



Due diligence for responsible business conduct with regards to people, animals, society and the environment

# Account reporting year 2023

for Jacobs Douwe Egberts Norge AS

*Ethical Trade Norway has assessed the report of Jacobs Douwe Egberts Norge AS to meet the criteria of our Implementer Level. More information about our Implementer Level can be found **here**.*

# SUSTAINABLE DEVELOPMENT GOALS



## To Readers Of The Report

Enterprises and the public sector have a great impact on people, society, the environment, climate, and animals and can both contribute positively to development, or negatively by causing harm. Enterprises therefore hold a central role in achieving UN's Sustainable Development Goals (SDGs) and the Paris Agreement's 1,5-degree target.

This report can be used as an account for the Transparency Act, but it has a broader scope with climate and the environment, circular economy, and anti-corruption indicators also being included. Our members are obligated to carry out due diligence and report annually on their work. Base level1 members also meet the Transparency Act's due diligence duty, and partially the Act's information duty.

Ethical Trade Norway's concept of responsible business conduct equals OECD's terminology and due diligence methodology. This is the systematic effort that enterprises do to identify, prevent, or mitigate adverse impacts and explain how they manage their risks of negative impact, as well as provide remediation to people, animals, society, and the environment where this is required – is called due diligence. Norwegian authorities expect all enterprises, regardless of their size, to carry out due diligence on society, the environment, and animals in accordance with the UN's Guiding Principles for Business and Human Rights (UNGPs) and OECD's Guidelines for Multinational Enterprises. This applies to enterprises, the public sector, and organisations.

Ethical Trade Norway's Declaration of Principles (our Code of Conduct) for Responsible Business Conduct covers the areas of decent work, human rights, environment/climate, anti-corruption, and animal welfare. This report is done in full transparency and in line with UNGPs and OECD's guidelines. The reports of all members are publicly accessible on Ethical Trade Norway's website.

**Heidi Furustøl**

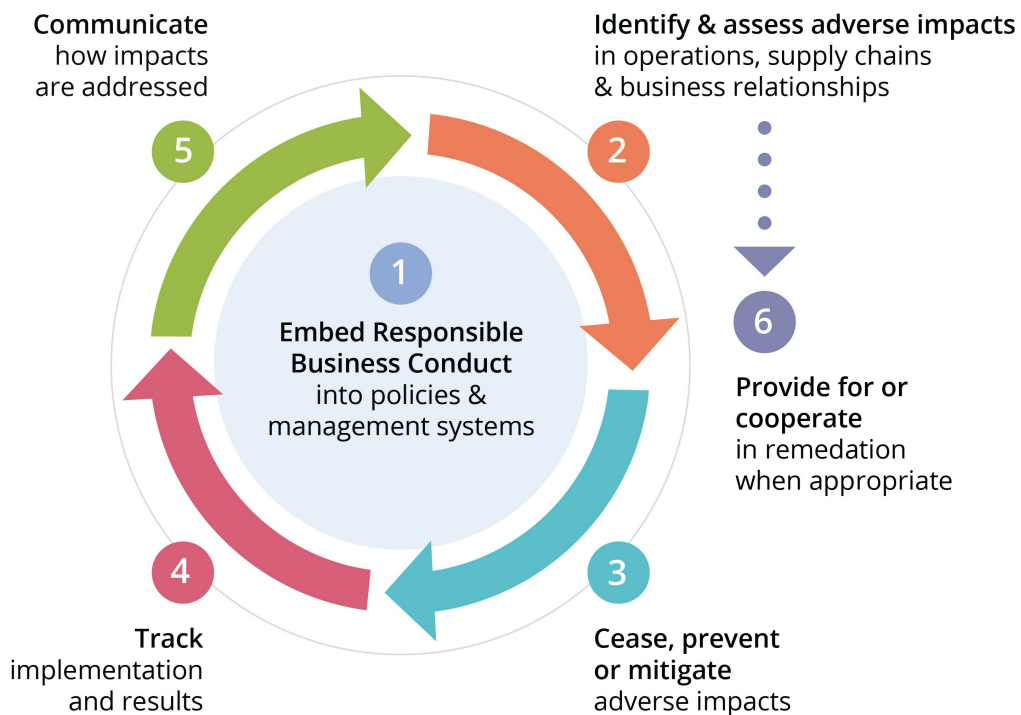
*Executive Director*

Ethical Trade Norway

# Due diligence

This report is based on the UN Guiding Principles on Business and Human Rights and the OECD model for Due Diligence for Responsible Business Conduct.

The model has six steps that describe how companies can work for more responsible and sustainable business practice. However, being good at due diligence does not mean no negative impact on people, planet and the society. It means that the company is open and honest about challenges faced and shows how this is managed in the best possible way in collaboration with its stakeholders. This report is divided in chapters following the OECD model.



# Preface From CEO

Friele is Norway's oldest coffee house with a history going back as far as 1799. Our passion for coffee and tea has led to a rich history of beautiful brands and quality products, such as Norway's most known coffee brand - Friele Frokostkaffe. We have taken responsibility for our supply chain – from bean to cup - and the society we operate in. We are continuously improving our business by setting up relevant partnerships, investing in social initiatives and taking care of all our colleagues, who are committed to giving their best whilst producing your favorite coffee.

We take our responsibility for the environment and the well-being of our farmers seriously, so we can look forward to another 225 years of entrepreneurship. This has inspired us to come up with a sharpened approach to our sustainability strategy. Through concrete actions, products and innovations we want to work with our customers and consumers to make a contribution to our living planet, so that we can all enjoy coffee and tea for many years to come.

**" Our purpose: Unleash the Possibilities of Coffee & Tea to Create a Better Future "**

Lasse Søgaaard  
*Country Manager*

# Board Signature



## **JACOBS DOUWE EGBERTS NORGE AS**

The board of Jacobs Douwe Egberts Norge AS hereby confirms having received and read the report prepared for Ethical Trade Norway, which also forms the basis for our report:

### ***Due diligence assessments for sustainable business practices***

Statement of the reporting year 2023  
Jacobs Douwe Egberts Norge AS

*Fill in the fields below with the name, position and signature of all board members*

Christian Boas Linde  
Chairman of the board

Tomas Mjøs Andersen  
Board member

Lasse Søggaard  
Board member

*(Oslo, 30.04-2024)*

Oslo  
30.04.2023

# Enterprise information and enterprise context

## Key enterprise information

### Enterprise name

Jacobs Douwe Egberts Norge AS

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### Head office address

Midtunhaugen 6, 5224 Nesttun, Postboks 175, 5852 Bergen

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### Main brands, products and services offered by the enterprise

Coffee produced in our factory in Bergen: Friele (Frokost) coffee (dark roast, caffeine free , Cafe Noir, filter, french press etc), Krone, Norwegian Roast-series with specialty coffee and full range certified coffee.

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### Description of enterprise structure

Head office from 1st of July 2015 Jacobs Douwe Egberts (KDE) in Amsterdam, Netherlands. National coffee production with administration in Bergen. Head office for JDE Professional Norway in Oslo. Sales offices in all major cities with nation wide sales support.

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### Turnover in reporting year (NOK)

1 304 081 838

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### Number of employees

155

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### Is the enterprise covered by the Transparency Act?

Yes

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## **Major changes to the enterprise since last and current reporting period**

We have increased our responsibly sources coffee from 77% to 83,8% globally in 2023, including 97% responsibly sourced green coffee into Europe.

By year end, we had a portfolio of 63 active projects, through which we have reached more than 108,000 additional smallholder farmers, bringing the total number of smallholder farmers we have reached since 2015, to 700,900.

We are leading the way in the coffee industry through technology and on-the-ground verification to tackle coffee-related deforestation and protect smallholder farmer and our coffee is now deforestation free with 99,99% of all assessed coffee plots.

We have increased our donations to City Church Mission to 1,2 million cups of Friele Frokostkaffe and our employees have worked one day as a volunteer during working hours. Through our Friele Farmer Friendly coffee, we donated 367 000,- in 2023 to projects in Honduras and Colombia.

We also continued to make strong progress in reducing our footprint with a reduction of -21% in Scope 1 & 2 emissions and -9% in Scope 3 emissions versus base year 2020. We also substantially increased our sustainability ambitions by defining a comprehensive strategic plan to deliver on our long-term targets, including new and stronger SBTi goals to net-zero, and we have built an integrated carbon accounting platform to track and accelerate the delivery of our sustainability objectives.

In 2023, our pay-equity gap remained below 1%, which is well under the future's EU directive's threshold of 5%, and 41% of all leadership positions within JDE Peet's were held by women. We increased the percentage of women in leadership positions and, separately, introduced a global DE&I Policy, expanding on our existing Board Diversity Policy, which underscores our ongoing commitment to our employees

JDE was recognised as sustainability leader by 2023 Dow Jones Sustainability Europe Index, and the only coffee company featured on list.

We also performed our first double materiality assessment in 2023.

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### **Contact person for the report (name and title)**

Eva Gullerud, sustainability responsible

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### **Email for contact person for the report**

eva.gullerud@jdecoffee.com

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## Supply chain information

### General description of the enterprise's sourcing model and supply chain

JDE Norge buy our coffee from JDE's central sourcing company KDE Netherlands. KDE Netherlands buy our coffee through traders and local exporters. JDE source approximately 8% of the world's coffee. Norway also buy coffee machines and spareparts through KDE.

Approximately 70% our coffee sales in Norway is produced in our factory in Midtun in Bergen (approximately 13 000 tonnes). Our hero brand Friele Frokostkaffe is Norway's most bought and well known coffee brand.

Manufacturing mainly in JDE sites (specialized on product type) + small share of 3rd party supplier. Local logistics operations (Warehousing and Distribution) externalized to local suppliers (Bring, DSV).

