ANNUAL REPORT 2024

JDE PEET'S N.V.

JDE PEET'S AT A GLANCE

JDE Peet's, whose origins date back to 1753, is the world's leading pure-play coffee & tea company. We provide customers and consumers with coffee & tea in more than 100 markets through a portfolio of over 50 brands, including L'OR, Peet's, JACOBS, Senseo, Tassimo, Douwe Egberts, OldTown, Super, Pickwick and Moccona.

OUR PURPOSE

Unleash the possibilities of coffee & tea to create a better future

OUR BUSINESS

We are a global business with a supply chain reaching more than 100 markets. To truly understand the needs of our customers and consumers, we work at regional and local levels to surpass their evolving expectations. Our business is organised across four commercial segments, taking into account coffee & tea cultures across different geographies.

1 SEC

Every second
4,392
cups of coffee & tea are served by JDE Peet's

83.2%
responsibly sourced coffee[1]

Sales by segment (EUR mn)

4,717 Europe
2,030 LARMEA
1,257 PEET'S
796 APAC

Present in
100+
markets

Number 1 or 2 position in
40
markets

These markets generated
72%
of total sales

40.5%
women in leadership positions

21,689
employees

104
nationalities

45
facilities
in
24
countries

73
active projects with smallholder farmers

[1] Responsibly sourced green coffee covered by a sustainability scheme recognised by the coffee industry, such as the Global Coffee Platform (GCP) Equivalence Mechanism, including, Enveritas, Rainforest Alliance, 4C, Fairtrade, etc. As used in this Annual Report, a product or material which is "responsibly sourced" means that such product or material satisfies the applicable definition contained in the section accounting policies of the Annual Report.

€ 8.8bn
Total sales

5.3%
Organic sales growth

€ 7.2bn
In-Home

€ 1.6bn
Away-from-Home

SALES AND ADJUSTED EBIT SPLIT BY SEGMENT

Segment	Sales (EUR million)	Organic change	Adj EBIT (EUR million)	Organic change
Europe	4,717	0.5 %	1,041	4.3 %
LARMEA	2,030	21.2 %	223	25.3 %
Peet's	1,257	5.7 %	184	23.8 %
APAC	796	1.5 %	143	2.3 %

139bn
Cups served

THE THREE PILLARS OF OUR STRATEGY

Serve more cups
through a relentless focus on attracting customers

Master execution
which fuels our growth from quality and discipline in everything we do

Grow together
by championing an inclusive ecosystem

Our strategy (page 21)

SELECTED SDGs

We are proud to embrace the UN Sustainable Development Goals (SDGs). We operate in and source materials from many markets, and we are committed to their socio-economic development. Our focus on the impact we make along the entire value chain has led us to concentrate on the SDGs as disclosed as part of the double materiality table.

Common Grounds

Our sustainability programme is focused on three pillars and its foundation:

Common Grounds (page 90)

Responsible Sourcing
Fostering thriving agricultural supply chains

Minimising Footprint
Reducing our environmental impact step-by-step

Connecting People
Engaging our employees and our communities

Upholding Standards

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INTRODUCTION

2024 KEY HIGHLIGHTS

Q1

- JDE Peet's successfully completed the acquisition of Maratá's coffee & tea business in Brazil. The acquisition complements JDE Peet's existing portfolio of brands predominantly sold in the southern regions of Brazil, and increases the company's scale and national coverage in Brazil, a market which offers compelling prospects for both volume and value growth.

- JACOBS launched its largest brand restage in recent history with the "Find Your Wunderbar" campaign. This initiative is designed to engage and excite consumers globally, featuring a large-scale communication campaign along with refreshed packaging design and visual identity. JACOBS is also the first brand to support JDE Peet's Sourcing for Better claim on the front of the pack, aiming towards 100% responsibly sourced green coffee by 2025.

- In North America, we expanded our premium coffee portfolio as we entered into a long-term global license agreement to manufacture, market and sell Caribou-branded consumer and foodservice coffee products.

- Senseo advanced its sustainability journey by introducing its most eco-friendly appliance yet, featuring 37% bio-based materials from recycled plant oil waste, across several European markets.

- In Great Britain, we expanded our partnership with Costa Coffee. JDE Peet's will now produce, distribute and sell Costa Coffee aluminium capsules, driving future growth in this key market.

- Pickwick extended its Superblends range with the aim of growing premium tea, responding to consumers who are increasingly seeking products with health benefits and a growing focus on mental well-being.

Q2

- JDE Peet's reinforced its commitment to sustainability by adopting newly validated near-term and net-zero Science Based Targets initiative (SBTi) goals. This means we commit to target further reductions in greenhouse gas (GHG) emissions and specific Forest, Land, and Agriculture (FLAG) emissions by 2030.

- Peet's unveiled the Bright Collection, crafted to appeal to younger consumers by offering a lighter yet vibrant flavour profile that is full of taste. The launch features two new blends, Off the Grid and Suncatcher, both available in bags and K-cups.

- We launched an initiative across our brands Gevalia, Marcilla and JACOBS, showcasing carefully selected and roasted beans from specific origins to create distinctive blends that represent a unique taste experience. This innovation, aligned with each brand's identity, drives growth and fosters creativity across both global and local brands.

- Pickwick's initiative to remove plastic overwraps in the Netherlands will save 111 tonnes of plastic globally each year, advancing our efforts to improve packaging in support of our sustainability strategy.

- JDE Peet's received its first-ever rating from Ecovadis. We landed straight into the top 1% of 130,000 companies assessed. This rating marks a strong recognition of our sustainability strategy and execution.

- In our Soluble Mixes category, we launched a new format in the UK, Ireland, and Australia, driving premiumisation and attracting a new generation of consumers, while promoting sustainability. An inspiring partnership with Cadbury adds excitement, differentiation, and strengthens our taste credentials.

- Moccona launched a new brand campaign 'Destiny' in Australia and New Zealand. 'Destiny' brings to life the brand's timeless romance with a little bit of magic by inviting coffee lovers to explore Moccona's rich heritage through a story of fate.

Q3

- S&P CSA, a leading ESG ratings provider, upgraded JDE Peet's ESG rating to the top 95th percentile within the food subindustry.

- JDE Peet's introduced the first-ever fully recyclable at-home paper refill pack for soluble coffee, marking a significant step in reducing our environmental impact. This innovative paper pack achieves a 97% reduction in packaging compared to the 200g glass jar per gram of coffee, drastically minimising material use. It also delivers 71% lower CO_2e emissions compared to the 150g plastic refill pack and 98% less CO_2e emissions than 200g glass jars. The paper-based refills for JACOBS, L'OR, Kenco, Gevalia, Friele, and Douwe Egberts have been launched across more than 17 markets.

- Peet's launched an Ultra Coffee Concentrate for the at-home barista. Peet's became the first major brand to enter the ultra-concentrated space. Ultra Coffee Concentrate provides better convenience and versatility without sacrificing taste.

- We extended the use of on-site solar panels at our Wuxi site in China, with more planned for our Johor site in 2025. The project is designed to cover ~20% of the plant's annual power consumption, delivering 210 MWh of sustainable electricity and reducing CO_2e emissions by 1.2kt annually.

- Senseo partnered with design brand Blond Amsterdam to launch a limited-edition appliance and matching tableware collection, uniting two iconic names well-known by Dutch consumers.

- JDE Peet's ESG rating was significantly raised within the 'Prime Status' by the ESG rating agency ISS, placing us in the first decile of our industry group of 235 companies and reflecting the highest rating in the Food Products industry.

Corporate ESG Performance
Prime
RATED BY ISS ESG

- L'OR Espresso entered into a new global partnership with Ferrari. The partnership between these two iconic brands is fuelled by shared values such as passion and exquisite craftsmanship. This partnership has inspired the introduction of the L'OR Passione Rossa collection, including capsules, whole beans and a L'OR Barista espresso brewer.

Q4

- Rafael Oliveira, a seasoned FMCG industry executive, was appointed CEO to drive growth and value creation.

- JAB acquired 86 million shares in JDE Peet's from Mondelēz and distributed 43 million of them, increasing the company's free float from 23% to 32%. This 43 million shares represent 9% of JDE Peet's total share capital.

- JDE Peet's expanded its global fight against coffee-related deforestation by signing Memoranda of Understanding (MOUs) with Peru, Honduras, Rwanda, Burundi, and Vietnam. These agreements support smallholder farmers' market access under the EU Deforestation Regulation (EUDR) and enhance coffee's climate resilience, ensuring continued access to diverse, high-quality products. Previous MOUs include Ethiopia, Papua New Guinea, Tanzania, and Uganda.

- Tassimo launched best-selling products in larger multipacks across the UK, France, Germany, Spain and Austria, enhancing affordability and reducing consumer's out-of-stock issues. Tassimo also extended its brewer-friendly range with the addition of two A+ energy models, Happy and Style, made with up to 60% recycled plastic.

- Under our Health and Indulgence programme, OldTown relaunched its top two variants, Classic and Hazelnut, with reduced sugar, fat and calories, while maintaining the same great taste.

LETTER TO OUR STAKEHOLDERS

Rafa Oliveira

"Strong, broad-based performance amid a challenging environment"

Dear Reader,

I am honoured to write this first letter as the CEO of JDE Peet's and I am excited to lead this company into its next chapter of value creation. Building on our strong heritage, global presence, and passionate team, I look forward to driving sustainable, profitable growth while navigating an ever-evolving landscape.

We are pleased with our overall progress and performance in 2024—a year marked by significant green coffee inflation and geopolitical instability. In this complex environment, we delivered strong financial results—exceeding our increased targets across topline, profitability and free cash flow.

Our ability to successfully navigate these challenges underscores the strength and resilience of the coffee category—a category that remains deeply embedded in daily routines, resilient to economic fluctuations, and rich with opportunities for innovation and premiumisation. Coffee also remains one of the most sustainable beverage choices, with one of the lowest carbon footprints and a profound global impact, supporting the livelihoods of over hundred million people worldwide.

CAPTURING GROWTH IN A RESILIENT CATEGORY

Coffee consumption has demonstrated a very steady growth path over the decades, reinforcing its status as a very affordable product and one of the cheapest good-for-you drinks at home, after tap water. For many, coffee is part of their daily repertoire and offering an affordable luxury with strong emotional resonance.

As the world's largest pure-play coffee company, JDE Peet's is uniquely positioned to capture growth and create value in this thriving category. Our diverse portfolio – spanning international and local brands, premium and mainstream offerings, and all major coffee & tea formats – provides us with unmatched presence across geographies and channels. This scale and reach enable us to capitalise on global trends while responding to local consumer preferences.

In 2024, we continued to build on this position, driving growth across product categories, channels and geographies while meeting evolving consumer needs and ensuring sustainable, profitable growth.

INNOVATION CREATING VALUE FOR CONSUMERS AND CUSTOMERS

Innovation remains central to our strategy, enabling us to meet evolving consumer needs while increasing the value of every cup. In 2024, we launched a range of new products that exemplify our commitment to quality, sustainability, and adaptability.

L'OR Espresso entered into a global partnership with Ferrari, leading to the introduction of the L'OR Passione Rossa collection—a premium range of capsules, whole beans, and a L'OR Barista espresso brewer—rolled out across more than 25 markets, and driving a 40 basis point market share increase in L'OR capsules.

In the US, Peet's became the first major brand to launch an Ultra Coffee Concentrate, designed for at-home baristas combining convenience with exceptional taste in one bottle. Early results show strong traction, exceeding expectations.

We also introduced the world's first fully recyclable paper refill pack for soluble coffee, reducing packaging materials by an impressive 97%, and significantly reducing CO_2 emissions. This innovation was launched in 17 markets, with at least five more to follow in 2025.

And to expand coffee consumption occasions in Asia, OldTown is launching a Hot & Cold range in premium instant mixes for consumers who prefer cold coffee at certain occasions during the day.

These innovations demonstrate how we leverage our scale, expertise, and consumer insights to introduce relevant, high-value offerings that strengthen brand equity, and drive profitable growth and superior cash flow generation.

Looking ahead, we see significant revenue and cost synergies that can be unlocked by replicating successful product propositions across markets with similar brand fundamentals—using proven blueprints while fine-tuning for local preferences.

SUSTAINABILITY IS DRIVING IMPACT AND INNOVATION

Sustainability remains at the heart of our business strategy, deeply integrated into our approach to innovation, enhancing trust, and helping securing the future of coffee & tea. Through our Common Grounds programme, we made significant progress in 2024:

- Responsible sourcing: 92.4%[2] of our green coffee is now responsibly sourced.
- Carbon footprint reduction: We reduced our Scope 1 & 2 emissions by 31% compared to 2020, supported by ongoing operational improvements and our new SBTi targets.
- Sustainable packaging: 79% of our packaging is now reusable, recyclable, or compostable, and we continue to push the boundaries of material reduction and circularity.

These achievements put us on track to reach our long-term targets, and earned us a place in the Dow Jones Best-in-Class World Index, where we hold the highest ranking among all food companies included. Building on this momentum, we will continue to invest while further integrating sustainability into our brands, consumer engagement, and customer relevance.

PEOPLE ARE AT THE HEART OF OUR SUCCESS

Everything we have achieved in 2024 has only been possible thanks to the dedication, passion and hard work of our talented team. JDE Peet's is fortunate to have so many people with an exceptional depth of knowledge and expertise—assets that are challenging to replicate and which serve as a key competitive advantage. Our progress is a testament to this, and to the brand passion, expertise, and resilience of our people. Across the organisation, we are fostering a culture of engagement, agility, and accountability, enabling us to adapt quickly to consumer and customer needs as well as broader market dynamics.

