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Long term performance




Top Team alignment on KPIs that move the business forward and reflect capability development


SHORT-TERM VARIABLE COMPENSATION BASED ON

	SCOPE	KPIs
25% Group Performance	Alsea Global Mexico Europe South America	<ul style="list-style-type: none"> • % SSS growth • \$ EBITDA • ROA • EPS
50% Perimeter Performance	Mexico Europe South America Brands	<ul style="list-style-type: none"> • % SSS growth • % Transactions growth • \$ EBITDA • ROA
25% Role Performance	Market Brand Area	<ul style="list-style-type: none"> • 3 KPIs related to Customer, People, and Operational Excellence • ESG Metrics*

LONG-TERM INCENTIVE ("BONO CRECE", 3-YEAR) BASED ON:

- ✓ **ROE**
- ✓ **EPS**





- 50% FIXED
- 35% SHORT-TERM VARIABLE
- 15% LTI

*For comisión leaders

Performance evaluation of sustainability indicators:

In 2023, the performance evaluation of Human Resources teams (directors and subdirectors in all geographies) included compliance with the social impact development index, which consists of 3 indicators:

1-Fare income: 82.6% of our collaborators in Mexico have a guaranteed compensation competitive of the industry in each country and an income that exceeds the well-being line.

2-Diversity and inclusion: 1,436 of our collaborators belong to priority attention groups that make Alsea a company that values and promotes diversity and inclusion.

3- Gender Equality: we ensure a diverse and competent management team to increase the profitability of the business, which is why 24% of management positions will be occupied by women

The results in 2023 were:

1-Fare income reached for a 90% of our collaborators in Mexico.

2- 1999 employees belonging to priority attention groups.

3- Gender equality: 28% of management positions occupied by women.

Achieving these objectives is part of the evaluation that gives access to the annual performance bonus.

Reporting on breaches

We report on following areas:

Reporting areas	Number of breaches in FY 2023
Discrimination or Harassment	57
Conflicts of Interest	79

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Fare Income Methodology (Metodología de Ingreso Digno)

The construction of the methodology takes as reference the best practices of different government institutions from the different countries where the company operates and non-governmental global institutions, some of them are:

Government Institutions

Mexico

- Consejo Nacional de Evaluación de la Política de Desarrollo Social “CONEVAL” (which determines the poverty lines and conditions of vulnerability and calculates with a clear and defined methodology the food and non-food basket that a person should receive).

Colombia

- Departamento Administrativo Nacional de Estadística “DANE” in charge of presenting the official monetary poverty figures through its methodology of monetary poverty lines and extreme monetary poverty.

Argentina

- Instituto Nacional de Estadística y Censos de la República Argentina “INDEC” they present data for unsatisfied basic needs (NBI in spanish) and the poverty line (LP).

Chile

- Ministerio de Desarrollo Social, a través de su Encuesta de Caracterización Socioeconómica Nacional (CASEN), measures monetary or income poverty and multidimensional poverty.

Spain

-Analysis of governmental and non-governmental entities, which use their own poverty measurement methodologies.

Non-Governmental Institutions:

-Fair Wage Network

-Living Wage Foundation

-Anker Research Institute

-Global Living Wage Coalition

-Workforce breakdown gender

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Just as the principles of the Global Compact are considered measures that promote the objectives of sustainable development, referring to the End of Poverty, Decent Work and the reduction of inequalities.

Starting from the definition that a Fare wage is the remuneration received for a standard work week by a worker in in a certain workplace, sufficient to allow a decent standard of living for the worker and those who depend on him/her. Considering as elements of a decent standard of living: food and basic services of water, housing, education, health and transportationⁱ.