As a global business, we rely on an extensive supply chain. The majority of our direct material supplier base (other than coffee & tea) are concentrated in packaging materials. Marketing and media make up the majority of our Total spend on indirect materials and services. No significant changes were made to our supply chain in 2023

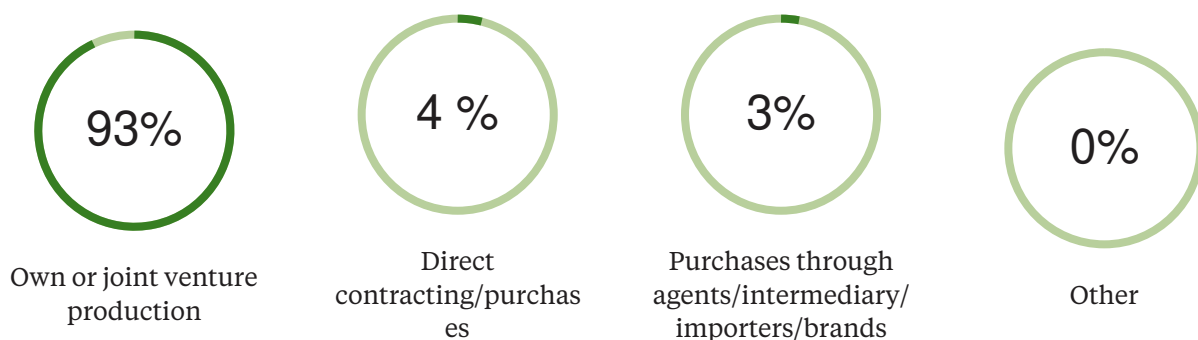
### Number of suppliers with which the enterprise has had commercial relations in the reporting year

33

### Comments

We engage with our suppliers to assess their alignment and risk against JDE Coffee Responsible Sourcing Principles (<https://www.jacobsdouweegberts.com/cr/>). This is done through an extensive process of self-assessments and independent review through Rainf

### Type of purchasing/ suppliers relationships



Own or joint venture production - #9 (93%) (JDE MU's: Bergen (NO, 85%), Gävle (SE), Banbury (UK), Joure (NL), Berlin (DE), Sulasewo (PL), Andrezieux (FR), Valasske Mezirici (CZ). Joint Venture: Johan & Nyström

Direct: #17 (4%):

Zengo, Uelzena, DeSter, Paardekopper, Friesland, Lactalis, illy, Rauch CH, Rauch HU, Krüger, Leroux, Barry Callebaut, Abena, Crem, Rogaland Konserverfabrikk AS, Skandinavisk Display & Pos A/S, STI-Gustav Stabernack

Purchases through agents/intermediary/importers/brands - #8 (3%):

Friele Foods, Servicegrossisten Øst AS, Tingstad Emballasje AS, Black Cat, Foodbroker, Merx, Out Of Home, Roupéz Profile AB



### List of first tier suppliers (producers) by country

Norway :	1
Netherlands :	1
Sweden :	1
United Kingdom :	1
Germany :	1
Poland :	1
France :	1
Czech Republic :	1

JDE MU's: Bergen (NO, 85%)  
JDE Joure (NL, 2,8%),  
JDE Gävle (SE, 1,8%)  
JDE Banbury (UK) ,  
JDE Berlin (DE),  
JDE Sulasewo (PL) ,  
JDE Andrezieux (FR),  
JDE Valasske Mezirici (CZ)

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**State the number of workers at first tier producers that the enterprise has an overview of, and the number of suppliers this overview is based on:**

**Number of workers**

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**Number of suppliers this overview is based on**

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**Comments to number of workers**

JDE Peet's source approximately 8% of the world's green coffee. Coffee is produced by 12,5 million farmers and 84% are small farmers with less than 2 hectare land. d

**Key inputs/raw materials for products or services and associated geographies**

<b>Green coffee</b>	Global Brazil Colombia Guatemala Honduras Indonesia India Kenya Peru
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In Norway we sell most coffee from Brazil, followed by countries such as Colombia, Peru, Guatemala, Honduras, Indonesia, Kenya and India.

Coffee is imported from over 70 countries, where it is cultivated on 12.5 million coffee farms, of which 85% are smaller than 2 hectares. It has been estimated that smallholder farmers produce up to 73% of all coffee. To adapt to market quality definitions, 95% of the coffee that reaches a processing mill or a cooperative will be classified, blended and homogenised in compliance with the importing market and clients' requirements. Because of how the coffee value chain is structured, in each 60 kg bag of green coffee it would be possible to find beans from up to 100 different locations. This makes achieving traceability a complex and highly cost-intensive task. Given the complexity of ensuring complete traceability to the coffee supply chain, we are making our supply chain more transparent by mapping our green coffee purchases to the specific region of a producing country using our Assess, Address, Progress approach to understand the risks and address these over time.

Our Responsible Coffee Sourcing Principles are built around three industry-aligned thematic areas that define our ambitions and related practices to address these material issues. Embedded in the principles, we clearly lay out our vision of regenerative practices, guiding our suppliers and empowering the smallholder farmers in our projects on best practices to nourish soil and water, use agrochemicals responsibly, minimise crop waste, capture carbon, and protect and regenerate farm environments. Farmer adoption of regenerative practices across our supply chain directly impacts our target to reduce GHG emissions, increase biodiversity, and protect and safeguard water systems.

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**Is the enterprise a supplier to the public sector?**

Yes

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## Goals and progress

### Process goals and progress for the reporting year

1

**Goal:** Working towards 100% responsibly sourced green coffee by 2025. The goal for responsibly sourced coffee is to have 80-85% in 2023

**Status:** 97% responsible sourced coffee in Europe  
84% responsible sourced coffee globally

2

**Goal:** Report CO2 emission per cup on our coffee products in 2023

We measure CO2 per cup on all of our coffee produced  
**Status:** Through our carbon accounting, we can measure the footprint for our customer and also optimise the portfolio to reduce the CO2

3

**Goal:** Renovating our machine portfolio so we can reduce up to 63% CO2 emissions and take an extra step towards circular economy in 2023

**Status:** In Norway, we offer renovated machines from our machine park

4

**Goal:** Our goal is to submit an even stronger and new SBTi ambition in 2023 to reach net-zero in 2050.

**Status:** New and stronger SBTi goals to net-zero

5

**Goal:** Continue our strategic collaboration with the City Church Mission and volunteer work in 2023

**Status:** 1 million cup sponsored  
All our employees participated in a volunteer program

6

**Goal:** Continue to design and implement an effective human rights due diligence programme and investigate potential impacts before they materialise in 2023

**Status:** We performed our first double materiality assessment in 2023

7

**Goal:** New webpage in Norwegian on CSR in 2023

**Status :** Completed  
<https://www.jdeprofessional.no/baerekraft/>  
<https://www.friele.no/samfunnsansvar/>

8

**Goal :** Directly reach 1 million smallfarmers by 2025

**Status :** 700 900 farmers cumulative reached in 2023

9

**Goal :** Reduce absolute scope 1&2 GHG emissions by 25% (vs 2020) by 2030

**Status :** In 2023 we reduced -19% on scope 1+2 vs 2020

10

**Goal :** Reduce absolute scope 3 GHG emssions by 12,5% by 2030

**Status :** In 2023 we reduced -9% on scope 3 vs 2020

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## Goal for coming years

1

Directly reach 1 million smallholder farmers by 2025, by contributing to farmers prosperity through concrete improvement projects at origin.

2

Working towards 100% responsibly sourced green coffee by 2025, by focus on products sourced under our responsible sourcing approach

3

Continue our strategic collaboration with the City Church Mission and volunteer work in 2023, by donating 1,2 million coffee cups and enabling all employees in Norway to work one day as a volunteer during working hours

4

40% women in leadership positions by 2025

5

18% water intensity reduction per ton of production by 2030

6

43% reduction in absolute Scope 1 & 2 emissions by 2030, from a 2020 base year

7

30% reduction in absolute forest, land and agriculture (FLAG) emissions by 2030, from a 2020 base year

8

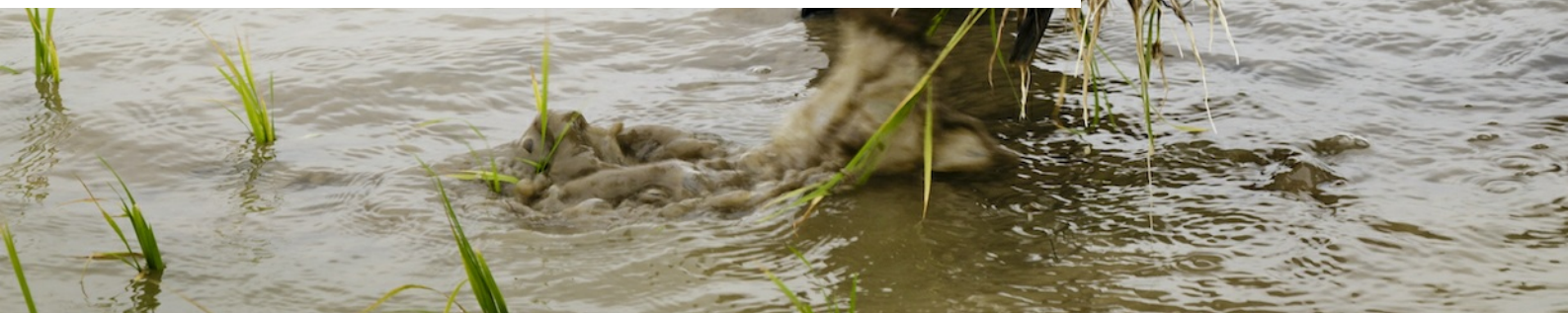
25% reduction in absolute Scope 3 emissions by 2030, from a 2020 base year (industrial non-FLAG)



# 1

## Governance and commitment to responsible business conduct

Embedding responsible business conduct means that the enterprise should have strategies and plan, as well as relevant policies and guidelines for due diligence for responsible business conduct (hereafter due diligence) which are adopted by management. These should comprise the enterprise's own operations, its supply chain and other business relationships. Effective management systems for implementation are key to success, and due diligence should be an integrated element in enterprise operations. Clear expectations from senior management are crucial, as well as clearly assigned responsibilities within the enterprise, for the implementation of the steps in the due diligence process. Those involved need to know how to proceed. Transparency about commitments the enterprise has for itself, challenges they are facing, and how these are managed is fundamental



## 1.A Policy\* for own enterprise

### 1.A.1 Link to publicly accessible policy for own enterprise

<https://www.jdeprofessional.no/baerekraft/kilder-og-dokumenter/>

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### 1.A.2 What does the enterprise say publicly about its commitments to respect people, animals, society, the environment and climate?