In 2024, we continued to strive for a more diverse, equitable and inclusive organisation and have achieved remarkable results with, among others, a gender pay gap[3] of less than 1% and female representation in leadership positions of 40.5%. We were also honoured to receive the 2025 Catalyst Award for advancing workplace inclusion and gender equity.

This recognition highlights our progress, including increased female representation across senior leadership since 2021, driven by tools such as our DE&I Maturity Model and Activation Toolkit.

PRIORITIES FOR 2025: SHARPENING FOCUS, ELEVATING RETURNS

Looking ahead, we remain focussed on driving sustainable, profitable growth while enhancing agility, and fostering an ownership culture. For 2025, our key priorities to accelerate value creation include:

1. Maintaining strict pricing discipline to offset record-high green coffee inflation while sustaining competitiveness.
2. Unlocking efficiencies to fund brand investments and drive future growth and profitability.
3. Being highly selective and rigorous in our capital- and resource allocation to prioritise the most promising opportunities.
4. Reinvigorating an organic growth mindset, increasing agility and fostering an ownership culture.
5. Enhancing shareholder value creation, leveraging strong free cash flows and very disciplined capital allocation to drive higher returns to shareholders.

Further details on our strategic direction and progress will be shared at our Capital Markets Day on July 1, 2025.

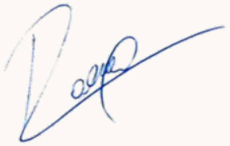
Our strong performance in 2024 positions us well for 2025 and beyond but, at the same time, there is still a lot to do. While green coffee prices are expected to remain high, the category's resilience remains intact, and we know what our priorities are to drive growth, protect gross profit and deliver strong free cash flow to create long-term value for consumers, customers, and shareholders alike.

THANK YOU

The first few months of my onboarding have only strengthened my belief in the power of this company—its people, its brands and the opportunities ahead. It is a privilege to lead such a purpose-driven organisation in a category full of opportunities and potential.

I would like to extend my sincere gratitude to our employees, customers, suppliers, shareholders, agencies and all other stakeholders in our ecosystem for being an essential part of this incredible story. Your passion and commitment drive our success, and I look forward to the exciting journey ahead.

Sincerely,



Rafa Oliveira
Chief Executive Officer

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2 Excluding Maratá acquisition
3 Adjusted for criteria such as experience, role type, performance, location, and grade that may legitimately influence pay differences and are not linked to gender

BRAND HIGHLIGHT

L'OR LIVES TO UNLEASH PLEASURE

€1B+
retail sales value worldwide

#1
retail coffee brand in France

sold in
50+
markets

Created in France in 1992, L'OR has consistently pursued the ambition of offering the finest coffee in the world. In 2016, L'OR transformed the market with its premium aluminium capsules and exquisite blends, marking significant growth and geographical expansion.

Today, L'OR is a billion-euro brand, available in over 50 markets worldwide, and the leading retail coffee brand in France. The brand captivates coffee enthusiasts globally with rich flavours and aromas for immersive sensory experiences.

In 2024, JDE Peet's proudly unveiled a global partnership with Ferrari Hypercar, marking the next chapter in the brand's growth. L'OR Espresso joined Ferrari in the FIA World Endurance Championship (WEC), including the iconic 24 Hours of Le Mans.

This partnership, rooted in shared passion and craftsmanship, will showcase L'OR Espresso across Ferrari's WEC platform, with bespoke content and activities celebrating the intensity of racing and coffee.

The collaboration is celebrated with the global launch of the Passione Rossa coffee and brewer collection.

In its pursuit of delivering elevated consumer experiences, L'OR has introduced a new range of Indulgent Instant Mixes in Brazil and Australia. Additionally, the launch of a recyclable instant paper refill pack reinforces L'OR's commitment to sustainable packaging.

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WHO WE ARE

OVER 270 YEARS OF EXPERIENCE

For more than 270 years, we have been inspired by the belief that it's amazing what can happen over a cup of coffee or tea. Egbert Douwes founded his first coffee outlet in 1753 in Joure, the Netherlands. Over a century later, in 1895, Johan Jacobs opened his first grocery business in Bremen, Germany. And then in 1966, Peet's Coffee® was founded in Berkeley, California by Alfred Peet, with rich, complex, superior quality roasts unlike anything ever tasted before. Today, we are the world's leading pure-play coffee & tea company, providing customers and consumers with coffee & tea in more than 100 markets through a portfolio of over 50 brands, including L'OR, Peet's, JACOBS, Senseo, Tassimo, Douwe Egberts, OldTown, Super, Pickwick and Moccona.

OUR PURPOSE

WE ARE POWERED BY OUR PURPOSE

Unleash the possibilities of coffee & tea to create a better future

It's amazing what can happen over a cup of coffee or tea

OUR VALUES

DISCIPLINE

We stay focused on what matters and build our mastery when we do the right things in the right way

SIMPLICITY

We choose the most straightforward paths to achieve our desired outcomes

ACCOUNTABILITY

We take responsibility for our actions and ownership of our results

SOLIDARITY

Together we make a bigger difference, building trust and unity around shared interests

ENTREPRENEURSHIP

Ensures we win the freedom to create and pursue more opportunities by staying agile, moving fast and resisting unnecessary bureaucracy

OUR CULTURE

OUR BEHAVIOURS ARE VALUE-BASED AND SHAPE OUR CULTURE

Our company's values shape our culture and are the guiding principles that drive our business, impacting the employee experience and our relationships with customers and other stakeholders. Setting us apart in the industry, we proudly champion coffee democracy, offering a coffee or tea for every cup.

Embracing an entrepreneurial mindset, we are role models for our values and hold ourselves and others accountable to the highest standards, while actively seeking an outside-in perspective. Our progressive outlook and ambitious nature drive us to challenge the status quo, maintaining simplicity and a can-do mentality.

Our culture is diverse, equitable, and inclusive, ensuring that all employees can thrive, regardless of their background or unique differences. In this high-performance culture, our employees are highly engaged. We believe in growth in a compliant and sustainable manner, because growth is not only for today, it is also for future generations.

OUR BRANDS

Wherever you are in the world, you can enjoy one of our brands. Our unique portfolio is built upon a rich history and is deeply rooted in the local heritage of the coffee & tea culture in which we operate.

Our brand portfolio allows us to offer coffee & tea to everyone, no matter who they are, where they are, or what their preferences are, by covering different price points, taste preferences and drinking occasions.

Our brands bring people together, creating moments of connection and enjoyment, and providing energy and sensory experiences. They give people the freedom to express their individuality and the power to transform themselves because we know amazing things can happen over a cup of coffee or tea.

We use a distinctive brand-building model to develop meaning and communications for our brands, so that they meet the needs of our consumers.

THE ROOTS OF A SELECTION OF OUR BRANDS

Our global brands are large players operating in multiple markets, with one meaning and one global execution.

Our regional heroes have an international footprint with local nuances. These local nuances are based on cultural drinking habits, the stage of category development, and brand heritage.

Our local jewels are iconic in their local market. These brands leverage local culture and heritage, and are of true significance in their home country.

BRAND HIGHLIGHT

BRINGING PEOPLE CLOSER TOGETHER SINCE 1753

#1
brand in the Netherlands (market share)

#1
in awareness in the Netherlands

In 1753, Egbert Douwes and his wife Akke Thijsses opened their grocery store De Witte Os in Joure, the Netherlands, laying the foundation for today's Douwe Egberts.

Through the years, Douwe Egberts has been the only coffee brand that understands what drives Dutch people, by being connected to Dutch society and embedded in Dutch communities. Today, Douwe Egberts is synonymous with a sense of community - whether it is the comfort of a family gathering, a cosy catch up with a friend, or a moment of connection with a neighbour, Douwe Egberts has been making it happen over a cup of coffee for centuries.

Consistently delivering on these moments has earned the brand its association with the comforting qualities of good coffee and good people: warmth, character and the ability to connect with others. There is no other moment that reflects this better than Douwe Egberts Burendag - a day where neighbours across the country are encouraged to meet and connect over a cup of coffee.

Launched in 2006, Burendag has grown to become a Dutch tradition. One that celebrates the quintessential symbol of people coming together. In 2024, Douwe Egberts Burendag saw a record-high number of registrations, with over 9,200 neighbourhoods in the Netherlands participating.

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EXTERNAL TRENDS AND DEVELOPMENTS

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 overall inflation—and the resulting financial pressure on consumers—has been steadily normalising from its elevated levels, green coffee prices have faced sharp increases, creating ongoing challenges. After seeing a further normalisation of the balance between In-Home and Away-from-Home consumption in the aftermath of the pandemic, we are now observing a reverse trend, with In-Home consumption rising as remote workers invest in new coffee machines to recreate the coffee shop experience at home. This also reflects efforts to save money as inflation persists and budgets tighten.

Additionally, coffee is gaining popularity among Millennials and Gen Z, who prioritise convenience and show a strong interest in sustainable, ethically produced products. 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.

The heritage of brands provides trust, connection and familiarity, particularly in times of stress and uncertainty.

PURCHASING POWER

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. While 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.

With our brand portfolio covering all segments, we have a coffee or tea for everyone.

SUSTAINABILITY AWARENESS

Consumers are increasingly aware of the impact their choices have on the environment and the well-being of others, leading them to select options that are more sustainable. This can include 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, particularly on greenhouse gas emissions, human rights, health and safety, waste management and deforestation.

Through our Common Grounds sustainability programme, we directly respond to the growing focus on sustainability.

COFFEE CONSUMERS EMBRACE PREMIUM AND VALUE TRENDS

Consumer preferences in coffee & tea are increasingly fragmented, with growing demand for both premium offerings and value propositions, coinciding with a decline in the mid-range market. This polarisation highlights opportunities at both ends of the pricing spectrum and underscores the importance of the brand experience, making meaningful innovation vital for future success.

We have evolved our growth strategy to expand our single-serve, premium instants and whole-bean coffee subcategories to respond to changing consumer tastes and preferences, while simultaneously addressing affordability by offering value packs.

GLOBAL CONSUMER CONCERNS

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. Our brands are ideally positioned to support consumers craving familiarity, connection and trust during difficult periods. Across the globe, they have long been a sign and symbol of home, and now, more than ever, home is a sign and symbol of safety, connectedness, and a safe harbour for consumers.

Our brands provide trust and offer a moment of calm, mindfulness, and connection at a time where negative feelings continue to feed stress and anxiety.

CAFÉ CULTURE IS HERE TO STAY

The café culture has undergone a global expansion in recent years, which has not only increased the consumption of coffee & tea, but also created new consumer touch points. We are utilising these touch points to introduce consumers to new and different tastes, textures and concepts, expanding brand awareness and building stronger consumer relationships. We believe the café culture is complementary to, and supports, our In-Home strategy, and can lead to consumers purchasing additional products through different channels, such as their favourite coffee chain-branded beans online, with consumers clearly demonstrating that they are prepared to pay more for what they perceive as an elevated experience.

As part of our growth strategy, we are successfully increasing the household penetration of Peet's in the United States.

EMERGING MARKETS, EMERGING GROWTH

As global prosperity continues to improve, consumers in emerging markets are developing a taste for the coffee experience, with coffee becoming a lifestyle choice. We see that our emerging markets are growing at roughly twice the pace of our developed markets, evidenced by our continued growth in China. The total spend on coffee is accelerating and we expect this to continue, driven by increased coffee consumption overall and an increased share of the Away-from-Home business. This shift will likely attract large coffee chains to urban areas in these markets.

We are increasing exposure to, and driving growth in, emerging markets as part of our growth strategy, directly capitalising on this emerging trend.

E-COMMERCE AND COFFEE GO HAND-IN-HAND

Selling coffee online was on the rise even before the pandemic, but an increased demand for products online also leads to growth in online coffee sales. E-commerce allows consumers the ease of buying their daily cup and the ability to find speciality and premium coffee products that they might not otherwise have access to, and, post-pandemic, people continue to enjoy coffee at home.

Through e-commerce, we are increasing the number of cups we serve, bringing our coffee to everyone at home.

CONSUMER CENTRICITY POWERED BY DATA

Access to consumer data delivers a competitive advantage in consumer product categories. Combined with AI-driven models, other data analytics techniques, and social monitoring, we are able to identify consumer trends and shifts in consumer behaviour. Trends enable us to better predict what will be important in the future. This data-driven consumer focus enhances our brand presence across touchpoints—communication, packaging, product innovation, and the shopping experience—while driving category growth across channels.

By focusing on consumer centricity and innovating our brands, we can provide consumers with the right products, at the right moment.

HEALTH AND NUTRITION

There is a shift towards healthier lifestyles, which impacts the products consumers buy. Consumers are looking for products to better help them achieve a balanced diet, and we continue to see ongoing attention from both consumers and policymakers on products with elevated levels of fat and sugar. While drinking coffee & tea in moderation is part of a healthy lifestyle, and consumers appreciate that coffee & tea can provide nutritional and health benefits, we seek to protect our healthy nutritional heritage as consumer trends adapt, developing new beverage segments with higher nutritional values and offering decaf variations to respond to the increasing demand for caffeine-free options.

Through our Health and Indulgence programme, we continue our heritage of proposing healthier alternatives without compromising consumer preferences.

BRAND HIGHLIGHT

STIMULATING PROSPERITY SINCE 1895

#1
Retail coffee brand in Germany

#1
in 22 out of 42 markets

€1.7B+
retail sales value worldwide

Coffee drinkers have delighted in the wonderful aroma of JACOBS for more than 125 years. During that time, we have been powered by the original mission of our founder Johann Jacobs: to deliver only the best coffee at reasonable prices for all.

Today, JACOBS is a globally trusted coffee companion for millions of consumers, earning us a leading position in 42 markets. With innovative products in ground, whole beans, instant, mixes and pods, JACOBS truly offers a coffee for every cup.

