

SLOW

Regenerative Cocoa & Coffee

Living Wage and Fair Compensation Policy

Slow's commitment to a living wage for employees and a living income for the smallholder farmers in our supply chain

Document Code	HR-POL-02
Document Title	Living Wage and Fair Compensation Policy
Document Type	Topic Policy (Tier 3)
Tier	Tier 3 — Topic Policies
Version	1.0
Status	Approved
Effective Date	2026
Next Review Date	2029
Owner	HR Manager (application of fair compensation); Social Lead (living wage and living income benchmark methodology)
Approver	Chief Executive Officer (CEO)
Geographic Scope	All Slow employees in all countries of operation; smallholder farmers and farm workers in Slow's direct sourcing relationships
Standards Alignment	ILO Conventions 100, 131; UN Guiding Principles on Business and Human Rights; Anker Living Income and Living Wage Reference Methodologies; Global Living Wage Coalition; SA8000; Fairtrade International; Rainforest Alliance; SMETA; EcoVadis; B Corp

1. Policy Statement

Fair compensation is a foundational element of human dignity and a precondition for shared prosperity across Slow's value chain. Slow commits to paying every employee at or above an Anker-aligned living wage benchmark in their country of work, and to working with smallholder farmers in our supply base toward farmgate prices that meet or exceed an Anker-aligned Living Income Reference Price.

This Policy operationalises Section 5.9 of the Slow Impact Framework (FWK-01) for Slow employees and connects to the supply-chain living-income commitments addressed under the Materiality Assessment (MGT-02), the Salient Risk and HRDD Procedure (MGT-03), and the Responsible Sourcing Policy (SUP-POL-01).

2. Scope

This Policy applies to:

- All Slow employees, including permanent, fixed-term, full-time, and part-time staff, interns (paid), and contractors with an ongoing engagement that is functionally equivalent to employment.
- All workers engaged on Slow direct farms and processing sites, whether permanent or seasonal, as set out in SOC-POL-01 Annex C.
- Smallholder farmers and farm workers in Slow's direct sourcing relationships, in respect of the living-income elements in Section 5.

This Policy does not displace local minimum wage law. Where local law sets a higher floor than this Policy, local law applies.

3. Definitions

- **Living wage:** the remuneration received for a standard working week by a worker in a particular place, sufficient to afford a decent standard of living for the worker and their family. Elements include food, water, housing, education, health care, transport, clothing, and a small provision for unexpected events. Slow uses the Anker Methodology and benchmarks aligned with the Global Living Wage Coalition.
- **Living income:** the net annual income required for a household in a particular place to afford a decent standard of living for all household members. The Living Income Reference Price (LIRP) is the farmgate price required, given typical productivity and costs, for a smallholder household to achieve a living income from a particular crop.
- **Living wage benchmark:** the country-specific (and where relevant region-specific) living wage figure that Slow uses as the floor for employee compensation. Benchmarks are sourced from the Global Living Wage Coalition where available; where not available, the Social Lead applies an Anker-aligned methodology to derive a benchmark, with conservative assumptions.
- **Take-home pay:** regular cash wages received in the worker's hand or bank account for a standard working week, excluding overtime premiums, bonuses, and any in-kind benefits, except where applicable Anker methodology permits inclusion of specific in-kind components.
- **Standard working week:** the local legal standard, or 40 hours where local law does not specify, consistent with SOC-POL-01 Annex D.

4. Core Commitments — Slow Employees

4.1 Living Wage Floor

Every Slow employee receives take-home pay at or above the applicable Anker-aligned living wage benchmark for a standard working week in their country (and where relevant, region) of work, from the date of hire.

This commitment is non-negotiable. Where a market salary survey suggests a lower rate is competitive, Slow applies the living wage benchmark as the floor and applies market data only above that floor.

4.2 Equal Pay for Equal Work

Slow pays equal compensation for work of equal value, regardless of the protected characteristics set out in HR-POL-01. Compensation is determined by position, qualifications, performance, and seniority. Slow conducts an annual pay equity review across countries to identify and address any unjustified disparities.

4.3 Transparent Compensation Structure

Slow maintains a transparent compensation structure consistent across countries of operation, with country-specific application that respects local labour market realities while maintaining the living wage floor. Each role has:

- A defined level and salary band, communicated to the employee at hiring.
- Documented criteria for progression within and between bands.
- An annual review of pay against performance, country benchmarks, and the living wage floor.

