



**SHAKE SHACK INC.**

**INTERNATIONAL TRADE COMPLIANCE POLICY**

- 1. Purpose and Scope.** Shake Shack Inc. (“*Shake Shack*” or the “*Company*”) is committed to compliance with the laws and regulations of the United States government that impose limitations on U.S. export trade and other foreign trade and dealings, as well as the relevant laws where the Company does business worldwide (collectively, the “*International Trade Laws*”).

This Policy applies to all “Shake Shack Personnel,” including directors, officers, and employees of the Company and any subsidiary or joint venture owned or controlled by Shake Shack. Where Shake Shack does not own or control an entity, including licensees, the Company is committed to making a good faith effort to require the entity to adopt this Policy or another adequate international trade compliance policy and to comply with applicable International Trade Laws.

- 2. Policy.** Shake Shack Personnel must comply with the International Trade Laws, including, but not limited to:

- 2.1** Limitations and restrictions imposed pursuant the Export Administration Regulations (“*EAR*”) of the U.S. Department of Commerce, which regulate, in part, exports, deemed exports (releases to a national of another country within the U.S. or abroad), reexports, and transfers of commercial commodities, software, and technology as well as so-called “dual-use” items that have both commercial and military applications, but were not specifically designed or modified for military use.

- 2.2** Limitations and restrictions imposed by the Customs and Border Protection of the U.S. Department of Homeland Security, which regulate border security, import duties and fees, transportation/cargo issues, and entry process and admissibility issues.

- 2.3** Prohibitions and restrictions on exports to, and business and financial dealings with, certain countries, governments, persons, and entities that are subject to U.S. economic sanctions programs administered by the U.S. Treasury Department’s Office of Foreign Assets Control;

- 2.4** Reporting requirements, prohibitions, and tax liabilities that may be incurred in furthering or supporting international economic boycotts in which the United States does not participate, including the Arab boycott of Israel.

Shake Shack is also committed to compliance with non-U.S. laws and regulations in countries where Shake Shack does business, that apply to and restrict export and import trade; dealings with certain countries, governments, entities, and persons; and illicit payments and related activities.

3. **Compliance Training.** The General Counsel shall designate Shake Shack Personnel required to complete periodic international trade compliance training and to certify periodically to comply with this Policy and the International Trade Laws. Shake Shack management will ensure that required individuals satisfy the training requirements.
4. **Compliance Assessments.** The General Counsel will ensure that Shake Shack conducts periodic assessments of the Company's compliance with this Policy. Such assessments must be shared with the General Counsel who will oversee the update of this Policy to address findings from the assessments.
5. **Consequences of Violation.** Violations of this Policy or the International Trade Laws, or failure to report violations, may create substantial liability, both to the Company and to Shake Shack Personnel, including criminal prosecution, heavy fines, imprisonment of individuals, civil penalties, property forfeitures, loss of export trading or government contracting privileges, and serious damage to the Company's name and reputation.

Shake Shack Personnel responsible for such conduct are subject to disciplinary action, in accordance with applicable human resources policy, including dismissal, demotion, or reprimand. Licensees and representatives who violate this Policy and/or agreement provisions related to compliance with International Trade Laws will be subject to remedial actions under governing agreements, which could include termination of applicable agreements, without advance notice or pay in lieu of notice.

6. **Reporting Requirements.** Any Shake Shack Personnel, licensee, or representative who knows or believes that anyone, including Shake Shack Personnel, franchise partners, or representatives, has engaged in or is engaging in conduct that violates this Policy or the International Trade Laws must report this information to his or her supervisor, the Chief Financial Officer, or the General Counsel.
7. **Recordkeeping.** The Company will retain all international trade compliance records, including import and export records, according to the applicable trade compliance regulations.
8. **Questions and Concerns.** Additional information and guidance concerning International Trade Laws is available by contacting the General Counsel, who can assist with general policy questions and with interpretations or clarifications related to specific business situations. Additional information on U.S. International Trade Laws can be found on the applicable government and informational websites listed in **Appendix A**.

## **APPENDIX A**

### **U.S. EXPORT AND FOREIGN TRADE CONTROL COMPLIANCE INFORMATIONAL WEBSITES**

#### **U.S. DEPARTMENT OF COMMERCE, BUREAU OF INDUSTRY AND SECURITY (FORMERLY KNOWN AS THE BUREAU OF EXPORT ADMINISTRATION)**

<http://www.bis.doc.gov/>

This site contains information on the Export Administration Regulations and their applicability to “dual use” items. It also includes a frequently asked questions section, general fact sheets, policy fact sheets, and a link to the applicable regulations.

#### **ON-LINE EAR**

<http://www.gpo.gov/bis/>

This site contains a printable version of the Export Administration Regulations.

#### **U.S. DEPARTMENT OF TREASURY, OFFICE OF FOREIGN ASSET CONTROLS (OFAC)**

[www.treas.gov/ofac](http://www.treas.gov/ofac)

This site contains information on the regulations administered by OFAC, the listing of Specially Designated Nationals, as well as country-by-country sanctions summaries.

#### **U.S. DEPARTMENT OF COMMERCE, OFFICE OF ANTIBOYCOTT COMPLIANCE**

<http://www.bis.doc.gov/complianceand enforcement/antiboycottcompliance.htm>

This site contains regulations and information regarding antiboycott measures and antiboycott compliance. The Internal Revenue Service provides additional information regarding boycott guidelines at:

[http://www.irs.gov/irm/part4/irm\\_04-061-006.html](http://www.irs.gov/irm/part4/irm_04-061-006.html)