In 2024, JACOBS embarked on its most significant brand restage in recent history, introducing an enhanced visual identity, a cohesive tone of voice, and a comprehensive 360° global marketing campaign.

The large-scale international communication campaign, "Find your Wunderbar", is designed to excite consumers by highlighting the opportunity to discover the wonderful all around you that is just waiting to be noticed. Backed by significant investment to secure a scalable presence and address diverse consumer needs, the campaign surpassed all advertising benchmarks, achieving over 80% reach in key markets.

To further elevate our portfolio, and inspired by our appreciation for the mastery of coffee, JACOBS launched several milestone innovations in 2024. Such as the JACOBS Recyclable Paper Refill — demonstrating JACOBS' ongoing commitment to a sustainable future for everyone touched by coffee, JACOBS Origin Fusions premium beans range, and JACOBS partnership with Cadbury to celebrate frothy café style mochas.

JACOBS. Find your wonderful. Find your Wunderbar.

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STRATEGY AND VALUE CREATION

OUR VALUE CREATION STORY

OUR PURPOSE: WE UNLEASH THE POSSIBILITIES OF COFFEE & TEA TO CREATE A BETTER FUTURE

Inputs
WHAT WE DEPEND ON

Financial and manufacturing
- **EUR 23.7 billion** in total assets
- **EUR 330 million** capex in 2024
- **45** facilities across **24** countries
- Investments in growth

Resources
- **3,030,570 kt** of packaging material (33% of renewable sources)
- **2,203,268 MWh** energy use
- **6.2 million** cubic metre water use

Social and relationship
- **> 900** direct material suppliers across 62 countries
- **12.5 million** smallholder farmers in > 70 countries
- **Ongoing stakeholder engagement** along the value chain

Talent
- **21,689** employees of **104** different nationalities
- **40.8%** of all our employees are women
- **15** average training hours per employee

Intangibles
- Owner of the **largest** portfolio of coffee & tea brands
- Our **R&D capabilities** and **intellectual property**

Activities
WHAT MAKES US SPECIAL

Values
ACCOUNTABILITY | ENTREPRENEURSHIP | DISCIPLINE | SIMPLICITY | SOLIDARITY

Combine category focus and scale

Produce widest range of coffee & tea products at highest quality

SERVE MORE CUPS
Attract consumers relentlessly

MASTER EXECUTION
Fuel the growth from quality and discipline

GROW TOGETHER
Champion an inclusive ecosystem

Accelerate inclusive and sustainable industry transformation

Provide differentiated offering through unique portfolio of brands, across different price points and through omnichannel approach

Outputs
WHAT WE DELIVER

- **EUR 8.8 billion** total sales
- **EUR 1,277 million** adjusted EBIT
- **EUR 1,044 million** free cash flow

- **139 billion** cups of coffee
- **96 kt** of waste generated

- **15%** reduction of absolute water withdrawal (versus 2020)

- **83.2%** responsibly sourced coffee

- **100%** responsibly sourced coffee in Europe

- **80%** responsibly sourced tea

- **79%** of our packaging components designed to be reusable, recyclable, compostable

Outcomes
THE VALUE WE CREATE

Financial and manufacturing
- **EUR 8.1 billion** in market cap (31 Dec 2024)
- **Investment-grade** credit ratings
- **EUR 340 million** dividends
- **1.8%** of waste to landfill

Resources
- **31%** reduction in Scope 1 & 2 (baseline 2020)
- **1%** reduction in Scope 3 (baseline 2020)

Social and relationship
- **134,100** smallholder farmers reached in 2024 and **835,000** since 2015
- **40** markets with #1 or 2 market position

Talent
- **<1%** adjusted pay equity-gap
- **High engagement** levels
- Fostering a more **diverse, equitable and inclusive** organisation

Intangibles
- Providing **energy and sensory experiences**
- Creating moments of **connection** and **enjoyment**

OUR STRATEGY

We operate in coffee & tea categories across almost every market in the world, all of which have their own traditions, trends and tastes, making these categories fascinating, complex and fast-moving.

We believe it is vital that we respect this endless diversity by both responding to trends and working to proactively shape consumer tastes and habits, where possible.

To achieve this, we have put in place a strategic framework designed to generate sustainable, inclusive, and profitable growth in the global coffee & tea categories in developed and emerging markets. We believe that such growth will help us create long-term value for customers and consumers, the company and all our stakeholders.

Our strategic framework is built on three pillars:
- Serve more cups through a relentless focus on attracting consumers
- Master execution which fuels our growth from quality and discipline in everything we do
- Grow together by championing an inclusive ecosystem

Our strategic framework is built on three pillars:

Serve more cups
through a relentless focus on attracting consumers

Master execution
which fuels our growth from quality and discipline in everything we do

Grow together
by championing an inclusive ecosystem

SERVE MORE CUPS

Serve more cups is the first pillar of our strategy, where we focus on attracting new consumers by increasing penetration in fast-growing markets and subcategories, by premiumising across categories and geographies, and by increasing our global footprint organically or through partnerships and acquisitions.

To achieve this, our growth strategy targets five areas of opportunity:

1. INCREASING THE HOUSEHOLD PENETRATION OF THE FASTEST-GROWING COFFEE SUBCATEGORIES

The single-serve, whole beans and premium instant subcategories are the fastest-growing segments of the coffee category, but we have yet to exploit their full potential globally. A significant part of our annual investments target these fast-growing segments. Such investments demonstrate our intent to pursue growth opportunities through various offerings and product innovations in both existing and new markets, at different price points and across multiple brands. We will achieve this by building on the strength of our current brand portfolio which enables us to be active in many different markets and to serve the entire spectrum of consumers. Last year, we entered into a long-term Strategic CPG License Agreement with Caribou, strengthening our platform to expand our premium coffee portfolio in North America.

2. INCREASING EXPOSURE TO, AND DRIVING GROWTH IN, EMERGING MARKETS

Emerging markets have seen significant growth in recent years and we expect this trend to continue. We believe that changing consumer trends and preferences in these markets, including an increase in the consumption of coffee & tea and the premiumisation of the coffee & tea categories, present significant growth opportunities. Our growth strategy includes the expansion of sales in existing and new markets, illustrated through our partnerships with Hillhouse in China and Americana in the Middle East. JDE Peet's has maintained a presence in emerging markets across more than 39 countries for many years. During the year, we expanded our scale and coverage in Brazil through the acquisition of Maratá's coffee & tea business.

3. BUILDING DIRECT CONSUMER RELATIONS THROUGH OUR OWN DIRECT-TO-CONSUMER CHANNELS

The pandemic fuelled consumers' online purchasing behaviour, and this is a trend we expect will continue to grow in the coming years. In many regions, we have seen a substantial rise in the number of people working from home, and an ongoing increase in In-Home coffee & tea consumption. Consequently, we are serving more consumers through our proprietary Direct-to-Consumer channels such as peets.com, tassimo.com and lorespresso.com. The growth in direct relationships with our consumers has and will continue to enable innovative new connections and the creation of more personalised offerings.

4. CAPTURING ATTRACTIVE OPPORTUNITIES IN THE OUT-OF-HOME SALES CHANNEL

We have a solid position across the Out-of-Home sales channel and are well positioned to capture new opportunities as the coffee category continues to evolve in the wake of the pandemic. We intend to seize these opportunities by offering full coffee & tea solutions to our customers. This applies particularly to non-commercial customers where coffee solutions are provided as a service. At the same time, we will leverage our portfolio of brands, including Peet's, L'OR and JACOBS, our direct go-to-market approach, and our ability to enhance customer experiences and operational efficiencies through our IT platforms.

5. CAPTURING OUR STAKEHOLDERS REQUEST FOR A 'BETTER' CUP

To remain relevant and competitive while continuing to grow, our product and service portfolio will have to evolve to integrate the sustainability challenges that lie ahead of us. Governments are redefining the boundaries of our right to operate, and we are working to further integrate environmental and social considerations that will positively impact our procurement, manufacturing and distribution practices. Our customers and suppliers are facing similar challenges, and supply chain collaboration is becoming increasingly important if we are to deliver on our sustainability ambitions. Our consumers are scrutinising our engagement towards a better future, and our efforts help create greater trust in our brands. Our investors request resilience and have long understood that financial and non-financial performance are closely linked. And coffee & tea farmers, who are at the heart of our business, deserve a greater future to ensure that every day we continue to enjoy a great cup of coffee & tea that drives economic, social and environmental value. More information on how we are working to create value for society and our many stakeholders can be found in the Engaging our stakeholders section of this report.

MASTER EXECUTION

Master execution, the second pillar of our strategy, drives growth through quality, efficiency and discipline in-store and along our supply chain. Our aspiration is to provide a sustainable and agile supply.

As global supply dynamics evolve rapidly, our supply chain organisation works to anticipate emerging challenges. By optimising our manufacturing network to align with consumer preferences, we continue to invest in our manufacturing facilities and expand our network to support sustained growth.

Current priorities for this strategic pillar include:

1. DRIVING PRODUCT QUALITY PREFERENCE

Our consumers trust the strength of our brands, appreciating the consistent, high-quality experience we deliver across our portfolio. At JDE Peet's, we make a promise not to compromise on product quality. We also remain disciplined in our performance, ensuring that we operate with financial rigour to safeguard profitability and maintain robust cash flows.

2. DELIVERING SERVICE EXCELLENCE ACROSS CHANNELS

In response to shifting consumer preferences and the dynamic landscape across channels, JDE Peet's remains focused on delivering exceptional service in every market and channel we serve. To meet these demands, we continuously work to enhance and optimise our operational network. Alongside this, our supply chain and operations teams are dedicated to ensuring business continuity, safeguarding our ability to meet consumer needs with agility and efficiency.

3. MINIMISING THE ENVIRONMENTAL FOOTPRINT OF OUR OPERATIONS AND SUPPLY CHAINS

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.

GROW TOGETHER

Grow together is the third pillar of our strategy, which focuses on championing an inclusive ecosystem, where all ideas, perspectives and backgrounds are considered. Our sustainability agenda comes to life under Common Grounds, the heart of our sustainability journey and commitment to a better future.

In 2023, we performed our first double materiality assessment as part of our triennial review, helping ensure that we hear the voices of all our stakeholders and determine associated impacts, risks and opportunities. Carrying out a review once every three years lets topics evolve, gives sufficient time to implement actions based on outcomes, and enables the company to align with periodic strategy updates, such as the Value Creation Plan. As part of the three-year cycle, in 2024 we carried out a light review of our double materiality assessment.

More information on our material topics, and how these are addressed through our strategy, can be found in the sustainability statements of this report.

OUR APPROACH

OUR OMNI-CHANNEL APPROACH

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

IN-HOME CONSUMPTION

RETAIL CHANNELS

Offering a high-quality coffee & tea experience at home

Our consumer-packaged goods (CPG) business offers a complete range of coffee & tea products to meet consumer preferences and price partitions, including:

- Instant coffee (pure and mixes)
- Various single-serve formats
- Roast whole beans
- Roast and ground
- Ready-to-drink coffee beverages
- Variety of loose leaf and packaged tea products.

Our CPG business focuses on hypermarkets, supermarkets, traditional trade markets and, in markets where they operate, buying groups.

ONLINE CHANNELS

Convenience, choice and world-class innovation

The sale of coffee & tea through online sales channels experienced another year of growth for almost all of our markets. In recent years, we have invested heavily in this fast-developing channel, and we now offer a wide portfolio direct to consumers through branded direct-to-consumer (DTC) webshops, market places, online platforms and leading third-party retailers.

AWAY-FROM-HOME CONSUMPTION

OUT-OF-HOME

Unique coffee solutions for every occasion

Through our Out-of-Home coffee solutions, we sell or rent a complete range of professional solutions and complementary coffee systems across the B2B sector, from offices, universities and hospitals to restaurants, airports and sports venues. These include:

- Proprietary and unique liquid coffee concentrate technology
- Multi-serve coffee (roast and ground and roast whole beans)
- Various single-serve formats
- Instant coffee (pure and mixes)
- Ready-to-drink coffee beverages
- Variety of tea products.

COFFEE STORES

Introducing new product offerings through coffee stores

At year-end, we had 694 coffee stores in the United States, China, Malaysia, the United Arabic Emirates and Italy under leading brand names, including Peet's, Intelligentsia, Stumptown, OldTown, and 12Oz. Our coffee stores play an important role in serving consumers high-quality fresh coffee & tea, while enabling them to try new product offerings.

Peet's COFFEE

BRAND HIGHLIGHT

THE FUTURE IS BRIGHT

Fastest growing national premium coffee brand

100% responsibly sourced

Peet's Coffee, the beloved brand that started the craft coffee movement in the United States, continues to set a high bar, with its unwavering commitment to offering the highest quality coffee, and its dedication to sustainable sourcing.

For Peet's, 2024 was a year of product expansion and innovation to broaden appeal with new generations of coffee people. Peet's produced the first iteration of the Bright Collection with Off the Grid and Sun Catcher to reach a younger generation. The new roast profiles stay true to Peet's core, while broadening appeal to a wider audience.