4.4 Benefits

Compensation includes a benefits package that is competitive in the local market and that supports wellbeing. Standard benefits include:

- Statutory contributions per local law (social security, pension, health insurance, accident insurance, as applicable).
- Paid annual leave at or above local statutory minimums.
- Paid public holidays as observed locally.
- Paid sick leave per local law.
- Paid parental leave per local law and Slow's parental leave practice (HR-POL-03).
- Health and safety provisions per OHS-POL-01, including PPE for any role requiring it at no cost to the employee.

Benefits are offered consistently within country and role; differences between countries reflect local statutory requirements and practical context, not the protected characteristics of individual employees.

4.5 Payment Practices

Slow pays employees:

- In legal tender (cash or bank transfer), and on time according to a regular, agreed cadence.
- With a clear, written or electronic payslip in a language the employee understands, showing gross pay, deductions, and net pay.
- With deductions only where legally permitted or expressly agreed by the employee, and never in a way designed to bind the employee to Slow.

4.6 Overtime

Overtime is voluntary, capped, and paid at the legally required premium, consistent with SOC-POL-01 Annex D. Overtime pay is in addition to the living wage floor and is not used to lift base pay to the living wage benchmark.

4.7 No Recruitment Fees

Slow applies the employer-pays principle to its own direct hiring. No employee is charged any fee, deposit, or recruitment cost as a condition of employment, consistent with SOC-POL-01 Annex B.

5. Living Income for Smallholder Farmers

Slow recognises that the smallholder farmers who supply our cocoa and coffee carry the greatest risk in our value chain and often earn the least. Slow's commitment is to work toward a farmgate price that meets or exceeds an Anker-aligned Living Income Reference Price (LIRP) in each origin.

5.1 Pricing Principles

- For each direct sourcing origin, the Social Lead establishes the applicable LIRP using the most credible available benchmark, refreshed at least every two years.
- Floor pricing in commercial contracts with cooperatives and farmer organisations is set with reference to the LIRP and is intended to move farmgate prices toward the LIRP over time.
- Where market prices exceed the LIRP, Slow does not reduce its premiums; the LIRP is a floor, not a cap.
- Slow uses certification premiums (Fairtrade, Rainforest Alliance, EU Organic, ROC) as additive to the LIRP-aligned floor, where applicable.

5.2 Beyond Price

Price alone does not deliver living income. Slow's broader contribution includes:

- Agroforestry, training, and technical support that raise on-farm productivity and resilience.
- Long-term offtake commitments where commercially feasible, providing income predictability.
- Investment in farmer organisations and cooperatives, including governance and capacity-building support.
- Diversification support where appropriate (e.g. shade-tree species, intercrops, food crops).

5.3 Tracking

Slow tracks farmgate price as a percentage of the LIRP in each origin as a core KPI per FWK-01 Section 6.1 and MGT-05. Performance is reported annually in RPT-01 with a target of 100% by 2028.

6. Benchmark Setting and Wage-Setting Process

To preserve integrity, the methodology for setting living wage and living income benchmarks is separated from the application of those benchmarks to individual employees, and from the commercial pricing decisions in supplier contracts.

Step 1 — Social Lead	Develop and maintain the living wage benchmark methodology for each country of operation, and the LIRP methodology for each sourcing origin. Annual review; full methodology refresh every 2 years.
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Step 2 — Social Lead	Source the latest available Global Living Wage Coalition benchmark or, where unavailable, derive an Anker-aligned benchmark. Annual.
Step 3 — HR Manager	Apply the country benchmark to the Slow employee compensation structure, propose adjustments where needed. Annual, before Q1 pay review.
Step 4 — Implementation Manager	Apply the LIRP to commercial contracts with cooperatives and farmer organisations (with Country Implementation Leads and commercial team). At contract negotiation; reviewed annually.
Step 5 — CEO	Approve wage floors at or above the living wage benchmark, and any compensation structure changes. Annual.
Step 6 — HR Manager	Record benchmarks, methodology, and wage decisions in HR-FRM-01 Wage Benchmark and Pay Decision Record. On each update.
Step 7 — Implementation Manager	Audit and assurance: independent sampling of payroll against benchmark before public reporting. Annual, ahead of RPT-01.

