



## Modern Slavery Act 2018 Statement for 2021

### 1. Entity Details – Introduction to JDE AU

Jacobs Douwe Egberts AU PTY LTD (JDE AU, ACN 051278409) is a subsidiary of our Dutch based parent Company Jacobs Douwe Egberts Peet's (JDE).

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

Our strong portfolio of global, regional, and local brands has been built upon a rich history and heritage and these brands are deeply rooted in the diverse coffee & tea cultures in which we operate. Our portfolio ensures we can offer a coffee & tea to everyone, no matter who they are, where they are, or what their preferences are.

During the 2021 calendar year, JDE acquired the iconic Australian Campos coffee business and as such, JDE AU as the parent entity, have included Campos (Thirty Second Bean Company Pty Ltd) in this, our second Modern Slavery Statement for JDE AU. With this acquisition, Campos and Sacred Grounds join a leading portfolio of JDE brands in Australia, including Moccona, L'OR, Harris, Pickwick and Piazza Doro.

Campos Coffee started from humble beginnings back in 2002 with a single café & roaster in Newtown, Sydney and has been on a mission for over 20 years to introduce as many Australians as possible to the magic of quality coffee. Today, Campos Coffee is one of Australia's most loved and respected specialty coffee roasters, with the award-winning Signature Blends now being brewed in over 600 cafes nationwide under the Campos and Sacred Grounds brands. Through 2020 and 2021, Campos expanded its availability to coffee lovers at home, offering premium whole bean blends online and in selected Woolworth's supermarkets.

This statement sets out the steps that JDE AU had taken to identify and mitigate the risk of slavery occurring within any part of our businesses or our supply chains up to and including the financial year ending 31 December 2021, as part of our compliance with the Modern Slavery Act 2018 (Cth).

Unfortunately, slavery continues to occur in today's modern world and can often be hidden within the increasingly complex global supply chains. The term 'modern slavery' encompasses 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. Criminal activity can also target vulnerable workers, threatening deportation, retaining passports and withholding wages.

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



## **2. Our Operations and Supply Chains**

JDE products are found in over 100 markets and globally, we employ over 19,000 associates.

JDE coffee & tea products are primarily manufactured at our 43 manufacturing facilities across 24 countries. Manufacturing facilities are distributed globally, including operations in North and South America, Europe, Asia and Oceania.

As a global business, we rely on a global supply chain. We source coffee and tea from more than 30 countries, purchasing from many different suppliers including international coffee traders, local exporters, farmer associations and farmer groups. Most of our non-coffee & tea, direct material supplier base is concentrated in packaging materials. Marketing and media make up the majority of our total spend on indirect materials and services. We work with more than 900 direct material suppliers across 83 countries.

We work with third party logistics partners to distribute our coffee & tea products to customers across the world in a manner that ensures the products' freshness and quality and minimises our environmental footprint.

The Australian business is headquartered in Sydney, and with the acquisition of the Campos business in mid-2021 now operates three local manufacturing facilities, with two roasteries in NSW and one in Queensland, employing some 230 associates locally in Australia. Neither coffee nor tea is grown in any significant commercial quantities in Australia. Our local roasteries source green beans from key coffee growing regions of Central and South America, Asia, and Africa. We also import finished coffee products from a number of the JDE global manufacturing facilities, with JDE locations in the Netherlands, France and Thailand providing the bulk of our imported retail products. Branded tea sales currently represent a very small part of the JDE AU portfolio, with a limited range of products sold through our out of home business under the Pickwick brand and manufactured in a JDE facility in the Netherlands.

We sell our product range through the entire spectrum of sales channels, from traditional supermarkets and out-of-home environments such as offices, hospitals, universities, hotels and restaurants through to online sales and our own Campos flagship cafes.

## **3. Modern Slavery Risks**

JDE sources approximately 8% of the world's green coffee, with coffee grown in many countries that face significant socio-economic and environmental challenges.

Coffee is the main source of income for millions of smallholder farmers. Currently 12.5 million farms, that produce 70-80% of the world's coffee, have an average farm size of only four hectares. Almost 95% of farms are smaller than five hectares, and over 80% of all coffee farms are smaller than two hectares.

