

Modern Slavery Act: 2023 Statement

This statement sets out the steps that we, JDE Peet's, have taken to mitigate the risk of slavery and human trafficking occurring within any part of our business or our supply chain during the financial year ending 31 December 2023.

This Modern Slavery Act statement is made by Jacobs Douwe Egberts Ops GB Ltd and Jacobs Douwe Egberts GB Ltd, together owned by our parent company JDE Peet's, which is headquartered in Amsterdam, the Netherlands. For simplicity we will refer to JDE Peet's throughout this statement to represent both UK companies, as well as its affiliated and/or holding companies.

Overarching statement

At JDE Peet's, we are driven by our passion for coffee and tea, respect for the environment, and care for people. We unleash the possibilities of coffee & tea to create a better future. We collaborate with members of the industry to improve the livelihoods of every community in which we operate, from farmers and suppliers to our talented employees and the local communities in which our consumers enjoy millions of cups of our coffee & tea every day.

Unfortunately, slavery continues to occur in today's modern world and can often be hidden within the increasingly complex global supply chains. The term 'modern slavery' encompasses several practices and includes slavery, debt bondage, forced labour, child labour, and slavery-like practices and refers to situations of exploitation that a person cannot refuse or leave, because of threats, violence, coercion, abuse of power or deception. Criminal activity can also target vulnerable workers, threatening deportation, retaining passports, and withholding wages.

We are totally opposed to such abuses in our direct operations, our indirect operations, and our supply chain as a whole and are committed to the continual improvement of our policies, practices, and programmes with respect to effectively combatting modern slavery.

We abide by the International Labour Organisation conventions and require all our suppliers to adhere to a comprehensive Supplier Code of Conduct. Further to this, in 2018 we launched **JDE Peet's Common Grounds**, a coffee supplier engagement programme. The programme is designed to continuously improve the social, economic, and environmental conditions in origins where coffee is grown. In 2022 Common Grounds became JDE Peet's overarching sustainability program, under which sits our Responsible Sourcing pillar and our Assess, Address and Progress Responsible Sourcing approach.

Our Assess, Address, Progress approach enables us to take action to prevent or reduce any negative impacts we have on people or the environment in our supply chain. It builds on our years of knowledge and experience in coffee & tea and the introduction of new tools and technologies that we believe will support our ambition.

By focusing on transparency and data-based business decisions, we are able to directly engage and support farmers and nature. We are fully aware that many issues are complex

and will take years to solve, and that we cannot act alone. While acting responsibly and doing our part, we will also continue to engage suppliers and our partners in collaborative actions in coffee & tea sourcing origins.

- **Assess:** We apply third-party assessments to understand and map our supply chains and identify focus areas. This includes a representative sample of on-the-ground farmer assessments, covering critical areas such as child labour, working conditions, climate and nature, as well as engaging our suppliers in self-assessments to determine their responsible business practices and risks and opportunities of farming communities.
- **Address:** We use the information and insights to address identified gaps by establishing multi-year farmer programmes, where we partner with farmers, cooperatives, suppliers, NGOs, and governments to improve standards across the relevant focus areas identified by these assessments.
- **Progress:** We chart and further our progress by measuring key performance indicators (KPIs) within our farmer programmes, sharing and learning from the insights of the interventions

One of the focus areas within our responsible sourcing pillar is "Equality of People" in which we address priority issues across 3 themes: Working Conditions, Gender and Youth Inclusivity and Child Labour. Through having awareness and practices that promote equal opportunities and improve working conditions, we can collectively create better conditions.

At JDE Peet's, we are committed to working with governments, NGOs, suppliers, farmer associations/groups and the entire coffee and tea supply chains to improve the working conditions for coffee and tea farmers throughout the world. We are also jointly addressing social and environmental challenges through impactful engagement with our partners. It is important to remember that the Common Grounds programme does not mean that all issues in the coffee supply chain are solved at once. The methodology is designed to identify issues that may be overlooked in more traditional sourcing models, and to jointly tackle them in a structured and collaborative way.

Our operations and supply chains

JDE Peet's is a global coffee and tea business serving consumers in more than 100 markets. In 2023, we employed more than 21,000 associates across more than 42 locations.

