



Modern Slavery Act Statement for 2023

1. Entity Details – Introduction to JDE AU

Throughout the 2023 calendar year Jacobs Douwe Egberts AU PTY LTD (JDE AU), ACN 051278409, remained a subsidiary of our Dutch based parent Company Jacobs Douwe Egberts Peet's (JDE Peet's).

The JDE AU business employs some 290 associates locally, with a head office in North Sydney, and operates 2 roasting sites within Australia, both located in Sydney, NSW.

As part of JDE Peet's, the world's leading pure-play coffee & tea company, we have high ethical standards governing the way we conduct our business, which we also apply to our suppliers and business partners. Our business practices and standards reflect our commitment to making a positive impact on our value chain. We are powered by our purpose "to unleash the possibilities of coffee & tea to create a better future", and we strive to embed our values in everything we do to pursue this purpose.

Our values – discipline, simplicity, solidarity, entrepreneurship and accountability – guide us in our everyday dealings with colleagues, customers, consumers, suppliers, shareholders, the communities we serve and other stakeholders.

Our company culture is diverse, equitable, and inclusive, ensuring that all associates can thrive, regardless of their background or unique differences. We believe in growth in a compliant and sustainable manner, because growth is not only for today, but also for future generations.

We have committed to promoting and respecting human rights throughout our organisation in accordance with internationally recognised programs, including the UN Guiding Principles on Business and Human Rights and the Organization for Economic Cooperation and Development (OECD) guidelines, and adhere to applicable laws within the framework of our business activities. We also expect our suppliers to uphold these same standards in the work they do for us.

Modern slavery is an abuse of human rights and there is no place in the JDE AU business or supply chain for any such abuses. The term 'modern slavery' encompasses a number of practices and includes slavery, debt bondage, forced labour, child labour, and slavery-like practices and refers to situations of exploitation that a person cannot refuse or leave, because of threats, violence, coercion, abuse of power or deception.

Globally, JDE Peet's provides customers and consumers with coffee & tea in over 100 markets with products under more than 50 brands, while locally our portfolio encompasses leading Australian brands including Moccona, L'OR, Harris, Piazza d'Oro, Campos and Sacred Grounds.

This, the fourth Modern Slavery Statement for JDE AU, builds on the significant progress that the local business and wider JDE Peet's has made on identifying and mitigating the risk of slavery occurring within any part of our businesses or our supply chains and covers the financial year reporting period ending 31 December 2023, as part of our compliance with the Modern Slavery Act 2018 (Cth).



2. Our Operations and Supply Chains

OUR OMNI-CHANNEL APPROACH

We believe that coffee & tea make the world go round, and, every day, millions of Australians enjoy products supplied by JDE AU. Because customers and consumers want to access our products in ways that align with how they live, we connect with them through as many channels as possible. This is why we sell a range of products through a go-to-market approach that covers the entire spectrum of sales channels.

IN-HOME CONSUMPTION

Offering a high-quality coffee experience at home, our retail business offers a complete range of products across the four key supermarket coffee categories to meet consumer preferences and price partitions, including:

- Moccona instant coffee jars
- L'OR, Moccona and Campos coffee capsules
- Harris, Campos, Sacred Grounds and Moccona roast whole beans and/or ground coffee
- Moccona single serve coffee mixes

ONLINE SALES CHANNELS

Online sales experienced another year of strong growth in 2023. In recent years, we have invested heavily in this fast-developing channel, and we now offer a variety of SKU's direct to consumer (DTC) through branded DTC web shops for L'OR and Campos, and via leading third-party retailers.

OUT-OF-HOME CONSUMPTION

Through our Out-of-Home coffee business we offer a complete range of professional coffee & tea solutions across the B2B sector, from offices, universities and hospitals to restaurants and sports venues, with premium brands including Campos, Piazza D'Oro, and Espresso Di Manfredi.

Branded tea remains a small part of the JDE AU portfolio which is only available through our Out-of-Home business segment where we offer a limited range of black, green and infusion teas under the Pickwick brand.

CAFES

During the 2023 reporting period, a company owned and operated flagship Campos café was opened in the Australian coffee heartland of Melbourne, on Chapel Street in South Yarra. This brought the total Campos flagship company cafes to three, with one in Brisbane and one in Newtown - the suburb where founder Will Young opened his first Campos café in 2002.



SUPPLY CHAINS

As part of a global business, we rely on an extensive supply chain. Coffee and tea is sourced from more than 30 countries, with both commodities being grown in regions that face significant socio-economic and environmental challenges.

Other than coffee & tea the majority of our direct material supplier base is 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 the JDE AU supply chain in 2023.

