounting Standards (IAS) 24 (as it reads from time to time – the provision as its reads on the day of establishment of this Policy set out in Annex 2 for reference)

2.3 For the purposes of this Policy:

- (a) **affiliate** means, in relation to a Person, another Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, that first Person, but excluding each Group Company;
- (b) **Conflicted Director** means, in relation to a Related Party Transaction, a member of the Board who is appointed by or is otherwise connected with the relevant Related Party (including, for the avoidance of doubt, a member of the Board who was nominated or designated for appointed to the Board by that Related Party (or any of its affiliates);
- (c) **Control** means the power of a Person (or Persons acting in concert) to secure that the affairs of another are conducted directly or indirectly in accordance with the wishes of that Person (or persons acting in concert) including by means of:
  - (i) in the case of a company, being the beneficial owner of more than 50% of the issued share capital of or of the voting rights in that company, or having the right to appoint or remove a majority of the directors or otherwise control the votes at board meetings of that company by virtue of any powers conferred by the articles of association, shareholders' agreement or any other document regulating the affairs of that company; or
  - (ii) in the case of a partnership, being the beneficial owner of more than 50% of the capital of that partnership, or having the right to control the composition of or the votes of the majority of the management of that partnership by virtue of any powers conferred by the partnership agreement or any other document regulating the affairs of that partnership;

and **Controlled** shall be construed accordingly. For these purposes, **persons acting in concert**, in relation to a Person, are Persons which actively cooperate, pursuant to an agreement or understanding (whether formal or informal) with a view to obtaining, maintaining or consolidating Control of that first Person;

- (d) **immediate family member** includes, but is not limited to, any child, stepchild, parent, stepparent, spouse, sibling, step-sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of the individual, and any person (other than a tenant or employee) sharing the household of the individual;
- (e) **Person** includes, but is not limited to, an individual, firm, company, corporation or other body corporate, sole proprietorship, trust or partnership, limited liability company, joint venture, association, organisation, unincorporated organisation or other entity or a governmental authority; and
- (f) a **subsidiary** means any Person (a) in respect of which the relevant Person has the power to exercise Control or (b) whose financial results are fully consolidated (subject to relevant minority interests) in the financial statements prepared by the relevant Person.

### 3. PROCEDURE

#### *Required action, notification and qualification*

- 3.1 Each member of the Board shall promptly notify the chair of the Board and the General Counsel of the Company of any (potential) Related Party Transaction in respect of which he is a Related Party or of which he is otherwise aware. If the chair of the Board is a Related Party to any (potential) Related Party Transaction or becomes otherwise aware of any (potential) Related Party Transaction, he shall promptly notify the lead independent director of the Board and the General Counsel of the Company.
- 3.2 In the event of a Related Party Transaction:
  - (a) that transaction must be submitted for prior approval by the board of the Company (the **Board**); and
  - (b) to the extent required by law or regulation, a public announcement must be made by the Company at the latest at the conclusion of the transaction.
- 3.3 If a Related Party Transaction involves a member of the Board in their private capacity, that member may not take part in the decision-making process of the Board to approve that Related Party Transaction.

### *Review process and approval*

- 3.4 The Board may only approve a Related Party Transaction if it determines that Related Party Transaction is in the interests of the Company and the business connected to it (*belang van de vennootschap en de daarmee verbonden onderneming*). For that purpose, the Board will record in writing its deliberations in assessing whether or not the transaction is fair and reasonable from the perspective of the Company and of the shareholders who are not a Related Party, including minority shareholders. In its assessment the Board takes into account, if relevant, elements such as:
- (a) the value of the Related Party Transaction;
  - (b) whether the Related Party Transaction is undertaken in the ordinary course of business of the Company;
  - (c) whether the proposed terms of the Related Party Transaction are no less favourable to the Company than terms that could have been reached with an unrelated third party;
  - (d) the purpose of, and the potential benefits to the Company of, the Related Party Transaction;
  - (e) the Related Party's interest in the Related Party Transaction, if any; and
  - (f) any other information regarding the Related Party Transaction or the Related Party in the context of the proposed Related Party Transaction that would be material to stakeholders of the Company in light of the circumstances of the Related Party Transaction.
- 3.5 The approval of the Board (as referred to in Clause 3.2(a)) must include the affirmative vote of the majority of the members of the Board of the Company who:
- (a) are independent according to the Dutch corporate governance code; and
  - (b) are not Conflicted Directors in relation to the relevant Related Party Transaction).
- 3.6 The Board shall ensure that neither a Related Party nor a Conflicted Director takes part in the assessment referred to in Clause 3.4, although information about the Related Party Transaction may be obtained from the Related Party as well as from employees and external advisors of the Company.

### *Recurring transactions*

- 3.7 Several transactions with the same Related Party that have been concluded by the Company in the same financial year and do not separately qualify as a Related Party Transaction are aggregated for the purposes of this Policy. In the event these transactions, regarded together (**Joint Transactions**), are to be considered a Related Party Transaction, the most recent transaction thereof must be submitted for approval by the Board in accordance with Clauses 3.2 to 3.6.
- 3.8 Any public announcement required pursuant to Clause 3.2(b), as well as the disclosure requirements of Clause 4, will be made in respect of every transaction of the Joint Transactions.