JDE Peet's purchases coffee and tea from many different suppliers including international coffee traders, local exporters, and farmer associations.

In 2022 JDE Peet's announced an acceleration to its previous responsible sourcing targets. JDE Peet's is now committed to working towards the following goals through the Common Grounds programme:

- Working towards 100% responsibly sourced green coffee and tea by 2025.

- Working towards 100% responsibly sourced palm oil by 2025.
- Directly reaching over 500,000 smallholder coffee and tea farmers by 2025.

Relevant policies

In keeping with our commitment to act with integrity in all our business dealings, many of our existing policies address the risks of slavery or human trafficking in any part of our business or our supply chains.

Our relevant policies include (which can all be found on our global website, <https://www.jdepeets.com/about-us/policies/>):

- Human Rights Policy
- Associate Code of Conduct
- JDE Supplier Code of Conduct
- Speak Up Policy
- Responsible Coffee Sourcing Principles

We require all our suppliers to adhere to these policies, or at a minimum their own comprehensive, analogous policy.

In 2021, we refined our JDE Supplier Code of Conduct with a clear commitment to comply with the OECD Guidelines for Multinational Enterprises, in addition to our commitment to the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work. We reached out to more than 7,000 suppliers to highlight the importance of responsible sourcing practices and are applying various verification methods (from supplier self-assessments to quality conversations integrated into our commercial reviews with suppliers) and became a member of SEDEX, a platform that helps companies to manage and improve working conditions along global supply chains.

In our Supplier Code of Conduct, which is available in 17 different languages, relevant sections cover: 'Health, Safety and Respect', 'Fair, Ethical Relationships with Others', 'Conflict of Interest Avoidance', 'No Corrupt Practices' and 'Good Corporate Citizenship'.

Our Codes of Conduct set out the behaviours we expect from associates and suppliers in their dealings with employees, colleagues, customers, consumers, suppliers, agents, intermediaries, advisers, governments and competitors. All associates and suppliers are expected to act with integrity and in accordance with the standards of behaviour set out in the Codes of Conduct.

We provide guidance and training to support associate understanding of expected behaviour, particularly in respect of their business decisions and the Code of Conduct. We encourage associates to raise concerns and we have a Speak Up Policy allowing associates, suppliers and third parties to report anonymously, or to seek advice or information on any actual or perceived illegal or non-compliant acts.

Freedom of association and the right to collective bargaining is a core labour standard that we respect as guided by the International Labour Organization (ILO). We apply our

employment practices in line with, and in certain aspects, exceeding the requirements of local legislation.

Risk assessment and due diligence

The risk of slavery and human trafficking within our own organisation is mitigated because of strict policies and procedures as well as the oversight built into our business operations and the knowledge and skills of our staff. We assess risk based on several factors including geographical risk indices pertaining to human rights, the level of supply chain control, external governance factors and levels of political stability.

Our Supplier Code of Conduct enables us to monitor the social, environmental, and economic standards in our coffee bean and tea leaf supply chain, from farms through to the bean and leaf processing facilities that produce the finished products ready for shipping.

To influence further throughout the wider supply chain, we encourage our suppliers to evaluate their suppliers and sub-contractors against our requirements. Our sourcing decisions including the choice of suppliers includes a consideration of the sustainability practices and performance of that supplier. We believe that dialogue and engagement with suppliers is a better way to improve conditions at origin than to terminate, which means we then have no influence to drive improvement.

Training and awareness

General awareness training is available throughout the organisation relating to the Codes of Conduct. We further provide guidance and training to support employee understanding of expected behaviour, particularly in respect of their business decisions.

Through this training we ensure that associates can use Common Grounds to build upon JDE's rich legacy of public-private partnerships, supporting smallholder farmers for over 20 years in more than 15 countries working towards eradicating modern slavery in the supply chain.

Our Progress in 2023 and the future

Since the launch of our commitments in 2022 we have made significant progress. In 2023, we joined the International Labour Organization (ILO) Child Labour Platform, an inter-agency business initiative to eradicate child labour in supply chains. One of the projects established under this initiative is to tackle the root causes of child labour in supply chains, focusing primarily on coffee production in Honduras, Uganda and Vietnam. This coalition brings together governments, workers and employers, companies, and civil society stakeholders to facilitate knowledge sharing, cooperation, and collective action to tackle the root causes of child labour.