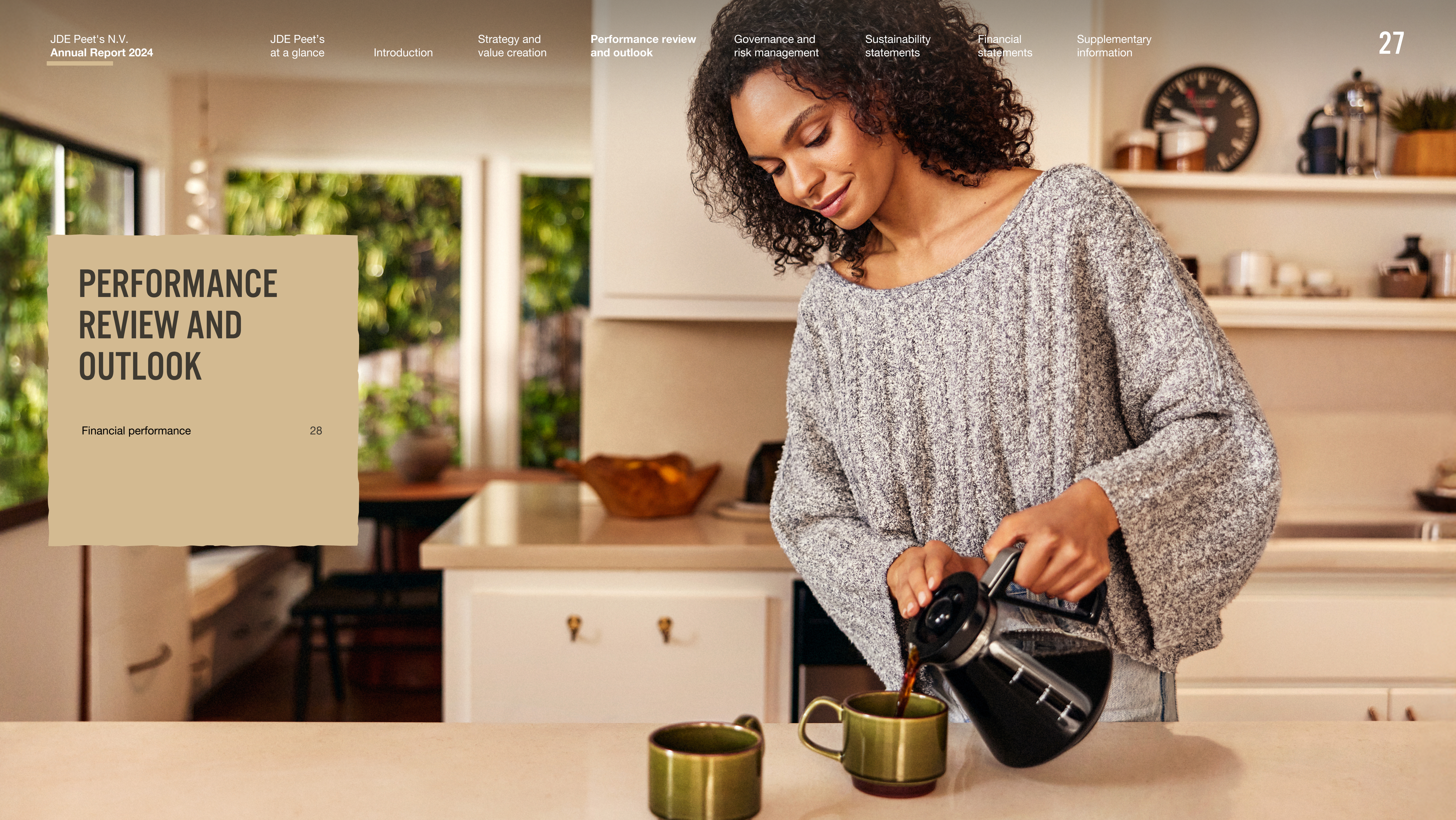
Peet's Ultra Coffee Concentrate is the first ultra-concentrated coffee to be launched by a well-known, national brand.

In retail, Peet's launched a Sparkling platform in summer and Mocktails for the holiday season, both appealing to younger consumers and the afternoon occasion.

The Coffee for Coffee People campaign continues to drive strong brand differentiation, awareness, consideration, traffic, and share growth.

Peet's opened seven new licensed locations, including key airport sites. In the Middle East, franchise partner Americana launched 11 stores.

Back to brands overview



PERFORMANCE REVIEW AND OUTLOOK

FINANCIAL PERFORMANCE

2024 PERFORMANCE

Total reported sales increased by 7.9% to EUR 8,837 million. Excluding a -2.1% effect related to foreign exchange and 4.7% related to scope and other changes, total sales increased by 5.3% organically. Organic sales growth reflects a price effect of 4.5% and a volume/mix effect of 0.7%. Volume/mix sequentially decreased from 1.3% in H1 to 0.2% in H2. In-Home sales increased by 5.6% and sales in Away-from-Home increased by 3.8%.

Total adjusted EBIT increased organically by 10.4% to EUR 1,277 million supported by an organic increase in adjusted gross profit of 6.1%. In FY 24, the organic adjusted EBIT growth improved sequentially from 17.5% in H1 to 2.9% in H2. Including the effects of foreign exchange and scope/other, the adjusted EBIT increased by 13.2%.

Underlying profit - excluding all adjusting items net of tax - decreased by -0.7% to EUR 729 million. This performance was mainly driven by an unfavourable non-tax deductible impact of EUR 154 million from a fair value change in the Company's equity derivatives, due to the decrease in the Company's share price in 2024.

Net leverage was 2.73x (net debt to adjusted EBITDA), despite currency headwinds, with a net debt of EUR 4.3 billion on 31 December 2024.

Our liquidity position remains strong, with total liquidity of EUR 2.7 billion consisting of a cash position of EUR 1.2 billion and an available committed RCF of EUR 1.5 billion.

In EUR million, unless otherwise stated:

	2024	2023
Sales	8,837	8,191
Organic change	5.3 %	
Operating profit	1,056	685
Financial income and expenses	(263)	(143)
Share of net profit / (loss) of associates	(3)	(5)
Income tax expense	(247)	(173)
Net income	543	364
Adjusted EBIT	1,277	1,128
Organic change	10.4 %	
Adjusted EBITDA	1,587	1,426
Reported earnings per share (EUR)	1.15	0.76
Underlying earnings per share (EUR)	1.50	1.51
Net debt	4,329	3,890
Free cash flow	1,044	522
Net leverage ratio	2.73x	2.73x

SEGMENT REVIEW

EUROPE

In EUR million, unless otherwise stated:

	2024	2023[4]	Change	Organic change
Sales	4,717	4,680	0.8 %	0.5 %
Adjusted EBIT	1,041	995	4.5 %	4.3 %

Organic sales growth of 0.5% was driven by an increase in price of 1.3% and a decrease in volume/mix of -0.8% as performances in various European markets were impacted by retaliations during price negotiations with retailers. Notable strong performances were delivered in countries such as the UK, Ireland and the Nordics, and brands including L'OR, Douwe Egberts and Kenco.

Reported sales increased by 0.8% to EUR 4,717 million. Adjusted EBIT increased organically by 4.3% to EUR 1,041 million, reflecting an increase in gross profit and a stable level of A&P.

LARMEA

In EUR million, unless otherwise stated:

	2024	2023	Change	Organic change
Sales	2,030	1,537	32.1 %	21.2 %
Adjusted EBIT	223	158	41.0 %	25.3 %

Organic sales growth of 21.2% was driven by an increase in volume/mix of 3.3% and 17.9% in price. Most markets in LARMEA delivered positive volume/mix while Brazil experienced soft market conditions. Organic sales growth was particularly supported by brands such as Pilão and JACOBS. Maratá has been successfully consolidated and its contribution is in line with the business plan.

Reported sales increased by 32.1%, including a positive scope effect 22.4% related to the consolidation of Maratá, and a foreign exchange of -11.5%. Adjusted EBIT increased organically by 25.3%, reflecting an increase in gross profit, lower A&P requirements for the roll-out of L'OR Barista in the U.S. and a low base of comparison.

[4] Restated for the combination of the segments CPG Europe and Out-of-Home, see note 2.1 of the Consolidated Financial Statements

PEET'S

In EUR million, unless otherwise stated:

	2024	2023	Change	Organic change
Sales	1,257	1,153	9.0 %	5.7 %
Adjusted EBIT	184	141	30.5 %	23.8 %

Organic sales growth of 5.7% was driven by an increase of 5.0% in volume/mix and 0.7% in price. Peet's In-Home business continued to deliver competitive growth across its Peet's, Stumptown, and Intelligentsia brands. In Peet's U.S. coffee stores, same-store sales and ticket size were up, and Peet's China continued to deliver strong double-digit organic sales growth.

Reported sales increased by 9.0%, which included a positive scope effect of 3.3% related to the consolidation of Caribou since 26 March 2024 and a foreign exchange effect of -0.1%. Adjusted EBIT increased organically by 23.8%, driven by strong operational performance, cost efficiencies, partially offset by higher A&P.

APAC

In EUR million, unless otherwise stated:

	2024	2023	Change	Organic change
Sales	796	791	0.7 %	1.5 %
Adjusted EBIT	143	141	1.5 %	2.3 %

Organic sales growth of 1.5% was driven by an increase of 3.8% in price and -2.3% in volume/mix, with solid In-Home performance partially offset by soft performance in APAC's Away-from-Home business. Sales performance was geographically mixed, with solid performances in countries such as China, Australia and the Philippines, partially offset by softer performances in countries such as New Zealand and Malaysia.

Reported sales increased by 0.7%. Adjusted EBIT increased organically by 2.3%, with a stable level of A&P.

NON-IFRS MEASURES

These materials contain non-IFRS financial measures (Non-IFRS Measures), which are not liquidity or performance measures under IFRS® . These Non-IFRS Measures are presented in addition to the figures that are prepared in accordance with IFRS. JDE Peet's use of Non-IFRS Measures may vary significantly from the use of other companies in its industry. The measures used should not be considered as an alternative to profit / (loss), revenue or any other performance measure derived in accordance with IFRS or to net cash provided by operating activities as measure of liquidity. More information on the Non-IFRS Measure adjusted EBIT can be found in note 2.1 of the Consolidated Financial Statements section of this report. Further information on the definitions of these Non-IFRS Measures can be found under the Glossary section in this report. Although the non-IFRS financial measures presented are not measures of financial performance or liquidity under IFRS, JDE Peet's uses these measures to monitor the underlying performance of its business and operations. These measures have not been audited or reviewed by our external auditor. Bridges from the IFRS measures to non-IFRS measures are presented below (in EUR million, unless otherwise stated):

	Reported sales	Adjusting items	Adjusted sales	FX impact	Scope & other	Organic sales
Sales	8,837	—	8,837	168	(380)	8,625

	Gross profit	Adjusting items	Adjusted gross profit	FX impact	Scope & other	Organic adjusted gross profit
GP to organic adjusted GP	3,257	16	3,273	40	(76)	3,237

	Operating profit	Adjusting items	Adjusted EBIT	FX impact	Scope & other	Organic adjusted EBIT
Operating profit to adj. EBIT	1,056	221	1,277	18	(49)	1,246

	Operating profit	Adjusting items	Adjusted EBIT	Adjusted D&A	Adjusted EBITDA
Operating profit to adj. EBITDA	1,056	221	1,277	310	1,587

UNDERLYING PROFIT FOR THE PERIOD

In EUR million, unless otherwise stated:

	2024	2023
Operating profit	1,056	685
Adjusting items:		
- ERP system implementation	16	7
- Transformation activities and corporate actions	60	126
- Share-based payment expense	17	44
- Mark-to-market results	(4)	(39)
- Amortisation of acquired intangible assets and M&A/Deal costs	132	305
Adjusted EBIT	**1,277**	**1,128**
Net financial income/(expenses)	(263)	(143)
Adjusted taxes	(295)	(254)
Adjustments for NCI shareholders	10	3
Underlying profit for the period	**729**	**734**

An overview of the adjusting items can be found in note 2.1 of the Consolidated Financial Statements section in this report.

UNDERLYING EFFECTIVE TAX

In EUR million, unless otherwise stated:

	2024	2023
Reported income tax expense	**(247)**	**(173)**
Reported effective tax rate	**31.3 %**	**32.2 %**
Adjustments:		
Tax reserves, tax audit adjustments and reversals of previous recognised deferred tax assets	(1)	5
Tax effect on adjusting items	(47)	(86)
Underlying income tax expense	**(295)**	**(254)**
Underlying effective tax rate	**29.1 %**	**25.8 %**

OUTLOOK

OUTLOOK 2025

JDE Peet's expects the following for 2025:

- High single-digit organic sales growth
- Low single-digit decline in adjusted EBIT on an organic basis, with delivery second-half-weighted
- Free cash flow of around EUR 1 billion, with delivery second-half-weighted.

Our sustainability outlook is incorporated here in the sustainability statements.

GOVERNANCE AND RISK MANAGEMENT

OUR BOARD OF DIRECTORS

Our company has a one-tier board, which means that the Board of Directors (the Board) is the executive and supervisory body of the company. The executive Director is responsible for the company's day-to-day management. The non-executive Directors supervise and advise the executive Director and oversee the general course of affairs, strategy, operational performance and corporate governance of the company and are responsible for the company's sustainable long-term value creation. Each Director owes a duty to the company to act in the corporate interest of the company and its affiliated enterprise, taking into account the impact the actions of the company and its affiliated enterprise have on people and the environment and, to that end, weighing the interest of all its stakeholders. More information about the responsibilities and functioning of the Board can be found in the Board Rules (as adjusted in 2024).

More detailed biographies of our Board of Directors can be found on JDE Peet's website.

EXECUTIVE DIRECTOR

RAFAEL (RAFA) OLIVEIRA

Brazilian, British (1974), man

Stand in executive Director and CEO
Principal position: CEO JDE Peet's N.V.

First appointed in 2024 (as CEO) and to be appointed in 2025 (as executive Director)

Previous positions: various executive roles, including executive vice president and president of International Markets, including EMEA, APAC, and LATAM, at Kraft Heinz Company; several senior leadership roles at Goldman Sachs Group, including executive director in the Securities division in the United Kingdom and in the Emerging Markets division in Hong Kong. Mr. Oliveira began his career in Brazil, working in the Equity Research divisions at Banco Icatu and Banco BBA-Creditanstalt.