As such we consider that the highest risk of modern slavery for JDE AU is in our coffee supply chain due to some of the geographic origin locations, industry conditions under which coffee has historically been grown and due to the complexity of the supply chain. Poverty among smallholder farmers is still widespread. Fluctuating coffee prices on the global market can result in producers struggling to cover their full cost of production.





Many smallholder farmers aren't part of formal cooperatives and are out of reach of sustainability certification and many sustainability challenges are complex and go beyond what an individual producer or cooperative can address.

JDE globally uses our internal Common Grounds Responsible Sourcing Programme to support the identification and assessment of Modern Slavery risks and drive our commitment to improve coffee sustainability:

- Sustainability of land - we support global partnerships and origin programs to address the most challenging coffee and tea sustainability issues.
- Equity of people - we purchase certified and verified coffee and tea with internationally recognised standards such as UTZ, Rainforest Alliance and Fairtrade, with our aim of 100% responsibly sourced coffee and tea by 2025.
- Prosperity of farmers - we partner directly with our suppliers to recognise issues where they may exist and are committed to then address them, including working conditions and protection of natural resources, with our aim to reach 500,000 smallholder farmers by 2025 through investments in improvement projects and capacity building.

We consider the risk of Modern Slavery within our own entity and other areas of our supply chain, including offshore JDE manufacturing locations noted above, packaging supply and transport to be low and mitigated by strict internal and supplier policies and procedures as well as the oversight built into our business operations and the knowledge and skills of our associates. This includes processes to ensure that associates are of legal working age and entitlement, are all paid in accordance with the relevant award, agreement, market conditions and applicable legislation.

#### **4. Due Diligence and Addressing Risks**

Our vision, values and purpose form the basis for how we operate as a business.

We remain totally opposed to Modern Slavery practices in our direct operations, our indirect operations and our supply chain as a whole and remain committed to continuously improve our policies, practices and programmes with respect to effectively combatting it.

We believe that the best way to address the risks of Modern Slavery and improve coffee and tea sustainability is to drive continuous improvement through partnerships between farmers, cooperatives, exporters, traders, roasters, civil society, and governments.

JDE has key policies in place to ensure that we operate our business in a compliant and ethical manner. JDE is committed to act with integrity in all our business dealings and throughout 2021 our existing internal policies that are fundamental to our due diligence and addressing risks of modern slavery in any part of our business or our supply chains were revised and strengthened. These policies include:

- Associate Code of Conduct
- Supplier Code of Conduct
- JDE responsible coffee sourcing principles
- JDE responsible coffee sourcing self-assessment
- Speak Up Policy



Our Associate Code of Conduct governs our business decisions and sets the standards we require from our associates when conducting business. All JDE Associates are required to comply with the Code of Conduct.

Our Supplier Code of Conduct sets the standards we expect from all our suppliers and contractors. We expect that all suppliers from whom we purchase goods or services will ensure their business practices and policies are in line with our Code and we require their acknowledgement and acceptance of its terms upon doing business with JDE.

### **2021 Update to the JDE Supplier Code of Conduct**

In 2021, JDE refined our Supplier Code of Conduct with a clear commitment to comply with the OECD Guidelines for Multinational Enterprises, in addition to our commitment to the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.

We reached out to more than 7,000 suppliers to educate them on the importance of responsible sourcing practices and are applying various verification methods (from supplier self-assessments to quality conversations integrated into our commercial reviews with suppliers) and became a member of Sedex, a platform that helps companies to manage and improve working conditions throughout global supply chains.

Labour and human rights standards are fundamental to our Supplier Code of Conduct, which includes:

**Freely Chosen Employment:** All forms of involuntary labour – including forced, coerced, bonded (including debt bondage), involuntary or exploitative prison, slavery, trafficked or indentured or other forms – are prohibited.

- All work must be voluntary and workers shall be free to resign "at-will"
- There shall be no unreasonable restrictions on workers' freedom of movement at the workplace or at company or agent-provided housing.
- Employment agreements shall meet local law, inform workers of their legal rights and employment conditions in a language understood by the worker, and be concluded before work has commenced. If employment contracts are not legally required, workers shall at the very least be informed of the terms and conditions of employment, in a language understood by them, prior to starting work.
- Employers and agents may not hold or otherwise deny access by employees to their identity or immigration documents unless such holdings are required by law.
- Workers shall not pay recruitment fees or other related expenses for their employment. If it is discovered that workers have paid fees, the supplier shall ensure that the workers are repaid in full.