JDE Peets operate 42 coffee & tea manufacturing facilities in 24 countries, ensuring consistently and high product quality. In Australia, all whole bean and ground coffee SKU's sold locally in 2023 were roasted at one of two manufacturing facilities in Sydney, or our Eagle Farm roastery in Brisbane, ensuring freshness for customers and allowing us to respond rapidly to local consumer preferences and tastes.

The rest of the JDE AU portfolio of SKUs are sourced predominantly from the JDE Peet's facilities in the Netherlands (Instant coffee & tea), France (coffee capsules) and Thailand (coffee mixes). We work with third-party logistics partners both locally and across the globe to reliably distribute our coffee & tea products to customers.

Globally our supply chain incorporates more than 1,000 direct material suppliers across more than 60 countries, and locally JDE AU work with over 50 of these. They are critical to sustaining our business, and some play an important role in helping us achieve our sustainability goals.

3. Modern Slavery Risks

As a pure-play coffee & tea company, we are fully aware of our responsibility and the importance of not only safeguarding the future of these agricultural commodities but also building a better future where farmers are prosperous in a sustainable environment.

Freedom from slavery is a human right and 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 this, and the UN Guiding Principles on Business and Human Rights. We also follow OECD Guidelines for Multinational Enterprises and we are a member of the International Labour Organization (ILO) Child Labour Platform.

Respecting and advancing human rights is a clear priority for our business, locally and globally. Over 80% of the world's coffee is grown by smallholder farmers and both coffee & tea production systems are largely informal with the employment of seasonal coffee harvesters and tea pickers. Human rights challenges are therefore not new to the industry or our business and, we recognise that human rights issues, including modern slavery risks, are complex and require solutions involving other industry players, governmental institutions and other relevant stakeholders, including NGOs.

In 2023, and steered by the internationally recognised framework of the OECD Due Diligence Guidance for Responsible Business Conduct, we strengthened our Human Rights Due Diligence programme. This included revising our policies, Responsible Sourcing Principles and management systems to better assess our own operations and supply chains to identify human rights risks, and subsequently develop and implement due diligence measures and action plans to prevent, address and mitigate any identified risks.



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 a multi-layer industry approach.

The JDE Peet's Human Rights Policy sets out our commitment to respecting and protecting human rights. We expect everyone at JDE AU to adhere to the standards outlined in this policy, alongside but not limited to, the JDE Peet's Supplier Code of Conduct and our Responsible Sourcing Principles. These policies, and the processes and provisions within, apply to all employees worldwide, as well as our agents, consultants, contractors, and suppliers. We expect all our suppliers and partners to uphold the same standards to protect human rights in their own operations and to develop and implement similar policies and risk-based due diligence processes in their own supply chains. Failure to adhere to the abovementioned policies may result in disciplinary action, including termination of employment or supplier partnership, as applicable.

To ensure that we hear the voices of all our stakeholders and determine associated impacts, risks and opportunities, JDE Peet's performed our first double materiality assessment in 2023 covering both impact and financial materiality. It identified and assessed sustainability impacts, risks and opportunities across the entire value chain, from agricultural production to end-of-life. Geographical footprint was also considered, such as sales per segment, production locations, and farmers' locations.

For impact materiality, all topics that scored above 'medium' and 'possible' on severity and likelihood were deemed material. These were brought to an impact expert session. A similar setup was used for financial materiality, with all topics above 'medium' and 'possible' on impact and likelihood considered material and brought into the financial expert session. During those expert meetings, a final list of topics was determined.

Following dozens of interviews, over 750 survey responses, the two expert sessions, and Executive Committee and Board approval, the 12 most material sustainability topics for JDE Peet's were defined. These are closely linked to the UN Sustainable Development Goals.

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



The outcomes of the double materiality assessment are being used to:

- Determine material sustainability impacts, risks & opportunities
- Identify strategic sustainability priorities for the short, medium and long-term
- Support the integration of sustainability practices in the organisation and operations
- Inform risk management processes
- Engage with stakeholders to improve strategy and to help identify and address operational issues
- Enhance transparency in reporting
- Report in compliance with the 2021 GRI Standards and, as of 2024, in compliance with the Corporate Sustainability Reporting Directive (CSRD).

4. Due Diligence and Addressing Risks

We acknowledge that potential human rights risks, including modern slavery, may exist across different areas of our business and supply chain and that these risks require specific due diligence approaches. Our human rights due diligence is therefore focused on identifying and addressing any negative impacts across 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, JDE Peet's finalised and cascaded 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.

Fundamental to this due diligence is the Assess, Address, Progress approach to risks within our supply chain, which forms part of our Common Grounds programme. Common Grounds embodies our ESG ambition to positively impact people, our planet, and the future of coffee & tea, and is driven by our purpose "To unleash the possibilities of coffee & tea 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.