Our Common Grounds programme embodies our ambition to positively impact people, our planet, and the future of coffee, and is driven by our purpose "To unleash the possibilities of coffee for a better future". The success and resilience of our business is reliant on our ability to deliver positive social and environmental impacts along our supply chain.

Our sustainability strategy spans our entire value chain, and aims to ensure we source our raw materials responsibly, minimise our footprint, and engage our own employees as well as all the communities and partners in our entire ecosystem. As we believe this is vital to the long-term success of the company, we worked hard on its execution throughout the year, engaging with stakeholders along the entire supply chain and stepping up our level of ambition for the short and long term.

To support the implementation of our strategy, we have put in place a series of performance targets. For each impact area, we mapped the related material topics, the concerned stakeholders, the key risks identified, the targets we have set for ourselves, the KPIs we use to monitor our performance and the SDGs we contribute to.

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### 1.A.3 How has the policy/commitment been developed and how is it embedded in the enterprise?

All policies are anchored with clear governance structures with senior leadership and e.g. with Human Rights with Board oversight to drive our Human Rights roadmap across JDE Peet's.

All our global policies are written in consultation with relevant functions and in line with our double materiality assessment that defines material issues related to the business and in consultation with key internal and external stakeholders to confirm the same. Revisions of the policies are planned accordingly especially given the ever changing regulatory and business environment.

In 2023 we continued to make strong progress through our Common Grounds programme, which embodies our ambition to positively impact people, our planet, and the future of coffee. For example, we reduced our Scope 1 & 2 emissions by 21% and our Scope 3 emissions by 9% versus base year 2020. We also made strong progress on our commitment towards 100% responsibly sourced green coffee by 2025, reaching 84% (2022: 77%), including 98% responsibly sourced into Europe. And by year-end, we had a portfolio of 63 active projects, through which we have reached more than 108,000 new smallholder farmers, bringing the total number of smallholder farmers we have reached since the inception of Common Grounds to 700,900.

We also substantially increased our sustainability ambitions during the year, defining a comprehensive strategic plan to set new and stronger SBTi commitments to net-zero, and build an integrated carbon accounting platform to track and accelerate the delivery of our ESG objectives

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## 1.B Organisation and internal communication

### 1.B.1 How is the due diligence work organised within the enterprise, embedded in internal guidelines and routines, and why?

At JDE Peet's, we have refined our approach in responsible sourcing to our extended supply chains following the principles of internationally recognised frameworks, such as the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct. This means we are applying a data-driven, risk-based approach, and actively taking ownership of what we consider to be the most important of all challenges securing sustainable coffee. The CSRD Steering Committee, composed of the Global Director Group Control, VP Sustainability and Group Internal Audit Director, reviews and approves the sustainability information.

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.

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

In 2023 we performed our first double materiality assessment in 2023, as part of our triennial review. Carrying out a review once every three years lets topics evolve, gives sufficient time to implement actions based on outcomes, and enables the company to align with periodic strategy updates, such as the Value Creation Plan. Our materiality assessment extends beyond financial reporting. It identifies and assesses sustainability impacts, risks & opportunities across the entire value chain, from agricultural production to end-of-life. We also considered the geographical footprint, such as sales per segment, production locations, and farmers' locations

We believe that an effective Compliance programme is one that continuously adapts to changes and improves over time. For example, in 2023, we updated our Human Rights Policy and Supplier Code of Conduct and revised our Speak Up Policy

The due diligence processes for Human Rights for coffee and tea sourcing is further outlined in a Standard Operating Procedure which is an internal document highlighting roles and responsibilities of the different functions and team members. These are not public documents. We also have in depth country risk assessments e.g. for coffee which were conducted by Enveritas (an independent verification body) that conducted over 76,000 farm assessments in 2023 in over 23 coffee origins. A summary of these findings in terms of level of risk is publicly available on our website where we explain our Assess, Address, Progress approach. On the map there is clear guidance on how to find the focus areas and the added classification of level of risk, as well as the programmes we engage in to address these issues.: <https://www.jdepeets.com/sustainability/responsible-sourcing/>



**1.B.2 How is the significance of the enterprise's due diligence work defined and clarified for the employees through their job description (or the like), work tasks and incentive structures?**

Our Codes of Conduct underline our commitment to ethical behaviour and compliance with the legal requirements of the countries in which we operate and serve to foster a culture of integrity, ethics and legal compliance. We conduct a global e-learning of our Code of Conduct every two years

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**1.B.3 How does the enterprise make sure employees have adequate competence to work on due diligence for responsible business conduct?**

Our compliance programme is reinforced through compliance trainings and awareness campaigns.

At least twice a year, we conduct compliance e-learning courses for employees on topics such as ethical behaviour and principles, competition law, anti-bribery and corruption, data protection, and human rights. Such training courses are mandatory for all our employees with an email address and access to our Learning Management System. For those employees without email access, such as certain employees working in certain manufacturing units, we offer shared laptops or conduct in-person training sessions.

We also regularly conduct face-to-face training courses for selected target groups. These include, for example, courses on competition law for sales teams, anti-bribery and corruption for procurement teams, and data protection for marketing and human resources teams.

In 2023, we conducted targeted training workshops on human rights and due diligence procedures to both our leadership and our employees from coffee & tea sourcing, procurement, operations and sustainability, to raise their awareness of human rights and our due diligence framework, including the due diligence standard operation procedures.

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## 1.C. Plans and resources

### 1.C.1 How are the enterprise's commitments to respect people, animals, society and the environment embedded in strategies and action plans?

Our commitment to engaging with stakeholders extends throughout the organisation and along the entire value chain. This engagement takes various forms, from regular and ongoing interactions to collaborative projects that ignite innovation and foster meaningful partnerships. This approach empowers us to leverage the expertise of our stakeholders to enhance our operations, prioritise long-term value creation, and proactively address potential risks. Our Stakeholder Engagement Policy, which we launched in 2023, sets out the framework, approach and guiding principles to ensure we stay connected.

We recognise that the scale and focus of our efforts will ultimately determine the impact we can achieve in shaping a brighter future. We are intensifying our collaborative efforts across our supply chain, such as those involving smallholder farmers.

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### 1.C.2 How is the enterprise's strategies and action plans to work towards being responsible and sustainable followed up by senior management and the board?

The Board regularly, but at least two times per year:

- Oversees the implementation of the sustainability agenda and policies including climate change
- Reviews the progress on ESG-related matters, including climate-related issues as well as responsible sourcing, packaging, water, waste, health and safety, and diversity, equity and inclusion
- Monitors the progress of our Common Grounds Sustainability programme, goals and targets

Responsibility for the company's Common Grounds sustainability agenda and programme lies with the CEO and the individual members of the Executive Committee responsible for specific business areas. Specifically, each member of the Executive Committee owns respective ESG targets that build our Common Grounds programme and are accountable for achieving these targets.

Led by the Vice President Sustainability, the Sustainability team subsequently works with a crossfunctional leadership group composed of subject matter experts from across the company, including areas such as procurement, manufacturing, research and development, marketing, human resources, and compliance to execute and measure the company's sustainability and climate change programmes.

Throughout the year, the company held Quarterly Programme Review sessions, during which ESG subject-matter experts reported on the performance of KPIs related to the Common Grounds programme and its key pillars to the Vice President Sustainability. The company's CEO takes part in these sessions at least once a year

In Norway, the responsible for sustainability is part of monthly global sustainability meetings where we share success and raise concerns.

## 1.D Partnerships and collaboration with business relationships, suppliers in particular

### 1.D.1 How does the enterprise emphasise the importance of responsible and sustainable business conduct in its business relationships, particularly in the supply chain?

We expect our Suppliers to adhere to the policies, principles, standards, and requirements set out in this JDE Peet's Supplier Code of Conduct ("Code"). Our Code is informed by the International Bill of Human Rights, the principles set forth in the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights and JDE Peet's Human Rights Policy. <https://www.jdepeets.com/siteassets/policies/jde-peets-supplier-code-of-conduct.pdf>  
<https://www.jdepeets.com/siteassets/policies/jde-peets-code-of-conduct.pdf>

Products supplied to JDE Norge AS must comply with applicable laws and regulations for Norway and, if requested, suppliers must provide us traceability information and due diligence undertaken. JDE Norge reserves the right to verify Suppliers' compliance with this Code through due diligence including self-assessments and audits or other monitoring activities. For Norway our suppliers need to sign our CoC and we regularly also randomly select local suppliers for internal control. Norway is responsible for the consequences of any irregularities resulting from non-compliance with controls or insufficient diligence in their execution. If a Supplier is not able, fails or refuses to correct or remediate non-compliance with this Code within a specific timeframe, JDE Peet's may suspend or terminate the relationship.

We asked Sedex to assess more than 12,000 supplier locations on the basis of inherent human rights risks, based on location and industry activity. We used six indicators on environment and business ethics and the Sedex platform, which contains eight of the most serious human rights risks, aligned with the ILO Conventions:

- Forced labour
- Discrimination
- Freedom of association
- Gender
- Children & young workers
- Regular employment
- Working hours
- Health, safety & hygiene.

We then prioritized COGS suppliers for due diligence based on their combined risk score and our annual spend with them, and we identified four different risk thresholds to classify these suppliers.

Based on our risk mapping exercise, which we conducted in 2022, at least 200 COGS supplier (and 7,800 non-COGS suppliers) locations are considered a combination of low spend and low risk: the lowest risk threshold. The remaining suppliers reaching the higher risk thresholds are prioritized for further due diligence, including SMETA ethical audits (or equivalent audits).

For our green coffee, Enveritas's assessments of our supply chain covered 440,290 farms in 23 countries in 2023.

## 1.E Experiences and changes

### 1.E.1 What experiences have the enterprise encountered during the reporting period concerning responsible business conduct, and what has changed as a result of this?

Since the materiality assessment carried out in 2022, human capital management and water & wastewater management have become more material and have been included as most material topics. Both topics have since received additional focus in our quarterly sustainability programme review and have led to strategy adjustments to reflect stakeholder requirements. We have also seen that some topics - product safety & quality, ethics & governance, and cyber security — have become more of a 'hygiene factor' when carrying out responsible business, and are now seen as being the standard.