**Child Labour and Young Workers:** Child labour shall not be used. The term "child" refers to any person under the age of 15, or under the minimum age for employment in the country, whichever is greatest.

- All employment of young workers, including apprentices or vocational students, must comply with laws and regulations on the minimum working age and the compulsory age for schooling and must be of educational benefit.





- Young worker protections are in place, where applicable (including for the children of farmers), so that young workers under the age of 18 do not experience conditions in relation to their work that are mentally, physically, socially or morally dangerous or harmful, or that interfere with their schooling.
- A child may help at their family's business only if they perform light work and meet the requirements above.

**Freedom of Association and Collective Bargaining:** Suppliers shall respect workers' legal rights to freedom of association and collective bargaining.

**Regular Employment Status:** Work performed must be on the basis of a recognized employment relationship. Obligations to employees under labour or social security laws and regulations arising from a regular employment relationship shall not be avoided, such as through sub-contracting, exploitive use of fixed-term employment contracts, or through apprenticeship schemes with no real intent to impart skills or provide regular employment.

**Wages and Benefits:** Suppliers shall ensure workers receive wages and benefits that meet, at a minimum, national legal standards.

- We encourage our suppliers to go beyond legal minimum standards and to ensure wages are sufficient to meet basic needs and provide discretionary income.
- All overtime work must be paid at the legally mandated overtime rate, or in the absence of this, a premium wage.
- Disciplinary pay deductions are prohibited.
- For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed.

**Working Hours:** Regular and overtime working hours must comply with the law and not be excessive.

- Regular working hours shall not exceed the legal limit or 48 hours per week, whichever is lower.
- Rest days shall comply with legal requirements or, in the absence of such a requirement, workers shall be provided one day off in seven. This may be amended in unusual or emergency circumstances.
- All overtime shall be voluntary.

**Humane Treatment:** All workers are to be treated with respect and dignity.

There is to be no harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment.

**Discrimination:** Suppliers shall commit to a workforce free of discrimination.

- All employment decisions (including hiring, termination, compensation, promotion and discipline) must be based exclusively on ability and willingness to do the job.
- There shall be no discrimination on the basis of race, colour, sex, national or social origin, religion, age, disability, sexual orientation, gender identity, marital status, political affiliation, pregnancy status, or past or present union affiliation.



- Except where required by applicable laws or regulations or prudent for workplace safety, supplier shall not require pregnancy or medical tests and shall not improperly discriminate based on test results.

**Respect for Community Rights to Land:** Suppliers shall respect the rights and titles to property and land of individuals, indigenous peoples and local communities. Negotiations regarding property and land shall adhere to principles of free, prior and informed consent, as well as contract transparency and disclosure.

**Working conditions:** Suppliers shall provide a safe and hygienic work environment, as appropriate for the industry, geography and workforce.

- Adequate steps shall be taken to prevent accidents and injuries to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonable practicable, the causes of hazards inherent in the work environment.
- Workers shall receive applicable health and safety training.
- Where needed, workers are to be provided free of charge with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards.
- Suppliers shall respect workers' right to refuse unsafe work and to report unhealthy working conditions.

**Emergency Preparedness:** Potential emergency situations and events (such as fires, earthquakes, and chemical exposures) are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures. In buildings, emergency exits must be unlocked and unblocked at all times.

**Basic services:** Workers shall have access to potable drinking water and clean toilet facilities at all times at the workplace and at any company- or third party-provided housing, as well as sanitary food preparation, storage and consumption areas.

**Accommodation:** Accommodation, where provided, is clean, safe, meets the basic needs of workers, and conforms to the country's laws. Accommodation should meet or exceed the basic levels afforded in the local community. Workers shall have freedom to enter and leave at will.

Suppliers are required to develop and enforce policies and procedures to ensure compliance with all aspects of the Code. This includes ensuring transparent and accurate record-keeping and maintaining such records to demonstrate compliance with applicable laws and the Code. It is also required that any such records, policies and procedures shall be made freely available to JDE upon first request.