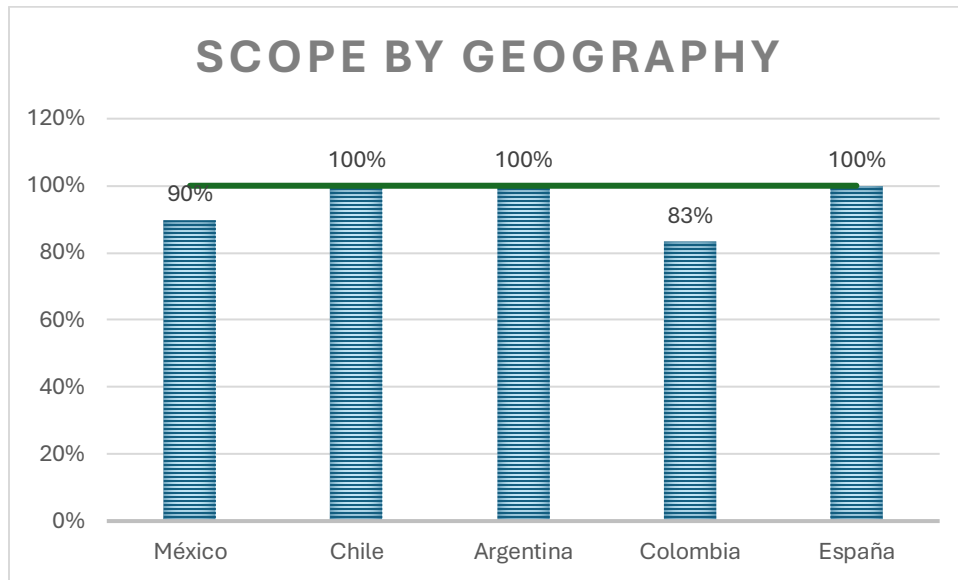
- 1) The mentioned sources were consulted to obtain data and indicators of poverty, income, inflation rate, food costs, basic estate and services (health, water, electricity, housing, clothing, education and transportation), to determine necessary income for a person and a family. Based on this information a specialized HR area analyzes the data and builds the annual **fare income goals** for the region or country (table 1) as a reference point to achieve.

Table 1. Fare Income Objectives by region/country (annual)

Objective 2023 Fare Income per person		
	Local currency	
Mexico	104,048	Mexican Pesos
Chile	9,390,549	Chilean pesos
Argentina	2,792,508	Argentine pesos
Colombia	21,377,000	Colombian peso
Spain	15,120	Euros

- 2) Once the goal has been set, a comparison is made with the total monetary compensation of all the company's employees, in full-time salary levels (FTE's). To determine the existing gaps and focus the strategic salary plans and/or extraordinary investments for that group of employees, in order to achieve the annual goal set to achieve the 2030 objective **“100% of our collaborators guaranteed a competitive salary for the country's industry and an income that exceeds the welfare line”** (Graph 1).

Graph 1. Scope 2023 by region/country



According to the methodology used and compared against the Corporate Sustainability Assessment of the Social dimension of S&P Global, the company at a global level is among the companies with >75% of FTE's or business operations covering collaborators in living wage.

Workforce Breakdown: Gender

Share of women in total workforce (as % of total workforce) **49.4%**

Share of women in all management positions, including junior, middle and top management (as % of total management positions) **41.2%**

Share of women in junior management positions, i.e. first level of management (as % of total junior management positions) **42.9%**

Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions) **28%**

Gender Pay Indicators

Indicator	Difference between men and women employees (%)
Mean gender pay gap	25
Median gender pay gap	10
Mean bonus gap	56
Median bonus gap	14

Training & Development Inputs:

Globally, 4.7 million dollars were invested in training our collaborators. Average amount spent per FTE on training and development **\$67.15 USD**

Employee Turnover Rate

Total employee turnover rate 65.1%

Voluntary employee turnover rate 40.1%

Coverage 100%

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Trend of Employee Wellbeing- Application survey ECO 2023

Attributes to assess: below are the questions that were asked in the exercise of the commitment survey “ECO” (Encuesta de compromiso), which evaluate the experience of collaborators of the year 2023.