Our material topics

- Climate action
- Packaging & circularity
- Biodiversity & deforestation
- Farmer livelihoods
- Human rights
- Sustainable agriculture
- Water & wastewater management
- Human capital management
- Diversity, equity and inclusion

Upholding standards

- Product safety & quality
- Ethics and governance
- Cyber security



## 2

### Defining the focus for reporting

## Identify and assess the enterprise's impact on people, animals, society and the environment

“Identify and assess” is about identifying the enterprises's risk for, and actual negative impact on, people, animals, society and the environment, including in the supply chain and through business relationships. As a first step the enterprise should get an overall risk picture, before subsequently prioritising further mapping and measures where the risk of negative impact is the greatest, i.e. salient issues. The enterprises's involvement in the negative impact on people, animals, society and the environment is central to determine which measures the enterprise should implement in the next step of the due diligence model. Involvement of stakeholders, especially those affected, is central when assessing risks. It is also important to consult with stakeholders when implementing measures to manage the negative impact.

## 2.A Mapping and prioritising

### PRIORITISED ACTUAL OR POTENTIAL NEGATIVE IMPACT ON PEOPLE, ANIMALS, SOCIETY, AND THE ENVIRONMENT

*Prioritising one or more risk areas on the basis of severity does not mean that some risks are more important than others, or that the company should not take action on other risks, but that risks with the greatest negative impact are prioritised first. Mapping and prioritisation are a continuous process.*

**2.A.1 List the enterprises's actual negative impacts and/or prioritized significant risks of negative impact/harm on people, animals, society and the environment. Take note that the prioritized risk that you list in the table below will be exported to step 3 of this report, where you will be asked to answer how you work with stopping, preventing, or reducing the negative impact.**

Salient issue	Related topic	Geography
Biodiversity & deforestation	Environment	Global
Human right	Forced labour Freedom of association and collective bargaining Child labour Discrimination Harsh and inhumane treatment Wages Working hours	Global
Farmer livelihoods	Freedom of association and collective bargaining Wages	Global
Sustainable agriculture	Environment Waste Water	Global
Climate action	Environment Emission Greenhouse gas emission Energy	Global

More than 100 impacts, risks & opportunities were identified based on reporting standards (GRI, ESRS, SASB), ESG ratings, industry reports, consumer analysis and peer review.

23 topics were defined by categorising impacts, risks & opportunities and evaluating their position across the value chain

We are committed to the UN Global Compact Principles and the UN Guiding Principles on Business and Human Rights. We also follow the OECD Guidelines for Multinational Enterprises and we are a member of the ILO Child Labour Platform

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## JUSTIFICATION FOR THE PRIORITISATION OF RISKS OF NEGATIVE IMPACT ON PEOPLE, ANIMALS, SOCIETY, AND THE ENVIRONMENT

**2.A.2 Describe: a) the enterprise's routines for mapping and identifying risk and show how the negative impact was identified and prioritised in this period: b) eventual aspects of the enterprise that have not been covered in this report (product groups, own products, departments etc.) and why you not chose to prioritize these in the continued work: c) how information was gathered, what sources were used, and which stakeholders have been involved/consulted: d) whether you have identified areas where information is lacking in order to get an overview, and how you are planning to proceed to collect more information/handle this.**

We continued to work with Enveritas, a non-profit organisation that has pioneered a data-driven approach to sustainability. For 2023, Enveritas's assessments of our supply chain covered 440,290 farms in 23 countries.

In line with the Global Coffee Platform's Coffee Sustainability Reference Code, we updated our Responsible Coffee Sourcing Principles during the year, identifying four components as critical in terms of severity and negative impact: child labour, forced labour, deforestation, and banned pesticides. We aim to address these issues with the highest priority when they are found in our supply chain.

In 2023, we issued the fourth edition of our Supplier Self-Assessment Form (SAF). This is designed to help us understand both the level of alignment of our coffee suppliers to our Responsible Sourcing Principles and the levels of risk perceived in the regions from where we source our green coffee. Additionally, it serves as the cornerstone to our due diligence approach. We sent 249 self-assessment forms to 88 green coffee suppliers representing unique supplier-origin country combinations, with a response rate of 83%.

In 2023, we also made important progress on our responsible sourcing journey along our non-coffee supply chain. We asked Sedex to assess more than 12,000 supplier locations on the basis of inherent human rights risks, based on location and industry activity. We used six indicators on environment and business ethics and the Sedex platform, which contains eight of the most serious human rights risks, aligned with the ILO Conventions

In 2023, we updated our Human Rights Policy as well as the Supplier Code of Conduct to embed risk-based due diligence across our own operations and our supply chain, which focuses on long-term, continuous improvement and multi-layer industry approach.

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## ADDITIONAL SEVERE IMPACTS

**2.A.3 Describe any other negative impacts on people, animals, society and the environment that were identified in the mapping of the enterprise, supply chain or other business relationships during the reporting period and how these have been handled.**

We recognise that human rights issues, including child labour, forced labour and harassment, are complex and require solutions involving other industry players, governmental institutions and other relevant stakeholders, including NGOs.

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A woman in a blue surgical cap and gown is shown in profile, looking down. She is in a hospital operating room, with other staff members in similar attire visible in the background. The room is brightly lit with overhead surgical lights.

### 3

#### Management of salient issues

## Cease, prevent or mitigate negative impacts

“Cease, prevent and mitigate” is about managing findings from the risk assessment in a good way. The most salient negative impact on people, animals, society and the environment should be prioritised first. This does not mean that other risks are insignificant or that they are not handled. The way the enterprise is involved in the negative impact is key to taking the appropriate action. Negative impact that the enterprise causes or contributes to must cease, be prevented and be reduced. To address negative impact directly linked to the enterprise, e.g. in the supply chain, the business must use its leverage to influence the entity causing the negative impact to cease, prevent or mitigate it. This involves developing and implementing plans and routines to manage risk and may require changes to the enterprise's own policy documents and management systems. Effective management of the negative impact on people, animals, society, and the environment is a major contribution to the achievement of the Sustainable Development Goals (SDGs).



### 3. A Cease, prevent or mitigate

3.A.1 For each salient risk, add a goal, progress status and describe the measures you have implemented to handle the enterprise's prioritized negative impact on people, animals, society, and the environment

<p><b>Salient issue</b></p>	<p><b>Biodiversity &amp; deforestation</b></p>
<p><b>Goal :</b></p>	<p>Working towards a deforestation-free supply chain in our sourcing of green coffee and paper &amp; pulp. Anticipating and managing biodiversity and deforestation-related risks across the value chain by tackling region-specific issues at community and landscape levels.</p>
<p><b>Status :</b></p>	<p>99.9% Mapped coffee plots that are deforestation-free 34.4% Virgin paper and pulp certified</p>
<p><b>Goals in reporting year :</b></p>	<p>Since coffee plants take several years to produce berries, the quantity of coffee cultivated on deforested land after the EUDR cut-off date of 31 December 2020 was extremely limited in 2023. Of all the countries that have been mapped so far, constituting 89.3% of our purchased volume, Enveritas' ongoing risk mapping has shown that 99.9% of the coffee-growing plots analysed are free from deforestation. Our current engagement with origin countries is focused on mitigating the risk related to the &lt;0.1% of deforested coffee plots so that to transform them back into forest and ensure that all coffee farmers can access the EU market while mitigating the deforestation risk. We are aware that the problem doesn't end there. Our work and commitment to nature and deforestation free will require a combination of high quality assessments and continued interventions on the ground with at-risk farmers to remediate the issue through support and training to address the root cause of deforestation that is often poverty. This linked back with our farmer initiatives and their key role in our overall Sustainability journey.</p>

**Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :**

We have been ramping up our deforestation approach to ensure the livelihoods of smallholder coffee farmers are protected whilst delivering on the EUDR promise by mapping the deforestation risk of our supply chain, launching a Forest Policy and increasing engagement. In an effort to keep countries deforestation-free ahead of the EUDR cut-off date, we are continuing to invest in programmes on the ground to perform forest restoration before coffee is grown on deforested land. Farmers will be supported to improve their livelihoods, whilst nature can thrive. For example, in the Bukit Barisan Selatan National Park of South Sumatra, Indonesia, we are partnering with the Wildlife Conservation Society to prevent future forest deterioration and restore the ecological integrity of the area and rehabilitate 2,500 hectares of degraded forests. The area is home to unique species that are endangered and threatened, such as the Sumatran elephant, rhinoceros, and tiger, and the forest is under increasing threat of degradation.

Enveritas has developed machine learning technology, to analyse high resolution satellite imagery, coupled with ground truthing in order to map forest as per the EUDR definition, and also generate coffee plots geolocations and polygons. In 2023, Enveritas assessed 76,896 farms, training the satellite software to differentiate between coffee and other commodities. This allowed us to map coffee-related deforestation in the key sourcing regions, and we will have the full JDE Peet's coffee sourcing areas mapped by mid-2024, ahead of the implementation of the EUDR obligations. This detailed mapping of coffee-related deforestation risk will also allow us to target mitigation programmes at origin with the ambition to eradicate coffee-related deforestation.

**Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :**

To help the coffee sector remain deforestation-free, we launched our Forest Policy alongside our Responsible Coffee Sourcing Principles, which require our suppliers to also be deforestation-free. By 2025, we aim, through supplier engagement, to ensure deforestation is prevented for the largest commodities we purchase, namely coffee and paper & pulp. Our continued annual engagement with our suppliers through the Supplier Self-Assessment Forms creates the basis for conversations on progress towards these targets.