Common Grounds has three pillars - Responsible Sourcing, Minimising Footprint and Connecting People and over the years, we have used our Responsible Sourcing pillar to implement action plans and farmer and worker programmes in at-risk origins.

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

By focusing on transparency and data-based business decisions, we are able to directly engage and support farmers and the natural environment. We are fully aware that many issues are complex and will take years to solve, and that we cannot achieve this 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 the 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. It is this rich diversity of origins and smallholder farmers that we need to continue to protect and invest in to safeguard the future of both coffee & tea, and this is reflected in both our sourcing strategy and the geographic reach of our farmer programme. We are investing in long-term solutions to ensure that sustainable coffee & tea 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.

Our goal is to drive genuine change to protect and build long-term resilience for our business. We are serious about coffee & tea - it's what we know and do best. Yet, producing amazing cups of responsibly sourced coffee & tea is not a simple exercise. It takes dedication and expertise, from agricultural research and science, to the smallholder farmers and workers who grow and harvest the plants, collection, processing, and quality control, through to the final product that ends up in one of our iconic brands. This is why we believe responsible sourcing is about understanding our supply chain and taking action to avoid, mitigate and address the risks when sourcing the agricultural commodities we rely on.

STAKEHOLDERS

Our stakeholders are diverse and in 2023 stakeholder mapping was expanded on from the previous years, taking into account JDE Peet's' entire value chain, from bean to cup, and our segments. The stakeholder groups identified are:

- Consumers
- Customers and business partners
- Smallholder farmers
- Suppliers
- Employees
- Nature and communities (NGOs)
- Industry (and trade associations)
- Regulators
- Shareholders, investors, financial institutions and tax authorities.



5. Monitor, Maintain and Measure

Mastering execution in a responsible way, while minimising our environmental footprint, is a priority. We aim to source, operate and manage our supply chain in a sustainable way. To help achieve this, we have embedded sustainability metrics in several of our business decision processes, including those related to investments and innovation, empowering our people to take informed decisions. We continue to invest to deliver information where needed, while aligning on stakeholder needs.

Globally the JDE Peet's Board is responsible for the oversight of sustainability impacts, risks and opportunities. The CSRD Steering Committee, composed of the Global Director Group Control, VP Sustainability and Group Internal Audit Director, reviews and approves sustainability related information.

The JDE Peet's 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.

To place even greater focus on ESG, the JDE Peet's Board has appointed two Sustainability Board Contacts. These appointees provide an oversight of ESG-related matters and advise the Executive Committee and company's senior management.

Responsibility for the 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 cross functional 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 2023 JDE Peet's 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.

Our compliance policies, procedures and standards are the foundation of the company's Compliance programme, and are available to employees on the company's intranet. Awareness enables our employees to behave with integrity and act confidently in any relevant situation. Our compliance programme is reinforced through trainings and awareness campaigns.

Locally the JDE AU board is responsible for deploying the global governance system and controls, supported through a local Compliance Council, chaired by the JDE AU Compliance Officer.



COFFEE SOURCING

One of our most material challenges is the responsible sourcing of coffee & tea, our two key raw materials, which are grown in countries that face significant socioeconomic and environmental challenges.

We have refined our approach in responsible sourcing to our extended supply chains following the principles of internationally recognised frameworks, such as the 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 for our business – securing the future of coffee & tea.

Our Common Grounds programme dates back to 2015, and we have since increased both the scale and reach through investments and partnerships in our key sourcing regions. During 2023 strong progress was made towards our commitment of 100% responsibly sourced green coffee by 2025, reaching 83.8% (2022: 77%). We had a portfolio of 63 active projects, through which we involved more than 108,000 smallholder farmers in 2023, bringing the total number of smallholder farmers we have reached since the inception of the Common Grounds programme to 700,900, exceeding our 2025 ambition early.

For JDE AU, our Moccona instant coffee in jars and our coffee capsule range were validated as 100% responsibly sourced through the Common Grounds program during 2023, along with over 99% of our coffee roasted locally. The remainder of the portfolio shall be responsibly sourced in line with the global timeline of 2025.

Each of the Common Grounds projects are designed with the smallholder farmer and community in mind, with activities and interventions that can drive meaningful change, are scalable to reach more people, and can be replicated in other areas. To measure the effectiveness of the engagement, we collect data for monitoring and evaluation and chart farmers' response to the engagement.

These dedicated smallholder farmers serve as the cornerstone of coffee & tea production, contributing to over 80% of the world's coffee output. Ensuring their prosperity and safeguarding the future of coffee production are critical objectives for JDE Peet's. 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.