This separation reflects the conflict-of-interest safeguard in FWK-01 Section 4.6: methodology sits with the Social Lead, application sits with the HR Manager, and approval of wage floors sits with the CEO. Operations and country management do not unilaterally set wage floors.

7. Governance

The HR Manager owns this Policy in respect of its application to Slow employees. The Social Lead owns the underlying living wage benchmark methodology and the LIRP methodology, and contributes to the annual update. The CIO is consulted on material revisions and on alignment with the broader Impact Management System. The CEO approves this Policy and any change to wage floors.

Country Managers (Operations) do not approve wage levels or benchmark methodology. Country Implementation Leads support data collection and on-the-ground implementation.

8. Records and Reporting

The following records are maintained as evidence of compliance with this Policy:

- HR-FRM-01 Wage Benchmark and Pay Decision Record: country-level living wage benchmarks, methodology references, payroll-to-benchmark comparison, and annual pay decisions. Held by HR Manager, with country-level inputs from Country Implementation Leads.
- Anonymised payroll data for the audit sample reviewed by the Implementation Manager before each Annual Impact Report.
- LIRP methodology notes and origin-level price tracking, held by Social Lead.

Performance is reported annually:

- RPT-01 Annual Impact Report: percentage of Slow employees at or above the living wage benchmark (target 100% immediately); farmgate price as percentage of LIRP per origin (target 100% by 2028).

- RPT-02 Board Impact Briefing: more detailed disclosure of benchmark methodology choices, exceptions (if any), and risk areas.

Records are retained per MGT-07 Document Control and Records Retention SOP.

9. Non-Compliance

Any case in which a Slow employee is paid below the applicable living wage benchmark is treated as a Major non-conformance under FWK-01 Section 6.4 and is corrected without delay, including back-pay where due. Repeated or deliberate underpayment is treated as a Critical non-conformance.

For supplier-side underperformance against LIRP commitments, the Implementation Manager works with the supplier on a Corrective Action Plan per SUP-SOP-01. Termination is a last resort, consistent with FWK-01 Section 6.4.

10. Related Documents

- FWK-01 Slow Impact Framework (Section 5.9 — Workplace Equality, Living Wage and Wellbeing; Section 6.1 KPIs).
- MGT-02 Materiality Assessment (living income and living wage as material topics).
- MGT-03 Salient Risk and HRDD Procedure.
- MGT-05 Monitoring, Reporting and Review SOP.
- MGT-06 Training and Competency Matrix — Living Wage Methodology and Fair Compensation Application modules.
- HR-POL-01 Workplace Equality, Diversity, Inclusion and Anti-Harassment Policy (equal pay).
- HR-POL-03 Employee Engagement and Wellbeing Policy.
- SOC-POL-01 Human Rights Policy (Annexes C and D).
- SUP-POL-01 Responsible Sourcing Policy.
- HR-SOP-01 Fair Compensation Application Procedure.
- HR-FRM-01 Wage Benchmark and Pay Decision Record.

11. Revision History

Version	Date	Author	Description of Changes
1.0	2026	HR Manager (with Social Lead on methodology)	Initial release as Tier 3 Living Wage and Fair Compensation Policy. New document; previously the topic was implicit in fragmented compensation references in the Sustainability Governance Policy v1.0 (2025) and absent from the legacy Forest Plateau Lao Co. Ltd. policy set. Introduces an explicit living wage commitment for all Slow employees, separates methodology (Social Lead) from application (HR Manager) and approval (CEO) per the conflict-of-interest safeguards in FWK-01, and connects employee compensation to the living-income commitments in the supply chain.

Sign-Off

Role	Name	Signature & Date
Chief Executive Officer	Sebastian Nielsen	<p>Signed by: <i>Sebastian Nielsen</i> F57F3AB3E23746F...</p> <p>Date: <u>6/1/2026</u></p>
Chief Impact Officer	Sabrina Mustopo	<p>Signed by: <i>Sabrina Mustopo</i> 10ED9D25334E4E4...</p> <p>Date: <u>6/1/2026</u></p>
HR Manager	Margareth Theodora	<p>Signed by: <i>Margareth Theodora</i> D4E033F90BED44D...</p> <p>Date: <u>6/1/2026</u></p>
Social Lead	Saya Abdullahi	<p>Signed by: <i>Saya Abdullahi</i> 2802048677E4449...</p> <p>Date: <u>6/1/2026</u></p>