Forest protection is also key to achieving our net-zero goal, as historical deforestation (looking back 20 years) accounts for 8% of JDE Peet's carbon footprint

<p><b>Salient issue</b></p>	<p><b>Human right</b></p>
<p><b>Goal :</b></p>	<p>Applicable to our farmers, suppliers and other stakeholders in our value chain. We commit to high standards of social and environmental responsibility and ethical conduct as a signatory of the UN Global Compact and in line with internationally recognised human rights standards</p>
<p><b>Status :</b></p>	<p>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</p> <p>In 2023, we updated our Human Rights Policy as well as the Supplier Code of Conduct to embed risk-based due diligence across our own operations and our supply chain, which focuses on long-term, continuous improvement and multi-layer industry approach</p> <p>We completed Sedex SAQ for our manufacturing units located in APAC, LARMEA, and Peet's' site in Alameda</p> <p>We completed Sedex SAQ for 93% of our European plants</p> <p>We trained our operations leaders, site HR business partners and SHE leads on human rights due diligence across our 33 sites</p> <p>We defined our Standard Operating Procedure to address and manage human rights risks at our sites.</p>

**Goals in reporting year :**

JDE Peet's is committed to respecting all human rights, as defined in key international covenants, including but not limited to the International Bill of Human Rights. As a signatory to the UN Global Compact, we are committed to the UN Global Compact Principles and the UN Guiding Principles on Business and Human Rights. We also follow the OECD Guidelines for Multinational Enterprises and we are a member of the ILO Child Labour Platform.

We will continue to be actively involved in collaborative initiatives with other industry players, governments and civil society actors. Key focus areas will be on nature, regenerative agriculture and human rights. We are also expanding our risk-based approach for deforestation and human rights across our supply chains

Our targets for our sites and manufacturing for 2025 are:  
100% of our production sites audited according to SMETA  
b. Our Standard Operating Procedure deployed and fully operationalised (including remediation plans for all critical cases identified)  
c. A roadmap defined to include our coffee stores (OldTown, Peet's US and China).

**Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :**

Recognising the importance an effective grievance mechanism plays for people impacted or harmed by any human rights issue, in 2023, we expanded the scope of our Speak Up Policy to enable our external stakeholders to access our grievance channels, and updated our website to make the link to our grievance

reporting tool more easily accessible. Furthermore, our updated Human Rights Policy and Supplier Code of Conduct require our suppliers to ensure grievance mechanisms are in place in their operations to actively engage in remediation process

JDE Peet's joined the Q C Conta project (“What people tell” in colloquial Portuguese) in Brazil. The project uses a farmer survey and stakeholder dialogue conducted by NGO Solidaridad to analyse and provide recommendations on how a coffee-specific baseline grievance mechanism can be adapted to the local Brazilian environment. The results are expected to provide insights on the effectiveness of grievance mechanisms for preventing and mitigating human rights (and environment-related) risk in coffee supply chains. The project, which includes a local stakeholder working group involving sector representatives, was initiated under the umbrella of the German Coffee Association. It began in November 2022 and will run until the end of March 2024

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, 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

**Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :**

We acknowledge that potential human rights risks may exist across different areas of our business and supply chain and that these risks require specific approaches to human rights due diligence. Our human rights due diligence is therefore focused on identifying and addressing any negative human rights impacts in key areas: our own operations/ manufacturing, coffee & tea sourcing, and procurement of other goods and services, with working teams in each respective area. These teams are overseen and advised by steering committees composed of our senior management. In 2023, supported by an external company that specialises in human rights advice, we finalised and cascaded our standard operating procedures for human rights due diligence tailor-made to each of the three areas mentioned above, which will be further deployed in 2024

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

<b>Salient issue</b>	<b>Farmer livelihoods</b>
<b>Goal :</b>	Our commitment to making a difference in the lives of farmers, their households, and greater farming communities. Through our Responsible Sourcing pillar under Common Grounds, we work closely with relevant stakeholders in the sector to support farming communities' vision of prosperity and to respect human rights
<b>Status :</b>	<p>We are proud to say we exceeded our 2025 commitment early, and through our Common Grounds programme we have set up over 15 projects in 23 countries, reaching over 110,000 smallholder farmers in 2023. We are creating value through the clear (commercial) investment choices we have made to address priority issues in the supply chain. This means:</p> <ul style="list-style-type: none"> <li>• Working with farmers to provide technical assistance on climate-smart agriculture</li> <li>• Setting up nurseries and mother gardens to distribute disease- and climate-resilient coffee varieties</li> <li>• Addressing water sanitation issues in local communities</li> <li>• Increasing farm productivity through training, coaching and support, including on alternative sources of farm income</li> <li>• Promoting women's involvement and empowerment in all our projects</li> <li>• Increasing the involvement of youth, creating employment opportunities in rural areas and within the coffee value chain.</li> </ul>
<b>Goals in reporting year :</b>	We continue to grow and scale up our farmer programme in the key origins in our supply chain, and it is important that we are able to represent the rich diversity of origins and farmer producing realities. In 2024, we plan on introducing new programmes in Africa, where there are many opportunities to generate positive long-term impact among smallholder farmers

**Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :**

Coffee farmers, and smallholder farmers especially, are essential to our sustainable growth ambition. This is why building resilient farming is so critical. Coffee yields can vary enormously, from a couple of hundred kilograms per hectare to several tonnes per hectare, depending on the country, with Brazil and Vietnam

leading the way. Our agricultural training programmes, delivered by our partners at origin, work to continuously bridge this gap. This is the first step towards improving farmers' livelihoods and helping them exit extreme poverty. And the impact on farmer income goes far beyond uncertain pricing support, helping to provide farmers with such sustainable assets as education or quality coffee seedlings. Since 2015, we have reached 700,900 farmers and our commitment to coffee farmers continues. Each year we increase our investment to help build a stronger and more sustainable coffee supply chain.

**Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :**

Securing the future of coffee requires more prosperous living for smallholder coffee farmers. As a founding signatory of the ICO Public Private Taskforce, we are working with sector peers in the Living-Prosperous Income Workstream to tackle poverty among coffee farmers by assessing real and target income in coffee producing countries. There is a collective interest to close the gap between the real and living income for coffee farmers.

As an active member of the Global Coffee Platform (GCP), we have played a role in the development of GCP's new strategy of achieving transformational change for the prosperity of one million smallholder coffee farmers. In 2023, JDE Peet's was one of eight companies that contributed USD 1.5 million to GCP's 2030 goal. This targeted funding goes towards setting up collective initiatives around living income, climate adaptation and sustainability



<p><b>Salient issue</b></p>	<p><b>Sustainable agriculture</b></p>
<p><b>Goal :</b></p>	<p>Supporting farmers in implementing good agricultural practices that promote resilience while increasing the long-term viability of farm production, including water and energy reduction, optimal nutrient management, climate change mitigation efforts, soil conservation, integrated pest management, and activities to improve crop yields and quality</p>
<p><b>Status :</b></p>	<p>83.8% of responsibly sourced coffee versus our commitment towards 100% by 2025.</p> <p>We sourced green coffee from over 32 countries, and for 23 of these countries we have detailed sustainability risk assessments from the specific regions traceable to our coffee purchases.</p> <p>The data used to assess sustainability risks is based on randomised and unannounced surveys, which were conducted by Enveritas among suppliers and across sourcing regions of our supply chain during the 2023/2024 coffee harvest season. To ensure we have a holistic view of the risks, we also use information from Rainforest Alliance and 4C certification audits and country reports.</p> <p>The focus on regenerative agriculture increased across many of our farmer projects through locally relevant technical support and financial assistance to farmers. Essentially, we need to encourage regenerative agriculture as this type of farming, when adopted to local conditions, helps nature and farmers to flourish together. To be restored and protected, the soil needs to have organic matter returned to it, and the farmers know this.</p> <p>In the municipality of Victoria, Yoro in Honduras, brothers Pedro and Doroteo Martínez are living examples of strong commitment to regenerative farming. The onfarm production of organic fertiliser has significantly reduced their costs of using synthetic agrochemicals. They understand the importance of working in harmony with the environment, which has helped them become successful producers and community leaders. The Martínez brothers are two of the 8,000 farmers in the Coffee Alliance project that we have been partnering with since 2018 through CoHonducafe and USAID</p>

**Goals in reporting year :**

As part of our supplier engagement, each participating supplier will receive country-specific sustainability scorecards, which aim to facilitate a shared understanding on key sustainability issues and, where applicable, draw out corrective action plans.

Regenerative agriculture and responsible land use practices are critical to address climate change and biodiversity loss. We focus on three focus areas;

**CLIMATE AND NATURE**

Our approach is based on mitigation and adaptation to climate change. Biodiversity, natural forests, and ecosystems are protected from conversion or degradation.

**SOIL**

Soil fertility and conservation is maintained and improved through farmer training and appropriate soil testing.

**WATER**

We support farmers with technology for cost efficient wastewater disposal and help them understand how to manage and save water.

**Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :**

Since 2012, JDE Peet's has invested in World Coffee Research (WCR) to drive innovation in coffee agriculture and secure a more sustainable future for our industry. The challenges facing coffee production are multifaceted and complex, but innovation can create new solutions. Through World Coffee Research, JDE Peet's unleashes the power of plant varieties to urgently secure a diverse and sustainable supply of quality coffee today and for generations to come.

Highlights from our year in collaboration include:

- Support to launch Innovea, the world's first global, collaborative programme to breed new, climate-resilient arabica coffee varieties, involving nine countries around the world. Over 5,000 novel seeds are germinating globally.
- Releasing a new arabica DNA fingerprinting tool for commercial availability, which dramatically reduces the cost of variety identification and genetic traceability for quality assurance in renovation projects.
- Calculating coffee's \$452 million/year innovation crisis in agricultural research in order to mobilise greater global funding of coffee agricultural research for key origins like Ethiopia.
- Supporting the world's millions of Robusta coffee farmers to make more informed decisions about which varieties to plant through an open-access Robusta Variety Catalog, as well as resources to support higher-quality trees like a Robusta grafting manual and nursery management videos.

**Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :**

To address both environmental and social issues, it is essential that we access timely and robust data from across our entire supply chain. Now, more than ever before, we need to have comprehensive and representative information to drive our actions and choices for a sustainable coffee future. A future that allows us to source compliant coffee, from a diverse range of origins, maintaining the flavours and qualities we need, and a future that is available to all coffee farmers.

Using the many insights from our supply chain risk assessments, end-line evaluations of completed projects, and our commitment to deliver against our SBTi carbon-reduction commitments, we have begun conceptualising and designing several new projects for 2024. After assessing projects that were due to end, we

have concluded that a number of them still have the potential to make a positive impact.