Despite being the world's largest producer of coffee, a significant portion of Brazilian coffee is produced by smallholder farmers. These individuals often require additional labour support, particularly during the coffee harvest. In 2023, we launched a Common Grounds project with Expotadora Guaxupé, aimed at preventing forced labour and improving working conditions. As a kick off to the project, we brought in our long-standing partner, Verité, to

train the agronomists and the sustainability team to identify and prevent work analogous to slavery using the Socially Sustainable Sourcing Toolkit (S3T), an outcome of a collaborative effort in The Cooperation on Fair, Free, Equitable Employment (COFFEE) Project. Together with Exportadora Guaxupé, we expect to reach over 350 farmers by the end of 2026. Through comprehensive training on labour legislation, efforts to enhance workers' accommodations, and providing water filters, we aim to positively impact more than 2,000 individuals in rural areas.

In 2023, we extended our participation into the third phase of the Ethical Tea Partnership (ETP) and UNICEF 'Improving Lives' programme, which is building better lives for children and families living in tea communities in Assam, India. This programme is an excellent example of the power of collaboration to address systemic social challenges supported by several tea companies. The programme aims to support children, women, and families living across 205 tea estates, by improving healthcare, nutrition, access to water, sanitation and hygiene facilities, education and enhanced child protection all of which impact the lives of workers and their families and thereby driving sustainable change for children.

Going forward, we will build on our robust risk mapping and supplier engagement approach and continue to implement programmes in partnership with our suppliers, ensuring we include the needs and rights of farming communities, children and youth in the design of these programmes, including local and national government institutions, civil society organisations and workers' organisations. The larger challenge is eradicating poverty, which is often one of the underlying causes of child labour. Changing cultural norms and increasing awareness about the importance of education and the harmful impacts of child labour are formidable tasks, both of which require building local capacities and farmer and community resilience for long-term success.

Further examples of our progress, in more detail can be found in our annual report: <https://www.idepeets.com/investors/financial-reports/annual-reports/>

Effectiveness and performance review

To verify the implementation of our Human Rights Policy, we conduct self-assessment questionnaires for our own sites, enabling us to better understand the human rights risks and labour standards in our operations as we work to design and implement a robust programme of human rights risk management for our own operations. This is in addition to our programme of health and safety audits. The insights from these self-assessment questionnaires will allow us to monitor and evaluate the risks in our manufacturing sites and take appropriate action (including SMETA (Sedex Members Ethical Trade Audit) ethical audits) where needed, to prevent and mitigate potential human rights impacts, and remediate any actual impacts if found.

Progress in 2023

- We completed Sedex SAQ for our manufacturing units located in APAC, LARMEA, and Peet's' site in Alameda.
- We completed Sedex SAQ for 93% of our European plants.
- We trained our operations leaders, site HR business partners and SHE leads on human rights due diligence across our 33 sites.

- We defined our Standard Operating Procedure to address and manage human rights risks at our sites.

Our targets for 2025:

- 100% of our production sites audited according to SMETA
- Our Standard Operating Procedure deployed and fully operationalised (including remediation plans for all critical cases identified)
- A roadmap defined to include our coffee stores (OldTown, Peet's US and China).

We also monitor and review both at global and local level:

- Number of associates who have completed compliance trainings.
- Associate engagement scores.
- Issues raised through the Speak Up Policy.

We remain totally opposed to slavery and human trafficking abuses in our direct operations, our indirect operations, and our supply chain, and remain committed to continuously improving our policies, practices, and programmes in an effort to effectively combatting it.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes JDE Peet's slavery and human trafficking statement for the financial year ending 2023.

Signed

Angela White

Angela White
Managing Director, UK&I
On behalf of Jacobs Douwe Egberts GB Ltd

A handwritten signature in black ink, appearing to read 'Ed Tansill', written over a horizontal line.

Ed Tansill
Plant Director, UK&I
On behalf of Jacobs Douwe Egberts Ops GB Ltd