In the event that JDE becomes aware of any actions or conditions that violate our Code, we will request that corrective action be taken by the Supplier. Furthermore, under the code, JDE maintains the right to terminate an agreement with any Supplier who does not comply and to verify our Suppliers' compliance through self-assessments or audits. Under the Code, suppliers are required to have systems in place to enable fair, confidential and anonymous grievance reporting and follow-up without fear of reprisal. This includes worker whistle blower protections.





Resources are available to our suppliers through JDE, 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 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.

### **Green Coffee Supply**

In addition to our Supplier Code of Conduct we have specific responsible sourcing principles for green coffee and our Supplier Self-Assessment Form.

We acknowledge the high risk of certain labour violations within the coffee supply chain and we require suppliers to commit to compliance with all applicable laws and to respect internationally recognised human rights standards. Suppliers must also 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.

To support the cascade of our Supplier Self-Assessment platform JDE is partnering with SupplyShift to map our journey towards 100% responsibly sourced coffee by 2025. The detailed Supplier Self-Assessment Form is based on the JDE Responsible Coffee Sourcing Principles and is part of our due diligence and supplier engagement tool which is embedded in the SupplyShift platform. The Supplier Self Assessments are completed on the SupplyShift platform – where each supplier receives their unique login and access to the platform.

SupplyShift is the world's largest supply chain transparency network, helping businesses create more transparent, responsible, and resilient supply chains.

### **SourceUp**

As part of our actions to assess and address supply chain sustainability risks, including Modern Slavery, in 2021 JDE became the first company to source coffee from Vietnam using new supply chain sustainability solution 'SourceUp'.

SourceUp helps local stakeholders in producing regions to come together to work on sustainability, a collaborative effort called a 'Compact', and provides an online platform that links local compacts in agri-commodity sourcing areas with international markets.

Businesses who source agricultural commodities can find Compacts that are aligned with their objectives and engage with them through sourcing commitments or by investing in funding, time, or expertise.



Poverty is a known risk factor for Modern Slavery. The "Production – Protection – Inclusion Compact" to improve the sustainability of 5,200 hectares of agricultural land in the Krong Nang and Dak Lak Provinces in a socially inclusive way aims to increase farmer incomes by 30%, reduce water use by 25%, and chemical fertilizer use by 15% by 2025.

*"Through our Common Grounds program, we are committed to responsible sourcing and to supporting sustainable agriculture for a thriving planet, equal opportunities for people, and economically viable farming to support farmer prosperity. This is in collaboration with actors in the supply chain and local government, with a vision of sustainable coffee production. Partnering with SourceUp in Vietnam, we scale up our efforts in support of these goals and towards achieving 100% responsible sourcing of coffee by 2025."*

**Mr. Do Ngoc Sy, JDE Sustainability Manager in Asia and the Pacific**

*SourceUp was developed by IDH – the Sustainable Trade Initiative and partners including JDE, to meet the need for a sustainable landscape approach of sourcing of commodities while addressing priority social, environmental and economic issues at the farmer and jurisdictional level.*

*SourceUp helps deliver on sustainability commitments through credible collaboration, allows monitoring of the progress of Compacts and Projects and supports due diligence by allowing committed buyers of commodities like coffee, palm oil, soy and timber access to critical data and insights through SourceUp to inform their sourcing decisions.*

*"This commitment by JDE shows us that SourceUp is responding to a real interest of buyers of commodities, who want to use their sourcing practices to stimulate credible sustainability collaborations in producing regions. By connecting these two groups and backing sustainability commitments up with data, is how SourceUp can change things for the better."*

**Mr. Guido Rutten, Senior Manager SourceUp**

## **Economic commitment to combatting migration in Central America**

While the causes of Modern Slavery can be varied and complex, a known contributor is migration, where people without working rights, few options for work and less understanding of their rights are more likely to be subject to modern slavery practices. In December of 2021, JDE announced new commitments in Central America as part of USA Vice President Kamala Harris' "Call to Action" to address the root causes of migration from Central America by promoting domestic economic activity.

The Central American region, and specifically Guatemala and Honduras, is strategically important for the JDE portfolio, home to unique Arabica coffees that are essential to some of our leading portfolio of coffee brands such as LÓR. On an annual basis, JDE contributes on average more than \$175M towards the region's economy through a mix of green coffee purchasing and local community programs, representing a total investment of approximately \$875M over the past 5 years.