Consequently, we will scale up the size and scope of several projects in 2024 through extensions. Our focus remains on reducing our Scope 3 GHG emissions through climate-smart agriculture and regenerative agriculture.

<p><b>Salient issue</b></p>	<p><b>Climate action</b></p>
<p><b>Goal :</b></p>	<p>Reducing or preventing greenhouse gas emissions along our entire value chain and managing climate-related transition and physical risks across the value chain by deploying decarbonisation technologies and investing in effective climate change measures to adapt to climate change</p> <p>In line with the New Forestry Land and Agriculture (FLAG) guidance we committed to three new near-term targets, which are validated by SBTi.</p> <ul style="list-style-type: none"> <li>• A 43% reduction in absolute Scope 1 &amp; 2 emissions by 2030, from a 2020 base year</li> <li>• A 30% reduction in absolute forest, land and agriculture (FLAG) emissions by 2030, from a 2020 base year</li> <li>• A 25% reduction in absolute Scope 3 emissions by 2030, from a 2020 base year (industrial non-FLAG)</li> </ul>
<p><b>Status :</b></p>	<p>Throughout 2023, we achieved a Scope 1 &amp; 2 reduction of 21% and a Scope 3 reduction of 9%.</p> <p>In 2023, we became a Science Based Target Network corporate engagement partner. Through our Responsible Sourcing Assess, Address, Progress approach<sup>12</sup>, we already include nature-related impacts in our risk reporting and in our project approach. Because nature elements are already a key part of the holistic Global Coffee Platform's (GCP) Coffee Sustainability Reference Code which underpins the reporting framework used by Enveritas, we are already investing to mitigate our nature-related risks. This has been invaluable in enabling us to complete our first Taskforce for Nature-related Financial Disclosure (TNFD) assessment and link our impacts into an assessment of our approach on setting targets for nature, which we will consider in the coming years.</p>

**Goals in reporting year :**

We have set a range of targets across our business to mitigate our impact on the climate, including emissions reduction, cutting water usage, reducing waste, and increasing material recyclability. While these targets have an impact across our operations and along our entire value chain, they are vital if we are to build a business that can achieve both a net-zero future.

Each manufacturing facility is deploying its own Scope 1 & 2 roadmap, and JDE Peet's central functions are leading over 20 strategic action themes for all parts of the business, from R&D to procurement, through to marketing and sales. These are underpinned by a comprehensive strategic plan to deliver on our targets, aligned with the SBTi 1.5°C pathway that is currently awaiting validation and taking into account the projected growth of JDE Peet's

**Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :**

Not only did we commit to the Science Based Target initiative in 2021, but we have also been diligently delivering on our targets to reduce our Scope 1, 2 and 3 greenhouse gas (GHG) emissions. The decisions we make along our supply chain and in R&D, to reduce our carbon footprint and packaging waste while being mindful of health and nutrition, guide our business and help us understand the impact on our financial and non-financial performance

**Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :**

By setting rigorous environmental and climate targets, we are preparing our business against potential climate and nature risks, cultivating resilience across our operations. Targets and action plans are embedded into our routine business processes, and progress on actions and plans are reviewed quarterly. We have an understanding of the impact our Scope 1, 2, and 3 emissions have on the climate, and we have aligned this with our 'change levers'

## OTHER ACTIONS RELATED TO MANAGEMENT OF NEGATIVE IMPACTS

**Describe the enterprise's general measures to cease, prevent or mitigate negative impacts, including in the supply chain.**

### 3.B.1 Reduction of nature- and environmental impact

In line with our climate risk (see the TCFD analysis in our annual report) we are investing in long-term solutions to ensure that sustainable coffee farming is future-proof, despite the climate crisis and the challenges this brings to crop production and the continuing social and economic disruptions that affect the most vulnerable farmers and their communities.

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### 3.B.2 Reduction of greenhouse gas emissions

In line with the New Forestry Land and Agriculture (FLAG) guidance we committed to three new near-term targets, which are validated by SBTi.

- A 43% reduction in absolute Scope 1 & 2 emissions by 2030, from a 2020 base year
- A 30% reduction in absolute forest, land and agriculture (FLAG) emissions by 2030, from a 2020 base year
- A 25% reduction in absolute Scope 3 emissions by 2030, from a 2020 base year (industrial non-FLAG)

Throughout 2023, we achieved a Scope 1 & 2 reduction of 21% and a Scope 3 reduction of 9%.

By setting rigorous environmental and climate targets, we are preparing our business against potential climate and nature risks, cultivating resilience across our operations. Targets and action plans are embedded into our routine business processes, and progress on actions and plans are reviewed quarterly.

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### 3.B.3 Adapting own purchasing practices (sourcing)

Coffee is grown in countries that face significant socio-economic and environmental challenges. Through, Common Grounds – Sourcing for Better – we aim to address these challenges. Many smallholder farmers are not part of formal cooperatives and are currently beyond the reach of sustainability certification. Moreover, many sustainability challenges are complex and go beyond what an individual producer or cooperative can address. These challenges require systemic change and take multiple years to solve. Accordingly, we believe that the best way to improve coffee & tea sustainability is to drive continuous improvement through partnerships among farmers, cooperatives, exporters, traders, roasters, civil society, and governments. JDE Peet's works with stakeholders to identify the most important social and environmental issues wherever we source our coffee & tea. We then address those issues through collaborative action and open, direct communication with our suppliers. After identifying the local priorities, we work in partnership with our suppliers, NGOs and governments to address the challenges faced by smallholders

Responsibly sourced green coffee is covered by an independent sustainability verification or certification scheme. Our responsible sourcing program is based on two approaches which reflect the diversity of farmer situations:

- Acknowledging the efforts of the most advanced farmers, through certification programmes;
- Supporting small scale farmers on their journey towards sustainable practices through our farmer programmes on the ground.

Through, Common Grounds – Sourcing for Better – we aim towards sourcing 100% of our green coffee and tea through these two approaches to create a better future where farmers are prosperous, and nature thrives. To further support sustainable production of our raw materials, we commit to sourcing all our coffee in accordance with our Common Grounds coffee sourcing principles. These principles are built around three thematic areas developed with the commitment and expertise of a diverse set of partners to strengthen the sustainability of our coffee supply chain and improve the livelihoods of smallholder farmers.

Our innovative and inclusive “assess, address and progress” approach enables us to map our supply chains, identify risks, directly engage to support farmers and nature and lastly to monitor and evaluate progress against sustainability metrics that we communicate and share for learning and continuous improvement. Through

independent country risk assessments and regular supplier self-assessments, we actively engage suppliers to ensure alignment with our sourcing principles and to work to address the key sustainability challenges. Improvement projects are identified and selected through this risk assessment process in which suppliers provide information on specific social, environmental, and economic issues in their geography, and action plans related to the Responsible Sourcing focus areas. In case we determine that suppliers are not in alignment with our sourcing principles, we will work with those suppliers to develop a time-bound improvement plan, so that they can progress towards meeting our goals. We will take more immediate steps if suppliers do not execute their plans in good faith or in a timely manner.

#### SUSTAINABILITY OF LAND

Sustainable coffee production and responsible land use practices are critical to address the global challenges of climate change and biodiversity loss. The challenges are geographically specific and require a participatory approach designed to address the issues locally at farm level right up to the landscape. It is important that (smallholder) farmers continue to receive quality support and training to further strengthen their environmental resilience while benefitting from innovation, technology and best practices that ultimately empower them with the skills and resources needed for the future of sustainable coffee production.

#### EQUALITY OF PEOPLE

There is no place in the JDE supply chain and further upstream at farms for human rights abuses such as (gender) discrimination, forced labour, child labour, or all forms of workplace harassment and violence, including sexual harassment and violence. We require suppliers to commit to compliance with all applicable laws and to respect internationally recognised human rights standards. However, we acknowledge the high risk of certain labour violations within the coffee supply chain. We therefore require suppliers to ensure that smallholders and producer groups they work with commit to continuous improvement, put a rigorous risk assessment and mitigation system in place, and take immediate action (e.g., by alerting the responsible local authorities) on any known cases of discrimination, forced labour, child labour, and workplace harassment and violence. Whatever measures are taken should not contribute to further risk or harm of the affected persons.

#### PROSPERITY OF FARMERS

Many smallholder farmers earn low incomes, driven by a combination of low farm productivity and small farm size. JDE aims to increase the productivity, profitability, and sustainability of smallholders in the supply chain by improving their capacity to adopt Good Agricultural Practices (GAP), providing business and financial training, increasing access to critical inputs and cost-efficient services. In the long term, increasing yields and diversifying sources of income will lead to increased incomes at household levels, which in turn, will contribute to greater investments to improve livelihoods, such as investment in education that spurs off-farm employment and eases pressure on land resources.

More information on our sourcing principles can be found here:

<https://www.jdepeets.com/siteassets/policies/jde-peets-responsible-coffee-sourcing-principles.pdf>

JDE inclusive approach, consists of measuring the level of compliance with the Coffee Sustainability Reference Code of a representative sample of farmers in a production area, in order to demonstrate both the existing good practices and also to identify any gaps. This verification is free of charge for all farmers and provides transparent data on the scale of the gaps to tackle. Based on the findings, we are then required to implement a volume of farmer initiatives proportional to the extent of the issues. Finally, during the following year, the verification is renewed and measures the impact of the actions taken by us. This continuous improvement loop, pioneered by the non-profit organisation Enveritas, was recognised by the GCP as a responsible sourcing scheme in January 2022. Continuous improvement in the coffee supply chain has always been a core principle of our approach to responsible sourcing. Now, it is third-party verified by Enveritas. And it reaches everywhere - including the small-scale producers who have been out of reach for too long.

### 3.B.4 Choice of products and certifications

UTZ/Rainforest Alliance, Debio, Fairtrade, RSPO, 4C, Ethical Tea Partnership, FSC, FSA, verification by Enveritas

Over 80% of the world's coffee farmers are small scale. That is why JDE are focusing on an inclusive “compliance” approach to one that is engaging, open to all, and focuses on continuous improvement regardless of your starting point. Our Responsible Sourcing pillar is committed to empowering smallholder farmers through training and equipping them with tools and techniques tailored to address their specific local challenges. In partnership with various organisations, we establish comprehensive programmes that grant farmers access to essential services and resources. These include climate-resistant seedlings, the adoption of agroforestry practices, safe and responsible use of agrochemicals, and the implementation of measures to protect human rights. Our farmer training initiatives are developed collaboratively with our partners, aligning with and addressing local priorities in a structured, action-oriented manner, aimed at fostering continuous improvement within the supply chain.