While we take responsibility to address the priority issues in our supply chains and continue to expand our farmer programme to include more farmers and geographies, the challenges the coffee & tea industry face are complex and must be tackled collectively. We partner with various organisations to establish these programmes that grant farmers access to essential services and resources and include 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.

In Brazil, the world's largest producer of coffee, a significant portion of coffee comes off smallholder farmers. These individuals often require additional labour support, particularly during the coffee harvest. In 2023, we launched a Common Grounds project with Expotadora Guaxupé, aimed at preventing forced labour and improving working conditions. To commence the project, we brought in our long-standing partner, Verité, to train the agronomists and the sustainability team to identify and prevent work analogous to slavery using the Socially Sustainable Sourcing Toolkit (S3T), an outcome of a collaborative effort in The Cooperation On Fair, Free, Equitable Employment (COFFEE) Project.



Together with Exportadora Guaxupé, we expect to reach over 350 farmers by the end of 2026. Through comprehensive training on labour legislation, efforts to enhance workers' accommodations, and providing water filters, we aim to positively impact more than 2,000 individuals in rural areas.

In Honduras we have been partnering with World Vision and ADECAFEH (Asociación de Exportadores de Café de Honduras) to address the increased risks of child labour during the coffee harvest period, due to a shortage of labour, the many migrant families seeking work, or the fact that schools are closed. Together 11 childcare centres have been established in the middle of the coffee growing areas. These are safe places where parents can bring their children, enabling the parents to go to the farms and harvest coffee without worrying about the well-being of their children. The children receive warm meals, activities and learning opportunities throughout the day from qualified staff.

Without these childcare centres, it would mean parents have no other option but to take their children to the fields, exposing them to unnecessary risks. However, for this approach to work we need the involvement and buy-in of the whole community and local authorities, from securing the land to building the centres, ensuring there is capable staff available. This project has been able to prevent over 2,000 child working hours, giving children an opportunity to play and learn as they are meant to.

OUR STRATEGIC PARTNERSHIP WITH SUCAFINA IN PAPUA NEW GUINEA COFFEE PRODUCTION

Closer to home, 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.

In 2023 we began partnering with Sucafina, a leading sustainable Farm to Roaster coffee company, on 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.

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.

"Actions on human rights, deforestation and carbon emissions are increasingly embedded in coffee supply chain initiatives. We are thankful to JDE Peet's for choosing SUCAFINA as a partner in Papua New Guinea to support 4,000 smallholder coffee farmers. We designed the project based on a risk assessment that highlighted the risks in the supply chains, while also suiting farmers' abilities and meeting the needs of the market."

Alex Casserly

SUCAFINA Country Manager PNG



We continue our efforts to eradicate poverty, an industry challenge which is often one of the underlying causes of modern slavery. Coffee yields can vary enormously, from a couple of hundred kilograms per hectare to several tonnes per hectare, depending on the country. 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. Each year we increase our investment to help build a stronger and more sustainable coffee supply chain.

In 2023, JDE Peet's also joined the ILO Child Labour Platform, an inter-agency business initiative to eradicate child labour in supply chains. 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.

We continue to work with Enveritas, a non-profit organisation that has pioneered a data-driven approach to sustainability. In 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, the update of our Responsible Coffee Sourcing Principles during the year identified 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.

We also rely on larger coffee suppliers also form an important part of our responsible sourcing journey, with the majority having vertically integrated operations in the producing origins, including sustainability and commercial teams working closely with coffee farmers and the local infrastructure. Their business practices, insights and on-the-ground operations offer detailed insights into the coffee 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%.

Securing the future of coffee requires more prosperous living for smallholder coffee farmers. As a founding signatory of the International Coffee Organization (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.



“GCP has demonstrated that change beyond supply chains is possible when GCP member companies work with our NGO and government partners through collective action. This precompetitive collaboration is crucial to generate adequate levels of investment and change. No one company can be effective by itself. Collective action is essential to not just ensure compliance but also accelerate measurable sustainability at scale.”

Carlos Brando,

Chair Global Coffee Platform

TEA SOURCING

Although JDE Peet’s source less than 1% of the world’s tea, we take our responsibilities extremely seriously. Smallholder farmers and workers in tea communities, our suppliers, and the tea estates with whom we have fostered long-term partnerships, are all valuable stakeholders in our supply chain. We know the best way to achieve scale and impact is through collaborative action and engagement in the sector, which we achieve by working in partnership with tea growers, suppliers, NGOs, local and national governments, and the wider industry. By working together, we are better equipped to tackle the deep-rooted issues and some of the most complex challenges that tea workers and smallholder farmers are facing.