Through its Common Grounds program, JDE announced plans to increase its financial support for smallholder farmers in the region by 40%. This support will be provided through the implementation of a new series of sustainability programs throughout the Central American coffee belt, in partnership with the Coffee Alliance. The new support programs will include technical expertise, intended to allow for increased productivity, adaptation to the effects of climate change, diversification of incomes, and improved access to markets and credit.





As a result of this increase, JDE will allocate a total of \$2.7 million over the next four years, to expand the reach of its Common Grounds Program in the region in addition to the continued purchase of local green coffees. The Coffee Alliance is a public-private partnership among USAID, JDE, CoHonducafe (Honduras' largest coffee exporter), the CoHonducafe Foundation, and Grupo Cadelga (Honduras' largest agricultural input supplier). The increased contribution from JDE will enable the Coffee Alliance to reach 10,000 additional smallholder coffee farming households.

The "Call to Action" from Vice President Kamala Harris also further emphasises that addressing the root causes of Modern Slavery is not achievable by governments alone but requires a collaborative and comprehensive strategy across supply chains, working to overcome obstacles to investment, promote economic opportunity, and support long-term development.

## **5. Monitor, Maintain and Measure**

### **Sustainable Development Goals**

Modern Slavery risks are captured within our global approach to Corporate Responsibility, which is aligned and contributes to the Sustainable Development Goals (SDGs) which the United Nations (UN) General Assembly set in 2015. Of particular relevance are:

#### *SDG 1 – No poverty*

Addressing poverty is at the centre of our responsible sourcing efforts. Most smallholder farmers earn low incomes, driven by a combination of low farm productivity and small farm size. Through third-party certification/verification and our Common Grounds projects, we aim to increase the productivity, profitability, and sustainability of the smallholders we work with.

#### *SDG 5 – Gender equality*

Women and youth, who are more likely to be subject to modern slavery practices, are heavily engaged in coffee and tea farming activities. Yet, they tend to have limited access to extension services and training. Our Common Grounds projects integrate locally relevant and culturally appropriate strategies to increase both the opportunities for, and abilities of, women and youth to benefit equally.

#### *SDG 8 – Decent jobs and economic growth*

Through Common Grounds, we remain committed to playing an active role in addressing issues in our supply chain in order to protect labour rights and promote safe and secure working environments. JDE also is a founding member of the IDH Farmfit Fund which aims to increase the incomes of 3-5 million farmers through input loans, working capital and renovation and rehabilitation.

#### *SDG 17 – Partnerships for the goals*

We believe that the best way to improve coffee and tea sustainability is to create partnerships between motivated farmers, cooperatives, exporters, traders, coffee roasters, civil society, and governments. Partnerships allow us to bring together different strengths and capabilities to effectively address sustainability challenges. At origin, partnerships help to empower smallholder farmers to make informed long-term choices: Choices that are good for them, good for the people who work with them to produce and harvest their products, good for the environment, and good for the long-term sustainability of coffee and tea.



## Common Grounds Performance

Through the Common Grounds programme, we not only assess and prioritise issues and establish programmes to continuously improve but also track our performance. Despite the challenging environment in 2021, we made progress on our key Common Grounds sustainable sourcing goals, increasing the share of coffee, tea and palm oil that has sustainability certification or verification and growing the number of smallholder farmers reached. In total, 30% of our coffee carried a sustainability certification or verification in 2021, as did 32% of our tea and 72% of our palm-based oils. We also grew the number of smallholder farmers we have reached since 2015 to 470,000 across 50+ active projects in 18 countries.

Through recent expansion, the program has been active in origins that represent 98% of JDE green coffee volumes. Independent third-party field assessments are conducted in key coffee sourcing regions, and we have worked with the Rainforest Alliance to carry out Origin Issue Assessments in 10 priority countries, being India, Vietnam, Ethiopia, China, Brazil, Honduras, Indonesia, Kenya, Uganda and Peru.