As this approach is fully open and inclusive, farmers do not need to pay: everyone can truly participate. (We pay for the verification process.) Finally, this approach is collaborative, engaging the numerous suppliers, NGOs and other local stakeholders who have the local presence and knowledge to deliver concrete, quick impact on the ground. We will help more small farmers and local ecosystems to thrive, also supporting them to produce more with less (more fertile soils, no deforestation, sustainable water use etc...) to preserve the planet and foster thriving livelihoods. Our investments and continuous improvement approach will also have a key impact to preserve more coffee varieties available to all: this means richer flavours for our coffee lovers and climate and disease resistant varieties. Sustainably produced coffee is coffee that is produced following principles that ensure social, environmental and economic value. For coffee, these principles have been defined under the Sustainable Coffee Reference Code by the Global Coffee Platform (GCP), a global non-profit organisation representing producers, traders, roasters and government.

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### **3.B.5 Actively support free trade union organisation and collective bargaining, or where the law does not allow it, actively support other forms of democratically elected worker representation**

We have Works Councils in place across many locations, and approximately 34% of our people are covered by collective bargaining agreements. They include employees in the Netherlands, Belgium, Brazil, the Czech Republic, France, Germany, New Zealand, Norway, Poland, Spain, Sweden, and the United Kingdom.

In Turkey, there was a movement towards unionisation in 2020 resulting in one of the unions receiving the authorisation from the governmental authority. However, the authorisation was based on an incorrect factual assessment of the segmentation of the Ofçay business and organisation. Therefore, the authorisation and the assessment are subject to further review by the court. We will respect any final judicial outcome of this procedure.

In the US, Peet's Coffee has also seen a small movement towards unionisation with employees at four out of our 202 company-owned stores voting in favour of union representation in 2023. These employees represent less than 1% of Peet's total people population who are now represented by two distinct unions. Discussions have begun with one union on the terms of a collective bargaining agreement and negotiations with both unions are expected to continue in 2024.

In general, when including employees not covered by collective bargaining agreements, we perform regular benchmarks in order to assess and ensure the right working conditions, and that compensation and social benefits are in line with market trends (sectoral and/or functional).

For our supply chain, we are partnering with farming communities, suppliers, non-governmental organisations, and local government bodies to deliver multi-year projects that address local realities of labour practices. One example is the SOCIAL WELL-BEING COLLECTIVE ACTION INITIATIVE in Brasil from 2021 - 2024 where 5,000 farmers are to be reached.

Background; Social and labor issues have resulted in exploitative and degrading working conditions in Brazil's Minas Gerais and Espirito Santo. To address this critical matter, Global Coffee Platform Members and partners will execute a ground-breaking, multi-year Collective Action Initiative to improve the living and working conditions of coffee farmers and workers in the Brazilian coffee-producing sector. By identifying and changing social practices that have caused degrading conditions, increasing education and awareness to improve working conditions, along with the monitoring of progress and impact using field tools and information management systems, this initiative seeks to create long-term benefits at field level for coffee farmers and workers.

#### 6.2 in Responsible Sourcing Principles:

##### "Workers rights and duties

Workers are aware of their rights and duties, and these are adhered to by their employer. Suppliers' internal management systems identify, assess and address that in processing units and on (smallholder) farms:

- Workers have access to information regarding workers' individual rights and duties, reflected in their employment contracts or verbal agreements
- Workers can freely establish and join workers' organizations, both internal (such as workers' representations) and external (such as trade unions) and take part in collective bargaining on working conditions. Employers provide training on social dialogue and workers' rights, and for grievances procedures.
- Workers are regularly paid at least the minimum national wage, the minimum regional wage, or the wage agreed upon by a collective bargaining agreement, whichever is higher. Wages increase over time to decrease the gap with the living wage. Employers keep records of paid wages and track applicable minimum wages paid to workers in their supply chain.
- Workers and their families are provided with accommodation on-farm or near processing facilities have safe, clean and decent living quarters taking into account local conditions.

### **3.B.6 Contribution to development, capacity building and training internally and of suppliers and workers in the supply chain**

Many smallholder farmers are not part of formal cooperatives and are currently beyond the reach of sustainability certification. Moreover, many sustainability challenges are complex and go beyond what an individual producer or cooperative can address. These challenges require systemic change and take multiple years to solve. Accordingly, we believe that the best way to improve coffee & tea sustainability is to drive continuous improvement through partnerships among farmers, cooperatives, exporters, traders, roasters, civil society, and governments. Common Grounds works with stakeholders to identify the most important social and environmental issues wherever we source our coffee & tea. We then address those issues through collaborative action and open, direct communication with our suppliers. After identifying the local priorities, we work in partnership with our suppliers, NGOs and governments to address the challenges faced by smallholders

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### **3.B.7 Combatting corruption and bribery in own enterprise and supply chain.**

Our Anti-Bribery, Anti-Corruption, Trade Sanctions and Anti-Money Laundering Policy, which are consistent with the United Nations Convention against Corruption. These policies are applied to all employees and is reviewed regularly. Contracts with our business partners and suppliers include relevant references including with respect to anti-bribery and corruption.

In addition, our Gifts, Entertainment and Hospitality Policy, which details the behaviour expected of our employees with regard to the giving and receiving of gifts or entertainment, and our Public Advocacy Policy regarding interactions with public authorities and officials in relation to public policy development and implementation, are important elements in our antibribery and corruption compliance programme. In line with our Public Advocacy Policy, JDE interacts with government authorities and officials both directly and via trade associations related to public policy developments. JDE follows all applicable rules and regulations, and is registered on the EU Transparency Register.

In 2023, the company's employees followed a global elearning course on anti-bribery, anti-corruption and export controls, which reached a completion rate of 92%.

As part of our third-party risk management, we have implemented a comprehensive third-party due diligence workflow-powered platform for anti-bribery and anticorruption integrity due diligence, as well as restricted (i.e. sanctioned) third-party screening before engaging third parties. In 2023, the company continued to improve its Sanctions Compliance Framework by integrating an enhanced screening engine into our thirdparty risk management platform to execute heightened scrutiny of sanctions screening against all prospective third parties.

No fines were issued against JDE Peet's for anti-bribery or sanctions violations and no public legal cases were initiated in this respect in 2023. Furthermore, the company made no political contributions in 2023.

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### **3.B.8 Other relevant information concerning the enterprise's work to reduce, prevent, and manage negative impact on people, animals, society and the environment**

Our Common Grounds programme dates back to 2015, and we have increased both the scale and reach through investments and partnerships in our key sourcing regions. Through this programme, we are partnering with farming communities, suppliers, nongovernmental organisations, and local government bodies to deliver smallholder farmer projects that implement sustainable and regenerative farming practices, including climate-smart agriculture, crop quality, biodiversity, and farmer livelihoods. The goal is to further develop resilient environmental and socioeconomic systems, which is vital if we are to safeguard our collective future. With coffee & tea produced predominantly by smallholder farmers in over 70 countries, our journey of engagement and responsibility clearly begins with the farmers and workers in our supply chain.



## 4

# Track implementation and results

Tracking implementation of actions and results relates to measuring the effects of the systematic approach and own work in each step of the due diligence process, showing whether the enterprise conducts sound due diligence work. The enterprise needs to have procedures and routines in place in order to uncover and critically assess own conclusions, prioritizations and measures that have been made as part of the due diligence process. For example, is mapping and prioritisation of salient issues done in a scientifically sound and credible way? Does it reflect the actual conditions in the supply chain? Do measures aimed at ceasing, preventing and reducing the enterprise's negative impact work as intended? Is negative impact remediated where relevant? This may apply to measures taken by the enterprise alone or carried out in collaboration with others. The enterprise's experiences from working on due diligence should be used to improve procedures and routines in the future.

## 4.A. Track and assess

**4.A.1 Describe the a) assignment of responsibility for tracking the effect and result of measures implemented to cease/prevent/mitigate salient risks of negative impact on people, animals, society and the environment, as well as how the tracking is done in practice, b) who is responsible for evaluating the enterprise's implementation and work with due diligence, and how the evaluation is done in practice.**

In order for our green coffee purchases to be declared “responsibly sourced” JDE needs to do the following: Supplier engagement; JDE shares verification results with suppliers on the ground at origin who set priorities and undertake initiatives to address issues (e.g., suppliers train farmers on occupational health and safety). Collaborative initiatives; Industry, governments and civil society actors come together to promote alignment and progress on issues beyond any single actor (e.g., Implement a new national policy on banned pesticides). Farmer support; JDE undertake projects on the ground together with partners to help farmers address sustainability projects (e.g., agronomy training to raise incomes) Progress transparency; JDE set public multi-year goals for compliance improvement and track progress transparently over time (e.g., goal to be 100% responsibly sourced by 2025)

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**4.A.2 Describe how the enterprise ensures that measures taken to identify, prevent and reduce negative impact actually work**

JDE'S coffee purchases are 3rd party verified by Enveritas. In 2023 Enveritas's assessments of our supply chain covered 440,290 farms in 23 countries. Rigorous sampling methodology and quality control ensures we receive highly accurate sustainability result. We share scores with suppliers in all sourcing regions. We then identify priorities, launch action plans, and track progress. We support farmer groups in all sourcing regions. JDE's obligated to reach regional targets. We join or launch collaborative initiatives benefiting all sourcing regions. Enveritas evaluates the impact of JDE's continuous improvement projects to ensure we are making a meaningful difference

With all the insights from our supply chain risk assessments, end-line evaluations of completed projects and our commitment to deliver against our SBTi carbon reduction commitments, we have begun conceptualising and designing several new projects. Our focus remains on reducing our Scope 3 GHG emissions through climate-smart agriculture and regenerative agriculture. We monitor progress and KPIs to capture the learnings and, wherever possible, we replicate the successes in other locations.