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.

In 2023, as part of a Gender Equity initiative in Malawi, we partnered with Satemwa Tea Estate and Ufulu on a programme to reduce period poverty amongst female tea workers. Period poverty is defined as the inability to afford sanitary products due to financial circumstances and afflicts over 56% of women in Malawi.

In 2023, 100% of the tea (*Camelia sinensis*) sold by JDE AU was responsibly sourced through Rainforest Alliance certification. Globally 40% of all the *Camelia sinensis* and rooibos tea JDE Peet’s purchased was responsibly sourced, compared to 27% in 2022.

An interactive world map of past and active Common Grounds coffee & tea projects is available at <https://www.jdepeets.com/sustainability/responsible-sourcing/>, where you can select a country and click on a project to find out details including the focus areas it addresses, partners, farmers reached, timelines, photos and videos.



JDE PEET'S SITES AND MANUFACTURING

The health, safety and well-being of our employees is of the utmost importance at JDE AU. All employees are required to sign the JDE Code of Conduct, which sets out the standards of behaviour we expect from our entire workforce. We have also embedded diversity, equity and inclusion in our values and how we manage our business. This means that we do not tolerate any form of discrimination based on race, ethnicity, nationality, religion, age, sex, gender identity, sexual orientation, disability, socio-economic background, or any other relevant basis, and we encourage anyone to use our Speak Up channels to report a concern.

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

With our JDE AU Kingsgrove site having lead the JDE Peet's implementation of Sedex, being the first location globally to register and complete SAQ in 2022, 2023 saw all other JDE sites across APAC and LARMEA complete their Sedex SAQ, including the Campos roastery in Sydney. In 2023 we also defined our Standard Operating Procedure to address and manage human rights risks at our sites, including a roadmap to have 100% of our production sites audited according to SMETA principles.

An effective grievance mechanism plays an important role for people impacted or harmed by any human rights issue and in 2023 the scope of our Speak Up Policy was expanded to enable our external stakeholders to access our grievance channels, and the website updated 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.

PROCUREMENT OF OTHER GOODS & SERVICES

In 2023 we made important progress on our responsible sourcing journey along our non-coffee & tea supply chain, following on from a 2022 risk mapping exercise. This exercise involved assessment of more than 12,000 supplier locations on the basis of inherent human rights risks, based on location and industry activity and COGS suppliers prioritised for due diligence based on their combined risk score and our annual spend with them and identifying four different risk thresholds to classify these suppliers.

During 2023, we reviewed our Australian non-coffee & tea COGS suppliers based on our standard operating due diligence procedure, with the findings as follows:

- 42% (10) locations are considered to be low risk and therefore not required to be in Sedex, in line with our policy
- 58% (14) locations are instead required to be in Sedex (or Ecovadis)
- Of these, all are already Sedex (Ecovadis) members, with 6 already having audit results



The above process is being rolled out throughout JDE Peets for existing vendors through the procurement teams, along with the requirement that any new vendors comply with our policy.

Our 2025 target is to have our COGS suppliers from all regions and all supplier locations compliant with our standard operating procedure for due diligence. We shall also begin designing the due diligence roadmap for our non- COGS suppliers. This will allow us to progress our understanding on the human rights risks present in our supply chain on both a site-by-site basis and in aggregate, enabling us to design and implement an effective human rights due diligence programme and investigate potential impacts before they materialise.

6. Training, Awareness, Consultation and Collaboration

At JDE AU, we look for people who care about coffee & tea as much as we do. We know that our success depends upon engaged employees, with higher engagement leading to greater productivity, commitment and loyalty. In 2023, JDE Peet's carried out an engagement survey, with 85% of included employees participating. 77% of respondents scored a 4 or 5 (on a 5-point scale) in the engagement survey questions, a two percentage point increase on 2022, which, at that point, was our highest-ever score.

EMPLOYEES

Employees are at their best when they can be themselves, are respected and feel included. In line with our focus on employee health and safety, we strongly believe that all employees are entitled to the full protection of all laws and regulations that govern their employment with us and believe that creating a culture of high-performing employees requires an ongoing focus on human capital management, ensuring people can grow through training and feedback. Facilitating employee growth through internal opportunities is essential to drive employee engagement. We engage with our people on a day-to-day basis, working together to create a better future, through online channels such as Workplace, via Teams, as well as at the office and during company events. We use the annual engagement survey and subsequent follow-ups to identify attention points and ways to further improve and keep our employees engaged.