During 2021, 10 new projects were launched under the Common Grounds programme in partnership with suppliers, NGOs and other stakeholders to address key challenges, that include modern risk factors, in the countries from which we source coffee, tea and other agricultural ingredients - we reached an additional 85,000 smallholder farms, taking the program to over 470,000 farmers since 2015. By 2025, we aim to positively impact over 1 million smallholder farmers.

Projects included partnering with Olam Food Ingredients (ofi) to source coffee from the Kasama highlands of Zambia for our L'OR Arabica Nyika. The estates where the coffee is grown play a crucial socio-economic role locally, providing access to education, health care and employment, with programmes specifically targeting women and youth.

*"Our partnership with JDE allows us to support the livelihoods and landscapes we depend on to supply coffee lovers with sustainably grown, traceable coffee."*

**— Aranyak Sanyal, VP & Head coffee estates SEAF, ofi.**

JDE continued to support tea farmers and their workers in 2021 across four projects in four countries. These projects addressed key issues on child labour, working conditions, gender, living income and healthy diets for tea communities. They include, for example, projects with the Ethical Tea Partnership (ETP) and GIZ to promote decent livelihoods for tea producers and workers in Malawi and Rwanda, and with UNICEF and ETP in Improving Lives of Women and Children in Assam's Tea Communities in India.

## Programme responsibility and oversight

The JDE Board oversees JDE's corporate responsibility programme, receiving updates and reviewing progress at least two times per year. The JDE Corporate and Government Affairs team develops our corporate responsibility strategy for approval by the Board. It works with a cross functional leadership group composed of subject-matter experts from across the company to drive execution and measurement of the strategy.

The Corporate Responsibility Governance Committee, which was set up in early 2020, is comprised of key functional members of our Executive Committee and chaired by our Global Corporate Affairs and Sustainability Officer. The Executive Committee is further assisted by the Global Compliance Council (GCC), chaired by our Global Compliance Officer (GCO). The GCC sets the compliance strategy and framework, key policies, controls and requirements for global e-learning courses. In this function, the





GCC reports quarterly to the Audit Committee of the Board on key initiatives and issues and priorities for the following quarter.

The local JDE AU business is responsible for deploying globally defined policies and controls and has established its own Compliance Council, chaired by the Compliance Officer. Our local whistle-blower policy extends to supplier employees and can be used to raise issues such as violations of labour law.

### **Supplier Code of Conduct, Certification and Partnerships**

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

Business partners are required to notify JDE immediately if they become aware of any non-compliance practices by themselves, their employees and their business partners. Business partners are further expected to promptly develop and implement plans of programs to correct any such practices. We believe that reporting these types of concerns helps proactively address issues and maintains the integrity of our business relationships.

## **6. Training, Awareness, Consultation and Collaboration**

We believe in promoting human rights throughout our organisation. To underline our commitment to human rights, we have summarised the principles we adhere to and the processes we follow in a new Human Rights Policy. We are also a signatory of the UN Global Compact.

We engage with our employees in multiple ways and through various channels, with a strong increase in the use of online collaboration tools. Our regular survey keeps track of employee concerns and engagement, and compliance e-learning training courses are regularly conducted for employees to support understanding of expected behaviour, particularly in respect of their business decisions and the employee Code of Conduct. E-learning topics also include human rights. Such trainings are mandatory for all employees with an email address and access to our Learning Management System (LMS). For those employees without such access, for example employees in manufacturing units, we offer shared laptops or conduct in-person trainings.

In 2021, we published the translations of our Speak Up Policy into all languages relevant across our value chain in order to render the policy accessible to more stakeholders and we launched a new JDE landing page to enable employees, suppliers or other stakeholders to more easily raise issues, including modern slavery concerns, and we launched a new global case management system to more effectively address and manage any concerns raised.

At JDE, we believe that Modern Slavery can only be ended by working collaboratively with others and are committed to working with governments, non-government organisations, suppliers, farmer associations and farmer groups and the entire coffee and tea supply chains to improve the working conditions for coffee and tea farmers throughout 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. NGOs are important partners in our Common Grounds programme supporting or implementing many of our projects to support smallholder farmers on the ground, with consultation and collaboration of our Common Grounds projects through project discussion and steering committee meetings.



Collaborative partnerships are at the core of our Common Grounds programme. This is underpinned by our active participation in a broad set of multi-stakeholder platforms and initiatives as many of the challenges and opportunities we face can best be tackled when we come together with common interests and local action.