The Board will propose to shareholders to appoint Rafael Oliveira as executive Director of the company at the upcoming AGM on 19 June 2025.

CHAIR OF THE BOARD

PETER HARF

German (1946), man

Non-executive Director and member of the Remuneration, Selection and Appointment Committee

Non-independent

First appointed in 2020, end of current term AGM 2026

Principal position: Chair and Managing Partner at JAB.

Other board memberships: chair of the board of directors of Coty, member of the board of directors of Agnaten SE and Lucresca SE and several JAB controlled companies.

Other positions: founder of Delete Blood Cancer DKMS.

Previous positions: chair of Anheuser-Busch InBev SA/NV, member of the board of directors of Burger King, Keurig Dr Pepper and Rainbow UK Bidco Limited, deputy chair of Reckitt Benckiser, CEO of Coty.

NON-EXECUTIVE DIRECTORS

JOACHIM CREUS

Belgian (1976), man

Non-executive Director

Non-independent

First appointment 2020, end of current term AGM 2025

Principal positions: Managing Partner, Vice Chairman and CEO of JAB.

Other board memberships: non-executive director of several JAB portfolio companies, including Coty, National Veterinary Associates, Independence Pet Holdings and Pinnacle Pet Group.

Previous positions: Senior Partner, General Counsel and Head of Tax at JAB Sarl. Mr. Creus previously held numerous executive roles at several JAB Holding entities. Prior to joining JAB, Mr. Creus served as Tax Director at Siemens and held various legal and tax-related positions at Rödl & Partner and Tiberghien Lawyers.

OLIVIER GOUDET

French (1964), man

Non-executive Director

Non-independent

First appointment 2020, end of current term AGM 2026

Principal position: Senior Investment Advisor of JAB.

Other board memberships: chairman of the board of Krispy Kreme, member of the board of directors of Coty, Panera Brands, Inc., Pret Parent Holding Limited, NVA Management LLC, Sages S.A.S. and several JAB controlled companies.

Previous positions: CEO and Managing Partner at JAB, a position he held from 2012 until 2023, various roles at Mars, Incorporated, including CFO, executive vice president and Group CFO, adviser to the board of directors of Mars, Valeo, chair of the board of Anheuser Busch InBev SA/NV, member of the supervisory board of JAB and member of the board of directors of Bally International A.G.

DENIS HENNEQUIN

French (1958), man

Non-executive Director and member of the Remuneration, Selection and Appointment Committee

Independent

Second term, end of current term AGM 2028

Principal position: founding partner of French Food Capital and a founder of The Green Jersey consulting firm.

Other board memberships: Non-executive director and chair of the remuneration committee of Bakkavör Group plc, non-executive director and member of the remuneration committee of Espresso House, non-executive director of KellyDeli Company Limited and Elior.

Previous positions: partner for Cojean Limited, president and managing director of McDonald's France, president of McDonald's Europe, independent board of director Accor SA, executive director of Accor SA, CEO Accor SA. Member of boards of directors of John Lewis Partnership plc, SSP Group plc and Eurostar International Limited. Chairman of the board of Picard Surgeles SAS, and vice chairman and member of the renumeration committee of Pret A Manger.

ANA GARCÍA FAU

Spanish (1968), woman

Non-executive Director and member of the Audit Committee, Board Sustainability Contact

Independent

First appointment 2022, end of current term AGM 2026

Principal position: non-executive director at Merlin Properties SA (Spain), Gestamp Automation SA (Spain) and Celinex Telecom (Spain).

Other board memberships: non-executive chairperson and chair of the remuneration committee at Finerge SA (Portugal), non-executive director and member of the Audit, Risk and Sustainability Committee of Santalucía Group, SA and member of the board of trustees of Fundación Universitaria Comillas ICAI.

Previous positions: CEO of Yell for the Spanish and Latin American businesses before expanding her role to the US Hispanic market, chief corporate development officer and CFO of TPI (Yellow Pages & Digital businesses) at the Telefónica Group, member of the board and member of the audit and risk committee of Eutelsat Communications SA and Technicolor SA (France), DLA Piper LLP (UK) and Globalvia SAU (Spain).

STUART MACFARLANE

British (1967), man

Non-executive Director and chair of the Audit Committee

Independent

Second term, end of current term AGM 2028

Principal position: non-executive director and member of the audit committee and compensation committee of NOMAD Foods Europe Limited.

Previous positions: various senior roles at Anheuser-Busch InBev SA/NV, managing director, Ireland, president of AB InBev UK and Ireland in 2008, president Central and Eastern Europe based in Moscow of the global executive board, Whitbread Beer Company (later acquired by Interbrew SA/NV). Most recently served as Anheuser-Busch InBev's president, Europe and Middle East from 2014 to 2019.

AILEEN RICHARDS

British (1959), woman

Non-executive Director, Lead Independent Director and chair of the Remuneration, Selection and Appointment Committee and member of the Audit Committee

Independent

Second term, end of current term AGM 2028

Principal position: independent non-executive director on several boards, including Pret A Manger and Samworth Brothers (Holdings) Limited.

Other board memberships: non-executive director and Chair of the Welsh Fire (the Hundred Ltd) and non-executive director of the Welsh National Opera Ltd.

Previous positions: senior executive and executive vice president at Mars, Incorporated, responsible for the human resources strategy, led Mars Global Services (Mars IT, Mars Financial Services and Mars Associate Services), various senior international roles in procurement and manufacturing at Mars, Incorporated. Independent non-executive director of Mars Nederland B.V.

PAULA LINDENBERG

Brazilian (1975), woman

Non-executive Director and member of the Remuneration, Selection and Appointment Committee

Independent

First appointment 2022, end of current term AGM 2026

Principal position: managing director of Diageo in Brazil.

Previous positions: Unilever, Johnson & Johnson and AB InBev, multiple brand and category leadership roles at AB InBev in Brazil, lead global insights in New York. Following this, chief marketing officer of AB InBev in Brazil, president of AB InBev for the UK, Ireland and Spain.

PATRICIA CAPEL

Brazilian (1972), woman

Non-executive Director

Non-independent

First appointment 2023, end of current term AGM 2027

Principal position: Partner at JAB.

Other board memberships: member of the board of directors of Panera Brands, Inc., NVA Management LLC, Espresso House AB, Independence Pet Holdings, Inc. Pinncale Pet Group Limited, Krispy Kreme, Inc., Pret Parent Holding Limited and several JAB controlled companies.

Previous positions: 25 years at AB InBev and Ambev in numerous roles, most recently led commercial operations in Chile, Bolivia and Paraguay. Extensive global experience including in the United States, Russia, Latin America, Belgium and Canada. Also held positions at PwC and Cargill Agricola.

FRANK ENGELEN

Dutch (1971), man

Non-executive Director and member of the Audit Committee

Non-independent

First appointment 2020, end of current term AGM 2025

Principal position: Managing Partner and CFO of JAB.

Other board memberships: non-executive director of several JAB portfolio companies including National Veterinary Associates, Independence Pet Holdings and Pinnacle Pet Group.

Previous positions: Partner at PwC for more than 15 years, five of which he served as a member of the Management Board of PwC Netherlands responsible for the Advisory business, and two of which he served as director and member of the Executive Board of PwC Europe.

REPORT OF THE NON-EXECUTIVE DIRECTORS

INTRODUCTION

This report provides further information on the way we performed our duties in 2024.

We strive to create a culture that contributes to the long-term value creation of the company, and it is our responsibility to adopt common values focused on sustainable long-term value creation.

CHANGES TO THE COMPOSITION OF THE BOARD

At the AGM held on 30 May 2024, Luc Vandevelde, Aileen Richards, Denis Hennequin and Stuart MacFarlane were reappointed as non-executive Directors of the company.

Fabien Simon stepped down as executive Director and CEO on 1 April 2024, and was succeeded by Luc Vandevelde as Interim CEO. On 25 May 2024, Luc Vandevelde was appointed as Chair of the Board, succeeding Olivier Goudet, who stepped down as Chair but continued to serve as a non-executive Director.

Due to unforeseen personal circumstances, Luc Vandevelde stepped down from his positions as Interim CEO and Chair of the Board on 12 August 2024. Following his departure, Scott Gray, the company's CFO, assumed the role of Interim CEO, and Peter Harf assumed the role of Chair of the Board.

Rafael (Rafa) Oliveira was appointed as CEO and stand-in executive Director effective 1 November 2024. His formal appointment as executive Director is subject to shareholder approval at the company's upcoming AGM on 19 June 2025. On 29 November 2024, Mondelēz-nominated Directors Laura Stein and Jeroen Katgert resigned from their positions as non-executive Directors of the company, following Mondelēz's transfer of all its shares in the company to Acorn.

MEETINGS AND ACTIVITIES OF THE BOARD

ATTENDANCE

In 2024, the Board held 11 meetings, four of which were convened on an ad hoc basis to discuss topics such as interim leadership transitions and the proposed appointment of the new CEO. The (interim) CEO attended all Board meetings. Other members of the Executive Committee, as well as certain other members of the senior Leadership Team, were invited to give presentations to the Board. The non-executive Directors held several meetings without other attendees to independently review and discuss certain matters. The Board members had contact with various levels of the company's management to ensure that they remained well-informed about the company's operations.

The non-executive Directors attended all Board meetings in 2024 with only a few exceptions each of which was due to valid reasons. An overview of the individual attendance at Board and Committee meetings is set out below. All non-executive Directors dedicated adequate time to ensure sufficient attention to the company's business.

Non-executive Directors*	Attendance at Board meetings	Attendance at Audit Committee meetings	Attendance at Remuneration, Selection and Appointment Committee meetings
Aileen Richards	11/11	6/6	4/4
Stuart MacFarlane	11/11	6/6	
Peter Harf	10/11		4/4
Joachim Creus	9/11		
Olivier Goudet	11/11		
Frank Engelen	9/11	6/6	
Ana García Fau	8/11	6/6	
Denis Hennequin	11/11		4/4
Paula Lindenberg	10/11		2/2
Patricia Capel	11/11		
Luc Vandevelde	6/7	4/4	2/2
Jeroen Katgert	10/10	4/5	
Laura Stein	10/10		3/3

* The attendance rate has been calculated based on the period during which the non-executive Directors served on the company's Board.

BOARD FOCUS AREAS

In 2024, the Board and its two committees, the Audit Committee and the Remuneration, Selection and Appointment Committee, undertook a year marked by significant reflection, action, and strategic decision-making. Below are the primary areas of focus during the year, highlighting the company's commitment to ensuring continuity, driving strategic growth, and addressing emerging risks.

LEADERSHIP TRANSITIONS AND SUCCESSION PLANNING

Leadership changes were at the forefront of the Board's activities in 2024, culminating in the appointment of a permanent CEO, after an interim period under two predecessors. These transitions prompted the Board to focus on:

- **Succession planning across leadership roles:** The Board conducted a comprehensive review of succession strategies for critical positions, ensuring alignment on people, leadership, and retention planning.
- **Role clarification and governance during interim leadership:** The Board assessed its responsibilities in periods of interim leadership, focusing on the oversight of operational priorities while considering how it could best manage and retain talent to ensure strong leadership continuity.

STRATEGIC GROWTH AND RETROSPECTIVE ANALYSIS

The events of 2024 provided the Board with an opportunity to review the company's strategic foundations and chart its trajectory for future growth.

- **Consumer behaviour and market trends:** The Board conducted deep dives into evolving consumer preferences, particularly changes observed during and post COVID-19. This included assessing the balance between In-Home and Out-of-Home consumption and exploring the position of tea within the broader portfolio.
- **Innovation:** The Board continued to oversee efforts to drive innovation across packaging, products, and operations to respond to evolving consumer tastes and preferences and customer needs, while simultaneously addressing affordability and expanding the range of more sustainable and healthier options available to consumers.
- **Geographical footprint and brand portfolio:** The Board conducted a comprehensive review of the company's geographical strategy and brand positioning across all channels, focusing on opportunities for growth and market leadership.
- **Supply chain and operational flexibility:** A dedicated review of supply chain capabilities identified opportunities for greater resilience, particularly in managing demand fluctuations and cost volatility.
- **Acquisitions:** The Board carried out a detailed retrospective analysis of acquisitions over the past decade. This evaluation, which examined financial performance, cultural integration, and market impact, provided valuable insights and benchmarks for future growth initiatives.

These efforts provide a strong foundation for the new CEO to refine and implement a strategic growth plan leveraging historical learnings and aligned with future aspirations.

RISK MANAGEMENT

Risk management remained a central focus for the Board, particularly in an environment of heightened global and operational uncertainties. Key topics included:

- **Green coffee price volatility:** Recognised as one of the most pressing challenges for the business, the Board examined the widespread implications of price fluctuations across the value chain, from farmers to end consumers.
- **Operational risks in high-volatility regions:** The Board, alongside the Audit Committee, maintained ongoing oversight of the company's operations in markets experiencing military conflict and geo-political tensions, ensuring compliance with evolving sanctions.
- **Cybersecurity:** With cyber risks escalating, the Board received updates on the company's cybersecurity management. Strong operational controls were tested and demonstrated to ensure preparedness against potential threats.
- **Corporate Sustainability Reporting Directive (CSRD):** The introduction of the CSRD necessitated significant investment in non-financial reporting. The Board acknowledged the complexity of this undertaking, while emphasising its importance as a foundational element for stakeholder transparency and regulatory compliance.