Building on the success of the previous year, in 2023 we continued to measure DE&I and well-being through additional questions in the employee engagement survey. Reviewing the ratio of engaged to actively disengaged employees globally per different employee group, in 2023 we saw no significant differences across either gender or generation. Feedback becomes powerful when we act on it, and we are creating accountability through an efficient process driven by our people managers. Following the release of the survey results, people managers are mandated to share, cascade and discuss results within the company. It is a team responsibility to be candid about engagement and select a number of areas to work on and address with an action plan. In the months following the survey, teams check on the progress of their agreed actions, to course-correct when needed and continue the conversation on engagement.

We introduced a global DE&I Policy in 2023, expanding on our existing Board Diversity Policy, which underscores our commitment to our employees, provides more explicit guidance internally to our change makers, and meets the growing expectations from our external stakeholders. The policy explains how we define DE&I within the company, sets out our approach under the DE&I strategic framework, and details how we monitor and report on our progress. Together with our DE&I strategy, it constitutes the basis for the deployment of DE&I throughout the organisation.



The policy relates to our ambitions on gender equality and, specifically, gender representation within the Board, the Executive Committee and other leadership positions. It also states our commitment to pay equity and non-discrimination, the latter reinforcing our Code of Conduct and Speak Up Policy. The policy applies to employees, directors and officers of JDE Peet's. The CEO is accountable and the Chief HR Officer is responsible for the policy's implementation. The Remuneration, Selection and Appointment Committee of the Board review the policy, including its effectiveness, and recommends as appropriate, any revisions to the Board for approval. The policy contributes to the United Nations Sustainable Development Goal #5 on Gender Equality and is in line with the Dutch Corporate Governance Code. By setting this policy, we recognise the interests of our employees in being part of a diverse workforce that represents the world we live in, in being able to access equal opportunities and in being able to be their true and authentic selves. We also recognise the interests of our stakeholders, as DE&I contributes directly to each pillar of our business strategy.

During the year, we also launched our internal TrueYOU hub, which states our DE&I strategy and story and contains a library of resources, video recordings, and images of past global activations. This ensures all our employees have easy access to this information and are aware of, and aligned with, our stance and vision for DE&I globally.

Every local country team is empowered to define their local focus areas which fit their social or legal context. Progress is being measured by identifying whether some key deliverables have been attained, such as:

- Assessment of gender status based on existing data at key stages of the employee life cycle, and potential next steps to improve and/or sustain progress.
- General Manager, Management Team and change makers utilise multiple channels (town halls, events, workplace, business/team meetings) to regularly promote the global and local DE&I approach to employees, and demonstrate their commitment and accountability for progress.
- At least one local activation for each of the global calendar moments (Gender Balance Month, Pride Month, TrueYOU week).
- One DE&I sponsor from the Management Team, one DE&I champions lead, and ideally a number of champions.
- More than 80% of local Management Team members have completed JDE Peet's global Inclusive Leadership training programme.

The Australian business completes WGEA Gender Equality Reporting program obligations as per the Workplace Gender Equality Act 2012, and in 2023 the global business joined the UN Women's Empowerment Principles, reinforcing our commitment to contribute to the United Nations Sustainable Development Goal #5 on Gender Equality. This will help us accelerate the progress we've been making in ensuring that employees from all genders feel equally empowered to thrive at JDE Peet's. The United Nations Women's Empowerment Principles aim to help companies evaluate their practices, projects, and policies related to gender equality, and they help us reinforce our commitment towards our employees and external stakeholders.



We believe that employees from all genders should feel equally empowered to thrive and have the opportunity to grow into leadership positions. Our ambition is to ensure the representation of women in leadership positions reflects the percentage of women in our total workforce, and at the start of 2022 we established a milestone to reach 40% of women in leadership positions by 2025. By the end of 2022, we had already exceeded this commitment, with women holding 41.0% of our leadership positions across the company and we maintained this in 2023, with 41.3% of leadership positions within the company held by women at year end.

We do not tolerate discrimination on the basis of gender or any other identity trait, as stated in our Code of Conduct, and in 2023 we decided to take more specific action on this topic by undertaking a comprehensive global campaign on moral and sexual harassment situations and other types of discrimination. This campaign included global communications and a global e-learning course *Creating a Respectful Workplace*.

We believe that equal pay is key to fostering diversity, equity and inclusion and ensuring that all genders feel equally empowered. This is why we are committed to all employees receiving equal pay and treatment for carrying out the same work or work of equal value. To ensure this is practiced throughout the company, we work with Mercer, a leading external HR consultancy, to measure the impact of our pay policies through periodic gender pay equity analysis. This ensures both independent quality assurance as well as the adoption of best-in-class methodology.