Out target for FY 2023 was 88%

Attribute	Current question
RESPECT AND INCLUSION	I am respected by my leaders and colleagues; Therefore, I feel part of the team.
CONTRIBUTION AND SENSE OF ACHIEVEMENT	I am clear about what is expected of me at work and my work is important for the results of the business.
ACKNOWLEDGMENT	Como parte de un equipo, recibo reconocimiento cuando realizamos bien nuestro trabajo y me siento valorado/a por ello.
LEARNING	I'm always learning new things; If I make a mistake, I can improve thanks to the feedback I receive.
DEVELOPMENT	I can do what I do best, and I have the necessary tools to develop myself.
AUTONOMY AND PRODUCTIVITY	My leaders and colleagues trust my abilities and decisions; There is openness for me to propose my ideas to benefit my store/area.
PERSONAL/WORK LIFE BALANCE	I receive support with special permits or flexible schedules when I need to attend to personal matters.
COLLABORATION	I like working with my colleagues; We help each other, we trust each other, and we are effective as a team.
LEADERSHIP	I like to work with my leader; He is a person that I admire and with whom I have a good connection to achieve our goals.
FUN	I enjoy my activities and the work environment; Working at Alsea and its brands is challenging and fun.

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Declaratory of Responsible Marketing

Alsea México has always taken seriously its commitment to responsible marketing and advertising.

We are the leading restaurant operator in Latin America and Spain, with globally recognized brands in the fast food, coffee shop and casual food segments. Affirming the commitment to be closer to our clients every day, we have assumed the responsibility to comply with the highest ethical standards in the communication, promotion and advertising of our brands.

Our commitment:

- We have created a business model that generates value, joining efforts that seek to generate well-being and positive impact in our planet.
- We want every visit to our brands generate a smile, a moment to share and the opportunity to spread our enthusiasm so together we can build a better future.
- We are committed to integrating sustainable practices into all our operations and business decisions. We recognize our responsibility to the environment, our communities and our business partners, and we strive to promote positive impact through our actions.

This is why throughout history, our main advertising pillars have been governed by transparency, social responsibility and a firm commitment to caring for the environment.

Advertising

Our policies apply to all media, including but not limited to:

- Television and cinema
- Printed media
- Radio
- Web pages and mobile applications
- Social networks
- Viral content platforms
- External advertising

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We comply with local self-regulation codes such as Autorregulación de Publicidad de Alimentos y Bebidas No Alcohólicas “PABI” code, from Consejo de autorregulación y ética publicitaria (CONAR).

Through the application of the PAVI code, we adhere to the principles, guidelines, verification and compliance mechanisms for advertising of food and non-alcoholic beverages aimed at children, within the framework of self-regulation of the private sector.

This applies to brands such as Domino's and Vips that meet established nutritional standards.

TV Advertising

Commitment to vulnerable segments:

- We do not advertise brands in programming/content for people under 18 years of age.
- Our television communication guidelines are not focused on slots with children's programming or where 30% or more of the audience is under 13 years of age.
- No Alsea brand makes misleading communication in any other media or celebrities that could attract the attention of children.

Ethical Marketing

Alsea's commitment is to show useful and truthful information about all the products we offer. To achieve this, we create responsible marketing.

Sustainability is part of our DNA, this is reflected in the way we act and the way we project the brand positioning:

- Enjoy doing what we do best.
- Do everything to see our clients happy.
- Live happiness in every detail.
- Be passionate about results.

Responsible Marketing

Compliance with UN Sustainable Development Goals (SDG)

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As part of the sustainable development goals and action to end poverty, protect the planet and improve the lives and prospects of people around the world.

Responsible production and consumption:

Alsea promotes sustainable circular economy practices.

- By adopting consumables such as recyclable glasses, cardboard and napkins in our restaurants.
- Launch of advertising at the point of sale with compostable material.

External advertising:

Alsea contributes to the environment through the following outdoor advertising initiatives.

- Ecological inks made from organic products that are recyclable since they do not contain heavy metals (lead, mercury...).
- Canvas recycling: Reuse of printed material to make bags and backpacks with reused material.
- Paperless: Prioritizing the use of digital formats vs paper in kiosks & billboards, this represents 15% less CO2 emissions, 78% less water use, and reduction in the use of raw materials.