We completed Sedex SAQ for 93%38 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.



## 5

# Communicate how negative impacts are addressed

A prerequisite for good external communication on due diligence for responsible business conduct is that it builds on concrete activities and results. Enterprises should make relevant documents concerning due diligence publicly accessible, i.e. policies, codes of conduct, guidelines, processes and activities related to identifying and handling the enterprise's actual and potential negative impacts on people, animals, society and environment. Communication should include information about how the risks have been identified and handled, as well as the effect of the measures/activities. The Transparency Act (Åpenhetsloven) §5 requires companies to publicly account for their human rights due diligence on an annual basis.

## 5.A External communication

### 5.A.1 Describe how the enterprise communicates with affected stakeholders about managing negative impact

Our Stakeholder Engagement Policy, which we launched in 2023, sets out the framework, approach and guiding principles to ensure we stay connected.

To ensure that we hear the voices of all our stakeholders and determine associated impacts, risks and opportunities, we performed our first double materiality assessment in 2023, as part of our triennial review. Carrying out a review once every three years lets topics evolve, gives sufficient time to implement actions based on outcomes, and enables the company to align with periodic strategy updates, such as the Value Creation Plan.

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### 5.A.2 Describe how the enterprise publicly communicates its own work on identifying and managing negative impact/harm

We transparently share the risk/focus areas on our website on the interactive world map:  
<https://www.jdepeets.com/sustainability/responsible-sourcing/>

JDE provide resources available for our supplier and our own employees, including:

- The Alert Line <http://speakup.jdepeets.com>
- Our Supply Chain, Procurement, and/or Compliance Departments
- The Ethics and Compliance team at [Ethics.compliance@JDEcoffee.com](mailto:Ethics.compliance@JDEcoffee.com)

The Alert Line is maintained by an independent third party provider—it is not staffed with JDE associates. It is available online to all of our Suppliers worldwide and is accessible by telephone in most of the locations in which we operate. Operators are available in the various languages our suppliers and their associates speak

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### 5.A.3 Describe the enterprise's routines for maintaining and answering external inquiries related to the information requirement imposed by the Transparency Act

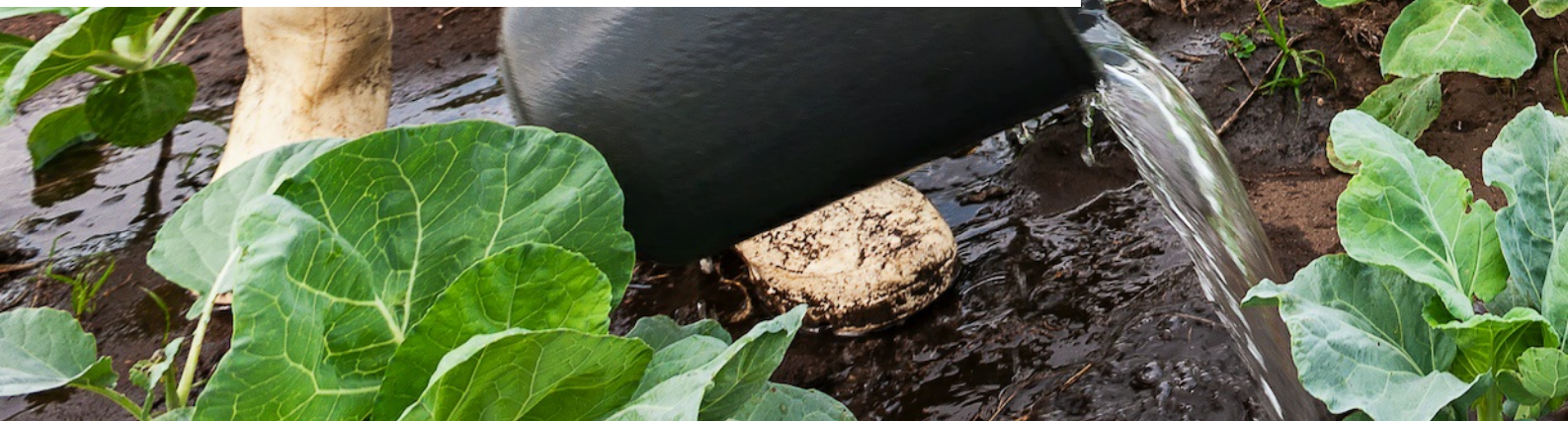
Procedures for answering inquiries are telephone, company mail or the inquiry form on our website. Inquiries are sent to sustainability responsible or country manager. Questions are registered with an answer deadline, but answers are sent as soon as the information has been obtained. Requests that needs to be investigated with more information will be postponed with a notice. The Ethical Trade report is also available on our webpage



## 6

### Provide for or cooperate to ensure remediation when appropriate

Once an enterprise has identified that it has caused or contributed to negative impact on people, animals, society or the environment, the enterprise must provide for, or cooperate in, remediation. Remediation may involve financial compensation, a public apology or other ways to remediate the negative impact. Another aspect of remediation is that companies should provide for, or cooperate with legitimate complaint mechanisms, to ensure that workers and/or local communities can raise complaints and be heard.



## 6.A Remediation

### 6.A.1 Describe the enterprise's policy for remediation of negative impacts on people, animals, society and the environment

Based on our thorough risk mapping and due diligence approach, we address the issues raised by setting up farmer programmes in the specific area/community/region. We work with local and international partners who are best placed to address child protection, human rights and access to education. It is important to address the root cause of child or forced labour and this is why in addition to working with the at risk communities (children) we also support the families through capacity building and training to improve their productivity and yield and agricultural practices to earn a better income.

Here is an example of Honduras:

Risk Assessment: <https://www.jdepeets.com/sustainability/responsible-sourcing/?country=Honduras#interactiveMap>

Addressing the risk and remediation: <https://www.jdepeets.com/sustainability/responsible-sourcing/?country=Honduras&project=1#interactiveMap>

Project Summary: <https://www.jdepeets.com/sustainability/stories/tackling-human-rights-abuses-coffee-farming-regions/>

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## 6.A.2 If relevant, describe cases of remediation in the reporting year

Each incidence is unique and each community has a different challenge. We work on the basis of international conventions and processes (ILO, UN) but make sure we partner with local organizations who understand the community needs and protection/remediation systems in place. While detection is important, prevention is even more so. Together with the communities we set up (CLMRS) child labour monitoring and remediation systems.

Here is a case study example from our strategic partnership with SUCAFINA IN PAPUA NEW GUINEA COFFEE PRODUCTION IN PNG

Coffee was introduced to Papua New Guinea (PNG) in 1890, and the first official exports were to Australia in 1901. At that time, most coffee was grown on large plantations on level ground. By the 1950s, smallholder farmers were growing coffee on smaller, steeper plots of land at 1,500+ metres above sea level. Unfortunately, many of the challenges Smallholder farmers faced in the 1950s remain the same today. Their remote, high-altitude location creates ideal conditions for coffee cultivation but, without a strong Infrastructure, it is difficult for farmers to bring their coffee to market. This challenging infrastructure means most smallholder farmers sell their coffee to middlemen who are able to collect and transport the coffee, resulting in the smallholder farmers receiving less than they could for their coffee. Additionally, the remoteness of their growing locations means farmers struggle to access inputs, technical assistance and tools, such as pulpers.

We began partnering with Sucafina in 2023, our first joint programme in the highlands of Papua New Guinea. This multi-year partnership aims to increase smallholder farmer equality, economic prosperity, and embed sustainable practices in one sweeping and impactful project.

HOW WILL THIS BENEFIT SMALLHOLDER COFFEE FARMERS?

With JDE Peet's as the dedicated buyer of their coffee, the smallholder farmers have clear access to the market with a roaster who values and rewards their efforts. We believe this support and long-term vision will help give Them greater security to confidently produce superb coffee..

WHAT IS THE BENEFIT TO SUCAFINA?

As a leading sustainable Farm to Roaster coffee company, Sucafina is dedicated to creating an environment where farmers can sustainably and profitably farm coffee. This project will improve coffee education, gender equality, access to markets and deforestation prevention for coffee producing communities in PNG, all of which will lead to better coffee.

What motivates JDE Peet's?

We continue to focus on origin diversity and we are connecting our commercial and sustainability efforts into a Responsible Sourcing programme on the ground. This programme is centralised around the three main pillars of our Common Grounds programme and aligned to upcoming EU regulations, and addresses:

- a. Equality of people: gender and youth inclusion, child labour
- b. Sustainability of land: climate change and deforestation
- c. Prosperity of farmers: yield improvement, income diversification and farm management.

Over the course of 4.5 years, we expect to directly impact 4,000 smallholder farmers and, as with all our projects, we prioritise gender inclusion and equal access to training for all.

We constantly challenge ourselves and our partners and are proud to work in a very remote coffee origin. We remain purposeful in our strategy and are investing in a region where smallholder farmers are in much need of support.

## 6.B. Ensure access to grievance mechanisms

### **6.B.1 Describe what the enterprise does to ensure that employees in own enterprise and other stakeholders, especially impacted workers and local communities have access to whistleblowing systems and grievance mechanisms when this is needed**

In 2023, we expanded the scope of our Speak Up Policy to enable our external stakeholders to access our grievance channels, and updated our website to make the link to our grievance reporting tool more easily accessible. Furthermore, our updated Human Rights Policy and Supplier Code of Conduct require our suppliers to ensure grievance mechanisms are in place in their operations to actively engage in remediation process.

We are having a whistleblowing policy. In the JDE Peet's Speak Up Line people can report an incident or if is preferred we provide a phone number where our representative will assist our employees and where they will be able to speak to someone confidentially. Our Speak Up Policy was also revised and updated in 2023.

After the employee raises the incident, the next steps will be:

- Receipt acknowledgement.
- Initial Review and Triage.
- Investigations
- Updating about the outcome:

More information can be found here: <https://app.convercent.com/en-US/Anonymous/IssueIntake/LandingPage/ce6886a5-e4af-eb11-a97f-000d3ab9f062>

Contact details:

Jacobs Douwe Egberts Norge AS  
Eva Gullerud, sustainability responsible  
[eva.gullerud@jdecoffee.com](mailto:eva.gullerud@jdecoffee.com)