In March 2023, we were very proud to share the findings of our analysis with employees globally, which showed that across the company the pay difference between men and women is less than 1%. This level of difference places JDE Peet's among industry leaders in this space and falls significantly under the EU directive's threshold of 5%. We are pleased that our focus on delivering equal pay across the company is proving successful, and going forward we will remain committed to regularly monitoring our practice in this area to continue to promote fair and equitable pay across JDE Peet's.

On our priority of ensuring employees can be who they truly, this commitment was measured for the second time in 2023 through our global employee survey, when we asked employees whether they feel comfortable to be themselves at work. We reached a score of 4.26 on a scale of 1-5 (4.22 in 2022), with no significant difference between men and women overall.

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.

In 2023, we conducted additional 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.



OTHER STAKEHOLDERS

We operate in a fast-paced, dynamic environment, where stakeholder engagement is a key part of achieving our many ambitions. Engagement enables us to take stakeholders' needs into account as we work towards our strategic goals, and implement the many policies, targets, and action plans that enable us to steer the company towards sustainable growth. We are proud of the many stakeholder groups that contribute to making us the company we are, from the smallholder farmers who cultivate the coffee & tea used in our products, to our suppliers, customers, consumers, employees, and shareholders. Our inclusive approach to stakeholder engagement is marked by active listening and meaningful interaction, guided by the goal of using stakeholder insights to enrich our corporate journey and achieve our strategic goals. 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 regularly engage with our suppliers through direct conversations, comprehensive supplier engagement sessions, and in collaborative industry forums. In addition to strategic partnerships with key suppliers, our Responsible Sourcing pillar engages through Sedex and the Self-Assessment Form process, to identify and address social supply chain issues including human rights and modern slavery risks.

As we make strong progress on our corporate journey, the significance of stakeholder engagement continues to grow. We recognise that the scale and focus of our efforts will ultimately determine the impact we can achieve in shaping a brighter future. In pursuit of precompetitive initiatives, such as those involving smallholder farmers, we are intensifying our collaborative efforts across our supply chain. This strategic alignment aims to identify and deploy comprehensive scalable solutions, thereby paving the way for a sustainable and prosperous future.

NGOs partner with us in our Responsible Sourcing pillar, where we work together to implement many of our projects aimed at helping smallholder farmers around the world. The voices of NGOs form an important part of our materiality assessment process. In addition, we regularly engage with various NGOs on specific environmental or social topics and participate in their benchmarks and surveys. We also engage with those NGOs which implement some of our Common Grounds projects through project discussion and steering committee meetings, and collaborate on a range of relevant projects.

We are an active member of the European Coffee Federation (ECF), the representative organisation for the European coffee trade and industry, covering approximately 35% of the world's coffee traded volume.

In addition to the ECF, we are active in national trade associations in a number of countries, as well as the Global Coffee Platform (GCP), with the aim of tackling complex challenges across the entire value chain.



ENCOURAGING EVERYONE TO SPEAK UP

Our company strives to foster a respectful environment where every employee feels empowered to contribute to the best of their abilities. Accordingly, and in line with our global compliance strategy, the company is committed to promoting a speak up culture. It does so by fostering an open and trusting dialogue with employees, customers, business partners, suppliers, investors and other stakeholders.

Our Speak Up Policy is available to anyone who wishes to raise a concern about suspected misconduct. This includes, for example, employees, persons working for or on behalf of the company, workers throughout our supply chain, business partners and other stakeholders such as (representatives of) affected communities or consumers. Our Speak Up Policy is translated into the languages used along our value chain, thus ensuring its accessibility to different stakeholders.

We have different channels to report suspected misconduct, including an online reporting tool (hosted by an independent service provider) and phone numbers for each country in which we operate that appear on JDE Peet's Speak Up landing page to enable our employees, suppliers and other stakeholders to easily raise their concerns. Additionally, we have a dedicated email address that can be used to report potential misconduct or to seek guidance. Reports can be submitted anonymously if allowed under applicable law.

The company handles all reports respectfully and with discretion in accordance with the requirements of its Speak Up Policy. Our Speak Up Policy further describes our investigation principles and approach on how we handle investigations into reported misconduct. Each report is followed up with a response to the reporting party and, when required, promptly investigated so that appropriate remedial action can be taken where necessary. The company does not tolerate any form of retaliation against those who voice their concerns truthfully and in good faith.

In 2023, the company received a total of 57 reports of which the majority was related to routine human resources' matters. There were no speak up complaints which revealed any material compliance issues.

Based on the investigation outcomes of speak up reports, we ensure that appropriate mitigation measures are implemented and that we raise awareness through dedicated campaigns globally and across the regions, where necessary. In 2023, we undertook a comprehensive global campaign on moral and sexual harassment situations and other types of discrimination, including a global e-learning course "Creating a Respectful Workplace".