With the acquisition of the Campos business in 2021, we have actively consulted with associates and formed a Sustainability Working Group with members from both JDE and Campos. This team has supported the development of this statement. We have shared the approach to managing modern slavery risks within the JDE supply chain with the Campos team, who are also fully committed to reviewing both operational and supply chain risks of modern slavery practices and to assess and address these and we look forward to providing additional reporting on this implementation within Campos post JDE acquisition as part of our future annual Modern Slavery Statements.

## **7. The ongoing impact of Covid-19**

The Covid-19 pandemic continued to have unprecedented impact on the global business throughout 2021 and we are very mindful of the increased risk of Modern Slavery within vulnerable sections of operations and supply chains that the pandemic poses across the globe.

Through 2021 we saw the panic buying within the retail environment replaced with unparalleled issues right across our supply chains, from pallet and shipping container shortages and lack of vessel space right through to labour shortages in our supplier, JDE owned and customer facilities as the Delta and Omicron Covid-19 strains spread.

Local lockdowns continued to negatively impact our out of home business, with cafes, clubs, hotels and other hospitality venues' trading severely cut.

The Covid-19 pandemic continued to impact producers and communities. In several countries, schools remained closed for the second year running, impacting the education of children in many rural communities where education is already fragile.

In 2021 we maintained a focus on the wellbeing of everyone who works for or with us, minimising the impact on our customers and consumers, maintaining additional health and safety standards across our manufacturing network, while facilitating working from home for office based employees, and communicating with farmers, suppliers and partners.

Covid-19 also hampered ability to conduct face-to-face meetings with vendors and physical on-site audits continued to be very limited due to the travel restrictions and lockdowns, however with the implementation of the Safefood360 vendor management platform much has been achieved virtually and as noted above the use of this tool removes complexity and adds significant transparency to our vendor management systems and capabilities.

The pandemic continued to impose restrictions on how JDE and our partners could engage with smallholder farmers. Nonetheless, we were able to grow the number of farmers we reached. Farmer training programmes continued to be delivered in smaller groups by following careful social distancing procedures. Whenever possible, we used mobile phone-based solutions where the project agronomists would call or text farmers when farm visits and farmer trainings could not take place. In many of our projects we were quick to develop radio messages, posters and information bulletins to advise farmers and their communities on Health and Safety measurements.





## 8. Conclusion

There is no place in the JDE supply chain for human rights abuses such as forced labour, child labour, all forms of workplace harassment and violence, including sexual harassment and violence and other forms of modern slavery.

However, we acknowledge the high risk of certain labour violations within the coffee and tea supply chain and are committed to taking proactive and meaningful steps to mitigate the risk of modern slavery practices occurring.

For our agricultural supply chains, and coffee in particular, where we see the most material potential for adverse human rights impacts, we have developed a cycle of continuous improvement. Developed with the Rainforest Alliance in 2018, our Common Grounds responsible sourcing and supplier engagement programme is designed to provide transparency on the priority sustainability challenges in the coffee supply chain and to continuously improve the social, economic and environmental conditions in the origin countries.

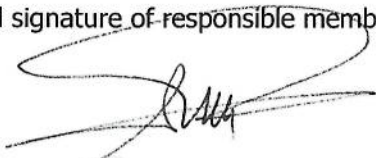
*Independent Origin Issue Assessments* act as an 'early warning system', to identify potential issues related to coffee production in a country for each of our 23 Responsible Coffee Sourcing Principles, which is complemented by supplier self-assessments against the same principles. After identifying and prioritising challenges, we work in partnership with our suppliers, NGOs and governments to address such challenges, including those faced by smallholder farmers.

As outlined in this statement, significant steps have been undertaken throughout 2021 despite the ongoing disruptions brought on by the ongoing impact of the Covid-19 pandemic. We continue to work with our suppliers and others in the industry to continuously improve, putting a rigorous risk assessment and mitigation systems in place and committing to taking immediate action on any identified cases of modern slavery. We look forward to providing further ongoing updates through our future annual Modern Slavery Statements.

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 2021. 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 23 June 2022

Name, position and signature of responsible member of the Board



ALBERT MONCAU MASZLER  
GT ANZ