GOVERNANCE AND COMPLIANCE

The Board reaffirmed its commitment to governance standards, reflecting the expectations of its shareholders while ensuring a focus on transparency and compliance. Notable activities included:

- **Integration of acquisitions:** The integration of two major transactions — Maratá's coffee & tea business acquisition in Brazil and the licensed Caribou CPG business in the United States — required strategic oversight. Key focal points included navigating regional complexities in Brazil and aligning the Caribou acquisition with broader market strategies. The Board also actively engaged in integration-related discussions, addressing compliance, financial, and tax matters associated with integration of these transactions. With respect to the Caribou transaction, JAB nominated directors engaged in such discussions post-closing of the Caribou transactions. More information is disclosed in note 7.2 regarding related-party transactions.
- **Governance standards:** The Board reaffirmed its commitment to robust governance and compliance practices through evaluations of the company's policies, processes, and risk management frameworks. These assessments ensured continued adherence to the relevant standards while effectively identifying and mitigating potential risks.

OPERATIONAL PERFORMANCE, INNOVATION AND EMERGING MARKETS

The Board ensured the company maintained a strong operational focus while identifying areas for capital allocation and continued innovations:

- **Operational effectiveness:** The Board recognised that the company managed to balance short-term performance monitoring with long-term strategic deep-dives.
- **Innovation prioritisation and resource allocation:** Efforts to further optimise the company's innovation framework, including robust proposals to guide decisions on resource deployment, were well-received. The Board noted the ongoing development of innovation projects, highlighting the move from evaluation to prioritisation and the strategic allocation of resources for maximum impact.

- **Focus on growth in emerging markets:** The Board discussed the significance of emerging markets, recognising their potential for growth and their integral role in the company's strategic plans for growth and diversification.
- **Financial focus and shareholder value**: The Board reviewed a financially robust business plan and Annual Operating Plan for 2025, with significant emphasis on innovation-driven profitable growth, cash management, capital allocation and shareholder returns and alignment of the operating model to strategic objectives.

SUSTAINABILITY, DIVERSITY AND STAKEHOLDER ENGAGEMENT

The Board recognised the progress of the company's sustainability agenda and diversity achievements, which, it acknowledged, are essential for fostering innovation, resilience, and long-term sustainable growth while ensuring positive social and environmental impact.

- **Strategic focus on sustainability objectives:** The Board reviewed the company's sustainability objectives and progress and reiterated the company's commitment to achieving its sustainability targets, with efforts directed at fine-tuning approaches to ensure that management acts in the best interests of all stakeholders.
- **New legislation:** Discussions centered on the implications and strategic responses to external legislation, such as the EU Deforestation Regulation (EUDR) and the Packaging and Packaging Waste Regulation (PPWR). The Board's review of these matters highlighted associated risks and costs while emphasising the need to ensure compliance and align with sustainability priorities. These developments also present opportunities for innovation and cost savings.
- **Workforce diversity:** The Board commended the company's strong diversity metrics, particularly in gender representation and the international composition of leadership.
- **Stakeholder engagement:** While the Board successfully navigated critical internal transitions, it acknowledged the importance of external engagement, particularly with stakeholders such as shareholders and equity research analysts. Increasing visibility, fostering direct connections with stakeholders, and building a stronger external profile were identified as priorities for 2025.

LOOKING AHEAD

The Board anticipates the following critical areas of focus in 2025:

- **New leadership phase:** The Board is looking forward to the successful induction of the new CEO, which it believes will enhance strategic positioning and drive long-term sustainable value creation across the company.
- **Refining the corporate narrative:** The Board will work to advance the next phase of the company's corporate narrative, with a clear articulation of medium-term strategic objectives and targets to align with our ambitions for sustainable growth and operational excellence.
- **Green coffee price volatility:** This remains a key challenge with widespread implications for the company's supply chain, financial performance, and stakeholder relationships.
- **CSRD implementation:** The Board and Committees are committed to further integrate and embed controls to ensure compliance while refining processes to meet these new, stringent standards.

Additionally, the Board aims to drive a renewed focus on innovation and operational excellence, enhance engagement with stakeholders, and strengthen its external presence.

CONTINUOUS ENGAGEMENT WITH STAKEHOLDERS

In performing its duties, the Board acts in accordance with the interests of the company and the business connected with it, taking into consideration the interests of the company's stakeholders. Accordingly, having continuous interactions with the company's stakeholders is of utmost importance to us.

The Chair of the Board is in regular close contact with the CEO, as is the chair of the Audit Committee with the CFO, and the chair of the Remuneration, Selection and Appointment Committee with the Chief HR Officer. Furthermore, the Board regularly interacts with members of the Executive Committee, who are invited to be present at Board meetings on specific topics. We also interact with the company's talents and senior leaders and experts in the company during committee and Board meetings, and as part of ongoing induction programmes or other occasions such as factory visits.

BOARD EVALUATION[5]

Each year, the Board evaluates its performance, focusing on its composition, diversity, and the effectiveness of how its members work together. This annual assessment aims to enhance the Board's and Committee's overall functioning. At the end of 2024, the Board conducted a self-assessment to evaluate its collective performance, the performance of its Committees and the contribution of the individual members. To facilitate this evaluation, all non-executive Directors completed an anonymous questionnaire. The results were subsequently discussed openly in a session led by the Chair of the Board. The survey also reflected on findings from the 2023 Board evaluation, which had been facilitated by an independent third party.

[5] ESRS 2, GOV-1; 23a-b

The evaluation covered a range of topics, including:
- Composition and expertise of the Board and its Committees, with a particular focus on leveraging sustainability-related skills through access to experts and training.
- Strategic oversight, risk management, and succession planning.
- Frequency and quality of Board meetings and decision-making processes.

The survey responses formed the foundation for a broader discussion within the Board, helping to identify areas for future attention. The outcome of the 2024 Board evaluation was broadly positive, confirming that the Board is well-managed, fulfils its duties and responsibilities effectively, and applies the appropriate processes to ensure robust oversight of the company, as well as putting the increased focus on succession planning.

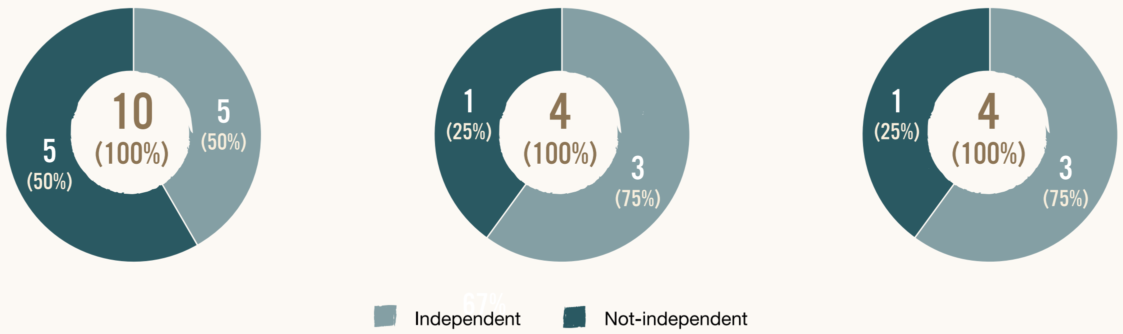
The Board also concluded that it has sufficient sustainability-related expertise, supported by its sustainability framework, to provide effective oversight of material impacts, risks, opportunities, and major transactions.

INDEPENDENCE[6]

We believe it is important to strive for a well-balanced Board composition that incorporates the right experience, competencies and capabilities, and is equipped with a strategic vision that will ultimately benefit the company and its stakeholders. Board composition is also a critical success factor in enabling Board members to act critically with a focus on long-term value creation for the company and its stakeholders.

Without undermining the foregoing, but considering the company's shareholder structure (with JAB being the majority shareholder), 5 out of 10 of our non-executive Directors are not considered independent within the meaning of best practice provision 2.1.8 of the Dutch Corporate Governance Code. Five of these non-executive Directors (Peter Harf, Joachim Creus, Olivier Goudet, Frank Engelen and Patricia Capel) are representatives of JAB. However, the majority of both Board Committees are considered independent within the meaning of the Dutch Corporate Governance Code.

NON-EXECUTIVE DIRECTORS | AUDIT COMMITTEE | REMUNERATION, SELECTION AND APPOINTMENT COMMITTEE



We are of the view that the experience of our non-independent Directors in the global food and beverage industry, and the strategic vision they bring, are critical to the company's success and outweigh any perceived disadvantages of non-independence.

After due deliberation and consideration, the Caribou transaction was approved solely by the company's Directors who were not nominated by JAB. As such, the consideration and subsequent Board approval of the Caribou transaction did not involve any directors with a potential or actual conflict of interest. It is the belief that the Caribou transaction reflected terms which are customary in the market. As such, the company complied with Article 2.7.5 of the Dutch Corporate Governance Code.

To further safeguard independence, the company appointed Aileen Richards to succeed Luc Vandevelde as Lead Independent Director. Aileen's main responsibilities include to (i) act as a sounding board and provide support in all aspects to the Chair, (ii) act as mediator in case of a dispute among members of the Board, (iii) preside over meetings of the Board and shareholders when the Chair is not present, (iv) serve as a liaison between the independent non-executive Directors and the Chair and the CEO, (v) provide feedback to the Board on the independent non-executive Directors' collective views on the management, leadership and effectiveness of the Board, (vi) facilitate effective communication and interaction between the Board and management, (vii) develop governance-related recommendations, including with respect to committee structure, Board and committee composition and rotations, (viii) ensure effective communications with shareholders and other stakeholders, attending meetings where necessary, in order to understand their issues and concerns, and (ix) be available to shareholders should they wish to share views with the Board, other than through the Chair or the CEO.

Considering the above, the Board is satisfied that the necessary measures have been taken to protect the Board's independence, and we remain committed to making further progress on our independence as the company's free float increases.

[6] ESRS 2, GOV-1, 21e

BOARD COMMITTEES

AUDIT COMMITTEE[7]

At 31 December 2024, Stuart MacFarlane (Chair), Aileen Richards, Ana García Fau and Frank Engelen were the members of the Audit Committee. The majority of the Audit Committee members are independent in accordance with best practice principle 2.3.4 of the Dutch Corporate Governance Code: Stuart MacFarlane, Ana García Fau and Aileen Richards are independent within the meaning of the Dutch Corporate Governance Code, whereas Frank Engelen is a representative of JAB.

The members of the Audit Committee collectively possess the relevant experience and competencies in financial matters, all of them have the required competencies in accounting and auditing of financial statements, and are therefore Audit Committee financial experts within the meaning of best practice principle 2.1.4 of the Dutch Corporate Governance Code. Furthermore, the Board acknowledges that it possesses the necessary expertise for sustainability reporting.

The Audit Committee held six regular meetings in 2024, of which two meetings were dedicated to the company's full-year and semi-annual financial results. Throughout the year, the Chair of the Audit Committee also had several private interactions and sessions with the company's CFO, group controller, group internal auditor, and the company's external independent auditor. The attendance rate of Committee members was 100%, except on one occasion where one non-executive Director was absent for valid reasons.

In 2024, the Chair of the Board participated in all meetings of the Audit Committee, as did most of the other Board members. In addition, the company's CEO, CFO, chief legal and corporate affairs officer and company secretary, as well as the company's senior management responsible for group control and internal audit and representatives of the company's external auditor, attended all Audit Committee meetings.

The Chair of the Audit Committee shared the highlights of each Audit Committee meeting at Board meetings, together with the Committee's recommendations on the topics to be approved by the Board. All Board members had access to all meeting materials, including the minutes of the Audit Committee meetings.

Throughout the year, the Audit Committee:

- Closely monitored the company's business performance. In this respect, the company's CFO provided updates on the company's financials at each Committee meeting. The Audit Committee also reviewed the company's 2024 half-year results prior to publication, together with the associated financial statements and press release.
- Discussed the company's internal control systems, (including IT control procedures), ESG-related disclosures, the company's capital allocation and debt management.
- Was provided with in-depth updates on matters such as internal audit, compliance, speak up (whistleblowing) alert line reports, litigation, tax, treasury and hedging strategies, including in relation to the procurement of green coffee.
- Was presented with an update on Enterprise Risk Management, including management's assessment of IT security and cyber risks, supply chain business continuity risks and sustainability related risks, such as climate and nature, biodiversity and deforestation and human rights due diligence, as well as inflation and geo-political risks.
- Reviewed and endorsed the proposed annual internal audit plan, assessed the functioning of the internal audit function, discussed with the company's independent external auditor the company's financial and sustainability audit plan, management letter, audit report, including its scope and materiality, as well as condensed consolidated interim and year-end consolidated financial statements and year-end sustainability statements. Together with the external auditor, the Audit Committee reviewed the key audit matters identified by the external auditor, financial reporting procedures and internal controls.
- Was presented with an update of the sustainability reporting. Based on which they provided feedback to the Board, including recommendations.

In 2024, the Audit Committee also received several updates on specific topics, including the integration of acquisitions, compliance, the current status of the company's cyber security and related mitigation plans, and the company's preparations for reporting under the EU Corporate Sustainability Reporting Directive (CSRD).

REMUNERATION, SELECTION AND APPOINTMENT COMMITTEE

At 31 December 2024, Aileen Richards (Chair), Peter Harf, Denis Hennequin and Paula Lindenberg were the members of the Remuneration, Selection and Appointment Committee. The majority of the Committee members are independent in accordance with best practice principle 2.3.4 of the Dutch Corporate Governance Code: Aileen Richards, Denis Hennequin and Paula Lindenberg are independent within the meaning of the Dutch Corporate Governance Code, while Peter Harf is a representative of JAB.