Occupational health and safety programs

- At Alsea South America, our work program is based on the ISO 45001 standard, and the following activities are carried out:
- Risk assessments.
- Safety inspections: in 2023, we carried out approximately 963 inspections of stores and work centers to detect working conditions that may affect the safety and health of employees.
- Investigations of accidents and occupational diseases, to identify the causes and determine corrective measures to prevent their occurrence.
- Safety campaigns, such as the “no thumbs challenge”, to raise awareness among employees about the risk of cuts to the upper extremities (hands and fingers).
- Training employees on the risks associated with their work and the preventive measures to adopt.
- In 2023, the Chilean Safety Association recognized Alsea South America for its commitment to safety and health at work.

At Alsea Europa we carry out, in accordance with the Safety, Health and Wellbeing Plan, health and safety risk assessments to identify what could cause harm in the workplace. Based on this, the prioritization and integration of action plans with quantified objectives is carried out to address these risks, as well as the integration of actions to be prepared and respond to emergency situations.

We also have procedures to promote participation, train and inform at all levels, investigate events, manage risk notifications and opportunities for improvement, adapt working conditions for especially sensitive people, ensure safe working conditions when working with contractors, implementation of collective and individual protection or health surveillance among others. We train our collaborators and other relevant parties in health and safety matters to raise awareness, promote an adequate work environment and reduce operational health and safety incidents.

In 2023 we carried out 2,891 internal inspections in addition to risk assessments, we are externally verified by the auditing entity accredited by the Full Audit Labor Authority and our protocols are based on the ISO 45001 standard and the Healthy Company Model of the World Health Organization. Health.

Fatalities

In Mexico we report one fatality from an employee during 2023.

South America and Europe do not report deaths of collaborators or contractors.

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ⁱ There is no universally agreed definition of a living wage as a concept and there is no universally accepted amount that defines such remuneration. The definition used in this document is based on the definition of the Global Living Wage Coalition and incorporates the main ideas found in more than 60 descriptions and definitions of the living wage from human rights declarations, national constitutions, codes of conduct of NGOs, multinationals and companies, documents and declarations of the International Labor Organization (ILO) (R. Anker, Estimating a Living Wage A Methodological Review, ILO 2011).

NPS

NPS: Medallia | Tiendas corporativas | Sin registros sospechosos | Chili's, Domino's, Italianni's, PF, TCCF, Vips

Tasa de respuesta: # registros en Medallia / ordenes de cada marca

T. Alsea MX	2020	2021	2022	2023
NPS Alsea Mx		91.3	94.4	95.6
Satisfacción Alsea Mx	83.9	90.1	90.1	93.9
Tasa de respuesta	1.3%	3.5%	6.6%	4.4%

Domino's MX	2020	2021	2022	2023
NPS		90.6	93.1	91.3
Satisfacción	74.8	88.8	86.6	88.5
# registros Medallia	490,387	1,804,427	3,605,953	1,508,985
Tasa de respuesta	1.2%	4.5%	8.9%	3.4%

Vips	2020	2021	2022	2023
NPS		92.6	96.7	98.3
Satisfacción	93.6	94.1	97.0	98.5
# registros Medallia	445,093	767,421	1,473,568	1,535,448
Tasa de respuesta	2.2%	3.5%	5.9%	5.7%

Chili's	2020	2021	2022	2023
NPS		89.1	95.7	97.9
Satisfacción	75.4	83.3	91.4	95.6
# registros Medallia	23,478	106,943	344,212	481,307
Tasa de respuesta	1.3%	4.1%	11.3%	14.7%

Italianni's	2020	2021	2022	2023
NPS		90.8	95.8	97.3
Satisfacción	86.9	89.2	92.8	93.1
# registros Medallia	72,548	134,964	361,682	516,647
Tasa de respuesta	5.5%	7.8%	17.6%	23.0%

PF	2020	2021	2022	2023
NPS		95.2	96.5	97.3
Satisfacción	88.8	93.0	93.9	95.9
# registros Medallia	30,905	112,999	119,974	116,279
Tasa de respuesta	4.7%	14.1%	13.0%	11.8%

TCF	2020	2021	2022	2023
NPS		89.9	95.9	97.1
Satisfacción	80.0	88.5	93.9	96.0
# registros Medallia	6,410	24,849	90,048	105,370
Tasa de respuesta	1.5%	4.0%	12.8%	12.6%

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