## **4. DISCLOSURE**

- 4.1 The Board shall disclose a Related Party Transaction that has not been concluded on market terms or that have not been concluded in the normal course of business of the Company. Such announcement shall be made at the latest at the time of the conclusion of the transaction and shall contain at least:
- (a) the nature of the relation with the Related Party;
  - (b) the name of the Related Party;
  - (c) the date of the Related Party Transaction;
  - (d) the value of the Related Party Transaction; and
  - (e) other information necessary to assess whether or not the transaction is fair and reasonable from the perspective of the Company and of the shareholders who are not a related party, including minority shareholders.
- 4.2 With regard to Related Party Transactions not concluded on normal market terms, the following items must also be disclosed in the explanatory notes to the annual accounts of the Company:

- (a) the extent of the Related Party Transaction;
- (b) the nature of the relation with the Related Party; and
- (c) other information necessary to provide insight into the financial position of the Company.

4.3 Related Party Transactions shall furthermore be disclosed in the manner of and to the extent required under EU law, Dutch law, the Dutch Corporate Governance Code, IAS 24, applicable accounting standards or other applicable Dutch regulations. For the avoidance of doubt, the review or approval of a transaction pursuant to this Policy does not necessarily imply that such transaction is required to be disclosed.

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## ANNEX 1

### SECTIONS 2:167 UP TO AND INCLUDING 2:170 DCC

#### **Article 2:167 DCC**

1. This Section applies to companies whose shares or depositary receipts issued for its shares with the cooperation of such company are admitted to trading on a regulated market as referred to in Article 1:1 of the Wet op het financieel toezicht (Financial Supervision Act).
2. In this Section related party has the same meaning as in the standards which have been adopted by the International Accounting Standards Board and approved by the European Commission.
3. A transaction shall be deemed material, if:
  - (a) the information qualifies as inside information as referred to in Article 7 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse; and
  - (b) it was entered into between the company and a related party, including in any event:
    - (i) one or more shareholders who alone or together represent at least one-tenth of the issued share capital;
    - (ii) a director of the company; or
    - (iii) a supervisory board member of the company.
4. Non-material transactions with the same related party that have been concluded in the same financial year are aggregated for the purposes of Article 169(1) to (4), inclusive.

#### **Article 2:168 DCC**

For transactions entered into in the ordinary course of business and concluded on normal market terms the supervisory board or, if Article 129a applies, the board shall establish an internal procedure to periodically assess whether these conditions are fulfilled.

#### **Article 2:169 DCC**

1. No later than the time of the conclusion of the transaction a company shall publicly announce any material transaction with a related party which is not entered into in the ordinary course of business and not concluded on normal market terms.
2. The announcement shall contain at least information on:
  - (a) the nature of the related party relationship;
  - (b) the name of the related party;
  - (c) the date of the transaction;
  - (d) the value of the transaction; and
  - (e) other information necessary to assess whether or not the transaction is fair and reasonable from the perspective of the company and of the shareholders who are not related parties.
3. Material transactions with a related party which are not entered into in the ordinary course of business and concluded on normal market terms, must be approved by the supervisory board or, if Article 129a applies, by the board. If the company has no supervisory board or Article 129a does not apply, the transactions must be approved by the general meeting.

4. A director, supervisory board member or shareholder who is involved in a transaction with a related party shall not participate in the decision-making. Article 129(6), second and third sentence, and Article 140(5), second sentence, apply mutatis mutandis.
5. This article does not apply to transactions:
  - (a) between the company and a subsidiary;
  - (b) regarding the remuneration of directors and supervisory board members or certain elements of their remuneration awarded or due in accordance with Articles 135 or 145;
  - (c) entered into by credit institutions as referred to in Article 398(7)(b) on the basis of measures, aiming at safeguarding their stability, adopted by De Nederlandsche Bank N.V. (Dutch Central Bank) or the European Central Bank, if the latter is the competent authority in charge of the supervision pursuant to Articles 4 and 6 of the Regulation on prudential supervision of credit institutions as referred to in Article 1:1 of the Wet op het financieel toezicht (Financial Supervision Act);
  - (d) offered to all shareholders on the same terms, where the equal treatment of all shareholders and the protection of the interests of the company and its related business is ensured.

#### **Article 170 CC Bk 2**

Articles 168 and 169(1), (2) and (5) also apply where a material transaction is entered into by a subsidiary of the company with a party which is a related party of the company.

## ANNEX 2

### RELATED PARTIES UNDER INTERNATIONAL ACCOUNTING STANDARDS (IAS) 24

#### **IAS 24.9**

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the 'reporting entity')

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
  - (i) has control or joint control over the reporting entity;
  - (ii) has significant influence over the reporting entity; or
  - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
  
- (b) An entity is related to a reporting entity if any of the following conditions applies:
  - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

#### **IAS 24.11**

The following are deemed not to be related:

- two entities simply because they have a director or key manager in common
- two venturers who share joint control over a joint venture
- providers of finance, trade unions, public utilities, and departments and agencies of a government that does not control, jointly control or significantly influence the reporting entity, simply by virtue of their normal dealings with an entity (even though they may affect the freedom of action of an entity or participate in its decision-making process)

a single customer, supplier, franchiser, distributor, or general agent with whom an entity transacts a significant volume of business merely by virtue of the resulting economic dependence.

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