In 2024, four regular meetings of the Remuneration, Selection and Appointment Committee were held. The attendance rate of the Committee members was 100%. In addition, the committee had ad hoc meetings in the context of the CEO search and appointment.
The Chair of the Board and the company's Chief Human Resources Officer participated in all the meetings of the Remuneration, Selection and Appointment Committee. The Chair of the Committee shared the highlights of each Committee meeting with the Board and presented the Committee's recommendations on the topics to be approved by the Board.

[7] ESRS 2, GOV-1; 22a-d

In 2024, the Committee focused extensively on the CEO selection and appointment. Specifically, the Committee recommended, and the Board approved, the appointment of an external executive search firm to conduct the search for the selection of the new CEO. It also kept the Board regularly updated on progress. Furthermore, all candidates were interviewed by the Board Chair, the Chair of the Remuneration, Selection and Appointment Committee and selected other non-executive Directors. The preferred candidate met the full Board prior to his appointment, and the reference checks were obtained. Subsequently, the Committee unanimously recommended, and the Board approved, the appointment of the new CEO and the terms of such appointment.

Throughout the year, the Remuneration, Selection and Appointment Committee:

- Reviewed and recommended to the Board to approve bonus targets for 2024 and the bonus pay-out related to 2023 as well as the review of the recommendations in relation to performance measures for the CEO's LTI.
- Discussed and reviewed the performance and remuneration of the Executive Committee members.
- Received updates on the outcomes of the company's leadership talent review and succession planning as well as updates on initiatives to further strengthen the company's diversity, equity and inclusion programme (including on the company's pay equity).
- Reviewed and recommended to the Board to approve the company's Directors' Remuneration Policy (being subject to approval at the upcoming AGM).
- Reviewed the Board's reappointment schedule.
- Together with management, reflected on the company's employee engagement survey results.
- Recommended to the Board to approve the grants to the company's Directors under the company's Long-Term Incentive Plan in accordance with the Directors' Remuneration Policy, which were subsequently approved by the Board.
- Reflected on the AGM advisory vote and investor feedback on the 2023 Remuneration Report, agreeing a plan to engage with shareholders and shareholder advisory bodies.
- Agreed and recommended to the Board to approve the remuneration arrangements for the new CEO.

Overview of the Board committee members

	Audit Committee	Remuneration, Selection and Appointment Committee
Peter Harf		Member
Aileen Richards	Member	Chair
Stuart McFarlane	Chair	
Joachim Creus		
Olivier Goudet		
Frank Engelen	Member	
Ana García Fau	Member	
Denis Hennequin		Member
Paula Lindenberg		Member
Patricia Capel		

ACKNOWLEDGEMENT

We would like to thank all our employees as well as the Executive Committee for their resilience, dedication and hard work during these unprecedented times.

Non-executive Directors of JDE Peet's N.V.

Peter Harf
Aileen Richards
Stuart McFarlane
Joachim Creus
Olivier Goudet
Frank Engelen
Ana García Fau
Denis Hennequin
Paula Lindenberg
Patricia Capel

BRAND HIGHLIGHT

MADE TO UPLIFT

#2
brand in the UK (market share)

100+
years (established in 1923)

Kenco: leading category growth, accelerating share, and pioneering sustainable, great-tasting coffee.

Since 1923, Kenco has championed great coffee, starting from a shop in Vere Street, Mayfair, and then through mail order to British country houses. For 100 years, people have been inviting Kenco into their homes to fuel uplifting moments.

Kenco brings people together, and it is through that togetherness that people are uplifted and inspired by a great-tasting coffee.

In the course of 2024, Kenco became the fastest-growing brand in pure soluble coffee in the UK and Ireland. We successfully launched the Kenco Millicano Barista range, offering consumers an exceptional coffee-shop experience with great-tasting favourites at home, from Smooth Latte, Creamy Cappuccino or melt-in-your-mouth Cadbury Mocha, all HFSS* compliant.

Continuing our commitment to create a better future where farmers are prosperous and nature thrives, in 2024, 100% of Kenco's green coffee was verified as 100% responsibly sourced, and we pioneered new paper refill packs, helping consumers to enjoy the coffee they love, but now in a fully home-recyclable pack.

Kenco. Made to Uplift.

* Relates to UK regulations on high fat, salt and sugar (HFSS) products

Back to brands overview

OUR EXECUTIVE COMMITTEE

RAFAEL OLIVEIRA
Brazilian and British

Stand in executive Director and CEO

KHALED RABBANI
Dutch

Chief Legal and Corporate Affairs Officer

EVERT MEINDERTSMA
Dutch

Chief Supply Officer

LARA BRANS
Dutch

President APAC

SCOTT GRAY[8]
American

Chief Financial Officer

JOHAN VAN GOSSUM
Belgian

Chief Human Resources Officer

ERIC LAUTERBACH
American

President of Peet's

TATIANA EFREMOVA
Russian

President LARMEA

FIONA HUGHES[9]
Australian

Chief Marketing Officer

CAROLYN ADAMS
British

Chief Research and Development Officer

JOHN BRANDS
Dutch

President Europe

8 In Q2 2025, Scott Gray will step down and Yang Xu will subsequently assume the role of Chief Financial Officer in the Executive Committee.
9 As of 22 January 2025, Fiona Hughes stepped down, and Ricard Barri Valentines subsequently assumed the role of Chief Marketing Officer in the Executive Committee.

BRAND HIGHLIGHT

BRINGING JOY TO CONSUMERS FOR MORE THAN 20 YEARS

#1
closed system in Europe[2]

#1
pod brand in the UK and Germany[1]

Back to brands overview

Tassimo was established in 2004 in Western Europe and is the result of what happens when great brewers and great drinks come together to serve everyone more happiness. With the unique and patented IntellibrewTM technology, Tassimo brews all your coffee shop favourites perfectly, every time, at the simple touch of a button.

Tassimo offers a wide variety of barista-quality drinks: espresso, lungo, americano, milky coffees, as well as chocolate and tea from the brands consumers know and love.

Tassimo is now enjoyed in over 5 million households across Europe and continues to drive exciting innovations in brewers and beverages, bringing more joy to consumers every day.

In 2024, Tassimo made its brewer portfolio more sustainable with three new models containing up to 60%* recycled plastic and with A+ energy consumption**. And the brand continues to delight consumers with exciting new products as it launched a new Cadbury and Milka Caramel hot chocolate flavour, L‘OR Lungo Brazil, Costa Skinny Latte, as well as bigger pack formats that offer consumers better value per cup of their everyday favourites.

* Excluding food contact materials (FCM), 60% of the plastic is from recycled material (EU Reg 2022/1616)
** Based on Swiss energy label and DIN EN 60661

1 Drinks value & volume share MAT Aug 2024. Drinks = TASSIMO + DOLCE GUSTO including compatibles.
2 JDE Peet's EU7 countries

TASSIMO

CORPORATE GOVERNANCE

This section contains an overview of our corporate governance structure and its functioning. It provides information on the Board's role, its functioning and duties, as well as on the company's General Meeting and its capital structure.

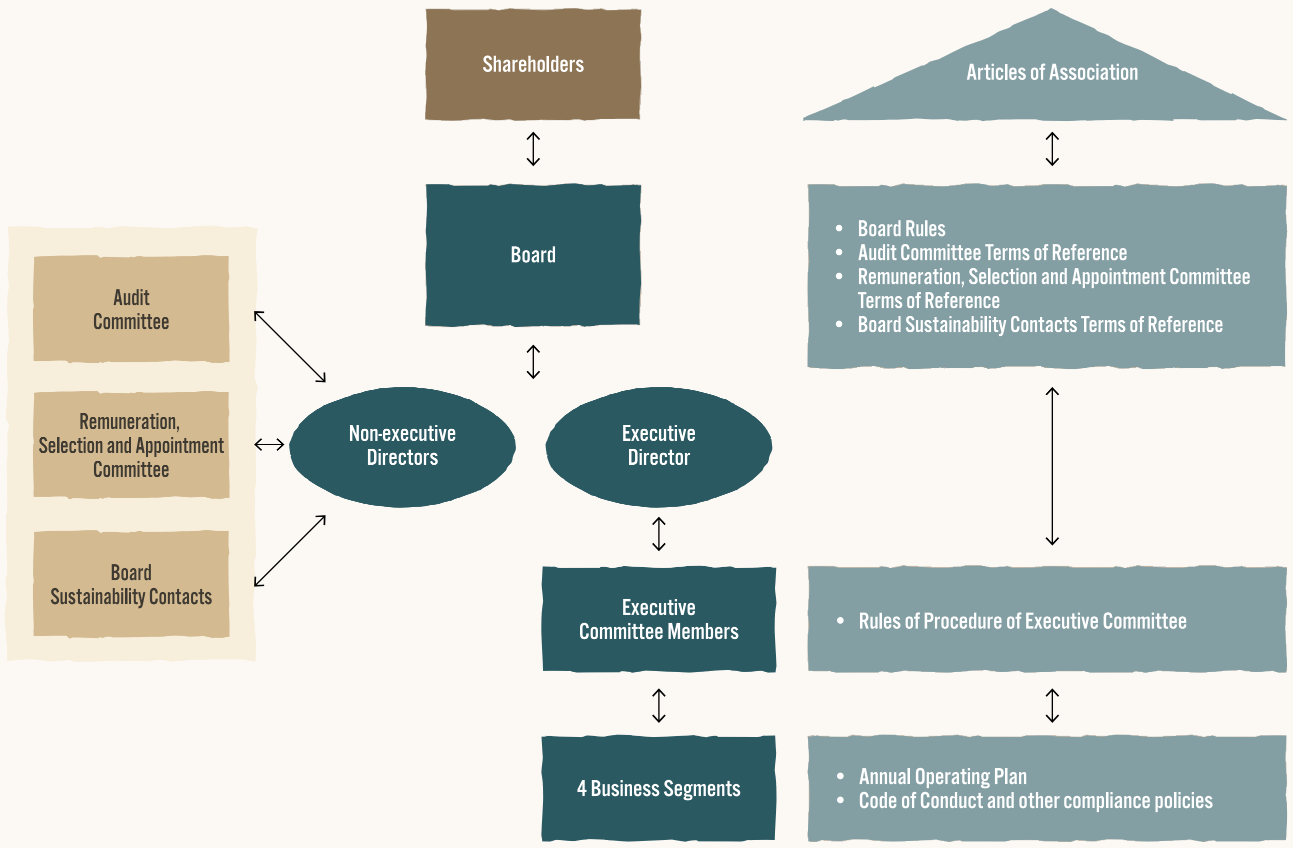
As the company is established and listed in the Netherlands, it must comply with Dutch laws and regulations and is subject to the revised Dutch Corporate Governance Code of 2022. The company assessed the revised Code and, where applicable, revised its relevant policies to comply with the 2022 Code. Additionally, the company revised its policies in order to be compliant with the European Sustainability Reporting Standards (ESRS) as part of the Corporate Sustainability Reporting Directive (CSRD).

GOVERNANCE STRUCTURE

The company is a public company with limited liability incorporated under the laws of the Netherlands, with its statutory seat in Amsterdam. At 31 December 2024, the Dutch law provisions, commonly referred to as the large company (*structuurvennootschap*) regime, did not apply to the company, and the company does not intend to voluntarily apply such regime.

The figure depicts the company's corporate governance structure and the most important governance policies and regulations at each level.

Governance structure



SHARES AND SHAREHOLDERS

SHARE CAPITAL STRUCTURE

The company's ordinary shares have been listed on Euronext Amsterdam since May 2020. At 31 December 2024, the issued share capital of the company comprised 488,178,824 ordinary shares. Only ordinary shares were issued.

All issued ordinary shares are fully paid up. The company did not issue any convertible securities, exchangeable securities or securities with warrants in the company.

Other than in respect of outstanding options under certain company employee share incentive schemes, the company is not party to any contract or arrangement whereby any option or preferential right of any kind is (or is proposed to be) given to any person to subscribe for any ordinary shares in the company. The company does not operate any employee share scheme where the control rights are not exercised directly by the employees as referred to in article 1 sub 1(e) of the EU Takeover Directive Decree.

The company's authorised share capital amounts to EUR 20,000,000, consisting of 2,000,000,000 shares, and is divided into 1,000,000,000 ordinary shares with a nominal value of EUR 0.01 each and 1,000,000,000 preference shares with a nominal value of EUR 0.01 each.

Each ordinary share and each preference share carries one vote. Except by virtue of the different voting rights attached to the ordinary shares and the preference shares, none of the shareholders has any voting rights different from any other shareholders. When convening a General Meeting, the record date is set at the 28th day before the date of the General Meeting.

The company's Articles of Association contain no limitation on the transfer of the company's ordinary shares. As regards the preference shares, Article 11.4 of the company's Articles of Association stipulates that any transfer of such preference shares requires the prior approval of the Board. More details about the way in which measures protecting the company may be set up can be found in the Anti-takeover measures section in this chapter.

More information on the company's share capital can be found in note 5.1 of the Consolidated Financial Statements in this report.

GENERAL MEETING

The company's shareholders exercise their rights through Annual and Extraordinary General Meetings. The Annual General Meeting (AGM) must be held annually in the Netherlands, no more than six months after the end of the company's financial year. The company held its AGM on 30 May 2024. The relevant documents related to this General Meeting can be found on the company's website.

An Extraordinary General Meeting may be convened by the Board, whenever the company's interests so require. In addition, one or more shareholders representing (individually or collectively) at least 10% of the company's issued and outstanding share capital, may request to convene an Extraordinary General Meeting in the manner provided by Dutch law. The company did not hold an Extraordinary General Meeting in 2024.

Shareholders holding at least 3% of the company's issued and outstanding share capital may ask, by a motivated request, that an item be added to the agenda. Such requests must be made in writing and must either be substantiated or include a proposal for a resolution. Such requests must be received by the Chair or the Lead Independent Director at least 60 days before the date of the General Meeting.