EXTERNAL TRENDS

In recent years, the coffee & tea categories have been in a state of change, largely due to a shift in consumer tastes and behaviour. While inflation remains, and has added to financial pressure for consumers, we are seeing a further normalisation of the balance between In-Home and Away-from-Home consumption in the aftermath of the pandemic. It is clear that coffee & tea remain crucial beverage moments, and within this fast changing environment we have identified several key trends to which we are responding with a combination of innovation, expertise and the power of our brand portfolio.



Consumers are budgeting with care and making decisions on how to reduce costs, big and small – with the price of a cup of coffee a common reference point. Consumers are increasingly paying attention to how brands will help them cope with economic pressures.

While coffee & tea are an important part of the daily routine, they are also seen as an affordable treat. Whilst some consumers look for ways to make coffee more cost-efficient, others look for indulgent experiences. No matter where consumers choose their coffee, we believe it will remain both an essential item and an indulgent treat through changing times.

Geopolitical events are creating increasing unease for many, which among consumers often translates into concern and anxiety about the future. Taking breaks is a growing need, and coffee & tea naturally help to manage energy throughout the day.

Consumers are increasingly aware of the impact their choices have on the environment and the wellbeing of others. This can include selecting responsibly sourced coffees & teas, environmentally friendly packaging, and products with a reduced carbon footprint. At the same time, governments are progressively looking at policy initiatives to address these topics, including, human rights.

Through our Common Grounds sustainability programme, we directly respond to the growing focus on sustainability and JDE Peet's stands out among coffee companies through its commitment to authenticity, engagement, inclusiveness and intentionality. Our primary goal is to create meaningful impact. We strongly believe that the future of the coffee & tea industry hinges on our ability to strengthen resilience across the entire value chain. This strategy equips us to navigate future challenges while fostering growth to support our stakeholders effectively and we will continue to focus on delivering true impact and ensuring a better future for coffee & tea.

7. Conclusion

There is no place for modern slavery or other human rights breaches in our operations or supply chain. Our commitment to respect and protect human rights across our entire supply chain is integral to our guiding purpose: to unlock the possibilities of coffee and tea to create a better future.

The JDE Peet's Human Rights Policy codifies our commitment to respecting and protecting human rights. The standards to which we expect everyone at JDE AU to adhere are outlined in this policy, in addition to other policies, codes and principles such as the JDE Peet's Supplier Code of Conduct, and our Responsible Sourcing Principles. We expect all of our suppliers (as well as our agents, consultants and contractors) and partners to uphold the same standards to protect human rights in their own operations and to undertake their own supply chain due diligence.

Our approach to human rights due diligence builds on our commitment to address and prevent negative impacts in our supply chain while conducting business responsibly and ethically. Our procedures to identify, manage, and prevent adverse human rights impacts are based on a variety of processes and methods. This includes our risk-based due diligence and Common Grounds responsible sourcing programme which is designed to provide transparency on the priority sustainability challenges in the coffee and tea supply chain and to continuously improve the social, economic, and environmental conditions in the origin countries with risk assessments, country scorecards, and supplier self-assessments.

Through the process, we have also set up a clear governance and decision-making structure involving cross functional teams and senior leadership.



We are working to further integrate environmental and social considerations that will positively impact our procurement, manufacturing and distribution practices and in 2023 significant progress was made in JDE Peet's transformation to become a more sustainable enterprise, with the efforts in this area being recognised externally.

- JDE Peet's ESG rating was upgraded to the top-second percentile globally within the Packaged Foods subindustry by Morningstar Sustainalytics, a leading ESG ratings provider. We improved our scores in 8 out of 11 assessment categories that Sustainalytics applies.
- We were also recognised as a leader in sustainability through our inclusion in the prestigious Dow Jones Sustainability Europe Index, which recognises the most sustainable companies in Europe. We were one of only four European food companies included in the index, and the only coffee & tea company.
- S&P CSA, a leading ESG ratings provider, upgraded JDE Peet's ESG rating to the top fourth percentile within the food subindustry.
- The JDE Peet's ESG rating was raised significantly to "Prime Status" by rating agency ISS, which moves us up to the top decile in our industry group, comprising 228 companies.

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.

This statement is made pursuant to the Modern Slavery Act 2018 (Cth) and constitutes the JDE AU modern slavery statement for the financial year ending 2023. JDE AU considers that its Board of Directors are its principal governing body for the purpose of the Act. This modern slavery statement was considered and approved of by the Board of Directors of JDE AU.

Date of Board approval: 17 Jun 2024

DocuSigned by:

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ALBERTO MONCAU HAJZLER

General Manager