One or more shareholders holding (individually or collectively) at least 1% of the issued and outstanding share capital or a market value of at least EUR 250,000 may request the company to disseminate information prepared by them in connection with an agenda item for a General Meeting in the event the company performed a formal identification round of the shareholders. The company may refuse to do so, if received less than seven business days prior to the day of the General Meeting, if the information gives or could give an incorrect or misleading signal or if, in light of the nature of the information, the company cannot reasonably be required to disseminate it.

Each shareholder (as well as other persons with voting rights or meeting rights) is entitled to attend the General Meeting, address the General Meeting and exercise voting rights, either in person or by proxy.

The General Meeting is chaired by the Chair of the Board; or in his/her absence by the Lead Independent Director or in the absence of the Chair and the Lead Independent Director, by any Director elected by the Directors present. The Directors shall be present at the General Meeting, unless they are unable to attend. The external auditor of the company is also authorised to attend the General Meeting.

At the General Meeting, all resolutions must be adopted by a simple majority of the votes validly cast without a quorum being required, except for those cases in which the law or the company's Articles of Association require a greater majority or a quorum.

Under the company's Articles of Association, resolutions of the Board on major changes in the company's identity or character are subject to the approval of the General Meeting. Such changes include:

- The transfer of all or a substantial portion of the business and/or assets of the company to a third party
- Entering into, or terminating, a long-term cooperation between the company or its subsidiary and another legal entity, if such cooperation or termination is of fundamental importance to the company
- Acquiring or disposing, by the company or its subsidiary, of a participation in the capital of a company if the value of such participation is at least one-third of the sum of the assets of the company according to its consolidated balance sheet and explanatory notes set out in the last adopted annual accounts of the company or its subsidiary.

VOTING RIGHTS

At the General Meeting, each ordinary share and each preference share carries one vote. As such, no restrictions apply to voting rights attached to shares in the capital of the company. Under Dutch law, a statutory record date of 28 days prior to the date of the General Meeting applies in order to determine whether a shareholder may attend and exercise the rights relating to the General Meeting. Shareholders may be represented by written proxy.

ANTI-TAKEOVER MEASURES

According to the Dutch Corporate Governance Code, the company is required to provide an overview of existing or potential anti-takeover measures and indicate in what circumstances these measures may be used.

In conformity with Dutch law and practice, the company authorised the Board to implement anti-takeover measures, including the possibility to grant the right to acquire the preference shares to an outside foundation, which aims to protect the interests of the company and its business by preventing anything which may affect the independence, the continuity or the identity of the company (the Protective Foundation) or would be unnecessarily or unreasonably detrimental to the interests of the stakeholders of the company. This authority will remain valid until 2 June 2025. The Protective Foundation shall pursue its objectives, among other things, by acquiring and holding the preference shares in the company's share capital and by exercising its voting rights on such preference shares, as set out below.

At 31 December 2024, given the present company's shareholder structure, the Protective Foundation had not been incorporated.

Once incorporated, the Protective Foundation can be granted a call option by the company. To that end, the Board has been authorised, for a period of five years from the settlement date, to grant the Protective Foundation the continuous and unconditional right to subscribe, on each occasion, for a maximum number of preference shares equivalent to 100% of the issued ordinary shares outstanding immediately prior to the exercise of the call option, less one. Any preference shares already held by the Protective Foundation at the time of exercising the call option will be deducted from this maximum. The Protective Foundation is entitled to exercise this option repeatedly, up to the specified maximum on each occasion, to safeguard the interests of the company and its business.

RELATED-PARTY TRANSACTIONS

In the course of its ordinary business activities, the company's group of companies enters into transactions with related parties. More information can be found in note 7.2 of the Consolidated Financial Statements in this report. The related-party transactions are negotiated and executed in compliance with mandatory Dutch law and best practice principle 2.7.5. of the Dutch Corporate Governance Code and on an arm's length basis.

The company adopted a Related-Party Transaction Policy which defines a related party and a related-party transaction. The Related-Party Transaction Policy is available on the company's website. The Related-Party Transaction Policy requires each Director to notify the Chair of the Board and the Chief Legal Officer of a (potential) related-party transaction in which he or she is involved. If the Chair of the Board is a related party to a (potential) transaction, the Chair shall promptly notify the Lead Independent Director and the Chief Legal Officer.

Related-party transactions are subject to review by the Board. No related-party transactions set out in the Related-Party Transaction Policy may be undertaken without the approval of the Board. This approval includes the affirmative vote of the majority of the Directors, who are independent within the meaning of the Dutch Corporate Governance Code and not considered to be conflicted with respect to the relevant related-party transaction. Any Director who has a direct or indirect personal interest in the transaction, or who is considered to be conflicted with respect to the transaction, cannot participate in the deliberations or decision-making with respect to the related-party transaction concerned. The Board may approve the related-party transaction only if it determines that it is in the interests of the company and its business.

Amendments to the company's Related-Party Transaction Policy require the approval of the Board.

MAJOR SHAREHOLDERS

At 31 December 2024, Acorn Holdings B.V. was the largest direct shareholder of the company, holding 68% of the outstanding share capital of the company. At 31 December 2024, the free float represented 32% of the company's outstanding share capital. More details about major shareholders can be found in the Investor Relations section of this report as well as on the website of the company.

INVESTOR RIGHTS AGREEMENT

On 28 November 2024, Mondelēz transferred all its shares in the company to Acorn Holdings B.V. (Acorn). As a result, Mondelēz withdraw from the Investor Rights Agreement and two non-executive Directors nominated by Mondelēz have resigned from the Board of the company. The Investor Rights Agreement between Acorn and the company remains in full force and effect.

AMENDMENT OF THE ARTICLES OF ASSOCIATION

The General Meeting may pass a resolution to amend the company's Articles of Association, but only upon a proposal of the Board that has been stated in the notice of the General Meeting. Such resolution may be adopted by a simple majority of the votes validly cast, or alternatively by a majority of no less than two-thirds of the votes validly cast if less than 50% of the company's issued and outstanding capital is represented at the General Meeting.

ISSUANCE OF SHARES

Shares may be issued pursuant to a resolution of the General Meeting. The General Meeting may also delegate this authority to the Board for a maximum period of five years each time. A resolution of the General Meeting to issue shares, or to designate the Board to do so, can only be adopted at a proposal of the Board.

On 30 May 2024, the General Meeting designated the Board as a competent body to issue ordinary shares or grant rights to subscribe for ordinary shares for a period of 18 months. This authorisation is limited to a maximum of 10% of the ordinary shares issued and outstanding for general purposes with the possibility to restrict or exclude pre-emptive rights. The General Meeting also authorised the Board, with effect as of 30 May 2024, to issue ordinary shares in connection with a rights issue only, for a maximum of 40% of the issued share capital on 30 May 2024 and for a maximum term of 18 months, provided that the pre-emptive rights are fully observed in line with market practice.

In addition, on 31 May 2020, the General Meeting authorised the Board, for a period until 2 June 2025, to specifically issue ordinary shares and to grant rights to subscribe for shares for the purpose of the company's Long-Term Incentive Plan and certain other company share incentive plans. This authorisation is limited to 2% of the ordinary shares issued and outstanding on the IPO settlement date. Subsequently, on 13 September 2021, the Board further sub-delegated this authority to the Chair of the Board, the Chair of the Audit Committee and the Lead Independent Director, on behalf of the whole Board and within the limits of designation by the General Meeting set out above, and only in respect of the company's share incentive plans.

The General Meeting also authorised the Board, for a period until 2 June 2025, to grant the preference shares to the Protective Foundation as described in more detail in the Anti-takeover measures section in this report.

PRE-EMPTIVE RIGHTS

Upon the issuance of ordinary shares, holders of the company's ordinary shares have pre-emptive rights to subscribe for ordinary shares in proportion to a total amount of the ordinary shares they hold. An exception to these pre-emptive rights is the issuance of shares against a contribution in kind. Furthermore, under Dutch law, this pre-emptive right does not apply to the ordinary shares issued to the employees of the company or a group company thereof. No pre-emptive rights exist for holders of ordinary shares upon the issuance of preference shares. Similarly, holders of preference shares do not have a pre-emptive right in respect of ordinary shares.

The General Meeting may resolve to restrict or exclude the pre-emptive rights pursuant to a resolution of the Board. In the event of the issuance of shares pursuant to a resolution of the Board, the General Meeting may designate the Board as a competent body to do so, subject to the due observance of the company's Articles of Association. Such resolution of the General Meeting can only be adopted at the proposal of the Board and requires a majority of at least two-thirds of the votes validly cast if less than 50% of the issued share capital is represented at the General Meeting.

On 30 May 2024, the General Meeting delegated to the Board the authority to restrict or exclude the pre-emptive rights of shareholders in relation to a maximum of 10% of the ordinary shares issued and outstanding as of 30 May 2024 for general purposes as described in more detail in the Issuance of shares section in this report. This authority of the Board expires after a period of 18 months.

PURCHASE OF OWN SHARES

Subject to the relevant provisions of Dutch law and the company's Articles of Association, the company may acquire its own fully paid-up shares, or depository receipts for shares for consideration, if: (i) the company's equity, less the payment required to make the purchase, does not fall below the sum of called-up and paid-up share capital and any statutory reserves as appearing from the last adopted annual accounts; (ii) the aggregate nominal value of the shares which the company and its subsidiaries hold does not exceed 50% of the issued share capital; and (iii) the General Meeting has authorised the Board to acquire the company's own shares, the authorisation of which is valid for a maximum period of 18 months.

On 30 May 2024, the General Meeting authorised the Board for a period of 18 months to acquire the company's own ordinary shares, up to a maximum of 10% of the aggregate number of ordinary shares issued as of 30 May 2024, provided that the company will hold no more ordinary shares in stock than 50% of its issued share capital, either through purchase on a stock exchange or otherwise, at a price, excluding expenses, not lower than the nominal value of the ordinary shares and not higher than the opening market price of the ordinary shares on Euronext Amsterdam on the day of the repurchase plus 10%.

The company may, without authorisation by the General Meeting, acquire its own shares for no consideration or for the purpose of transferring the shares to employees of the company or a group company thereof under share incentive plans, provided such shares are quoted on the price list of a stock exchange.

No voting rights may be exercised with respect to any share held by the company or its subsidiaries, or any share for which the company or its subsidiaries holds the depositary receipts. No distributions or other payments will be made on shares which the company holds in its own share capital.

CHANGE OF CONTROL

The company is not a party to any significant agreements which will take effect, be altered or terminated upon a change of control of the company as a result of a public offer. However, the company's financing agreements and issued notes contain clauses that, as is customary for such transactions, entitle the lenders and noteholders, respectively, to claim early repayment of the amounts borrowed by the company or termination in certain events related to change of control. Furthermore, the company and/or one or more of its subsidiaries have, in the ordinary course of business, entered into various joint ventures, licensing and other agreements, which contain change of control provisions. These agreements taken individually are not in themselves considered significant agreements within the meaning of the Decree on Article 10 of the EU Takeover Directive.

COMPLIANCE WITH THE DUTCH CORPORATE GOVERNANCE CODE

While the company endorses the Dutch Corporate Governance Code (the Code), it also believes that corporate governance needs to be tailored to the company's specific situation, and therefore non-implementation of individual best practice provisions of the Code may be justified in specific situations. The Code is based on the "comply-or-explain" principle, which means that the company may decide whether it will adhere to certain sections of the Code, but if it decides not to, it must explain why.

Outlined below are the best practice principles of the Code that the company did not comply with at 31 December 2024, which is largely explained by the company's shareholder structure or because such non-compliance is inherent to the IPO. However, the company is committed to making further progress on compliance with the Code, in particular as the company's free float increases.

Best practice principles of the Code	Reasons for the deviation
Best practice provision 2.1.7 (ii): the company is not compliant with best practice provision 2.1.7(ii) that requires that more than half of the non-executive Directors be independent within the meaning of the Dutch Corporate Governance Code	Since JAB is the major shareholder of the company, 5 out of 10 non-executive Directors are representatives of these shareholders. Olivier Goudet, Peter Harf, Joachim Creus, Frank Engelen and Patricia Capel are representatives of JAB. To ensure good corporate governance and independence of the Board, the company has a Lead Independent Director. The primary role of the Lead Independent Director is to serve as a liaison between the independent non-executive Directors and the Chair and the company's CEO. More details about the responsibilities of the Lead Independent Director can be found in the Report of the non-executive Directors section.
Best practice provision 2.1.7 (iii): the company is not compliant with best practice provision 2.1.7(iii) that requires that there be no more than one non-executive Director who can be considered to be affiliated with a shareholder, or group of affiliated shareholders, holding more than 10% of the shares in a company.	Through JAB, the company has a proven, long-term oriented shareholder with strategic vision. JAB's strategic vision is reflected in the company through its representatives on the Board which, the company believes, benefits both the company and its stakeholders. The company considers that the experience of the Directors in the global food and beverage industry (including within the broad portfolio of JAB consumer goods companies) is a competitive advantage which outweighs any perceived disadvantage of non-independence. Furthermore, as explained above, the company has a Lead Independent Director to preserve independence of the Board. More details about the responsibilities of the Lead Independent Director can be found in the Report of the non-executive Directors section.
Best practice provision 5.1.3 and 2.1.9: independence of the Chair of the Board: Peter Harf is the Chair of the Board. Mr. Harf is not 'independent' within the meaning of best practice provision 2.1.8 of Dutch Corporate Governance Code.	The company believes that Mr. Harf's experience in the global food and beverage industry (including within the broad portfolio of JAB consumer goods companies) benefits the company and its stakeholders, and this benefit outweighs any perceived disadvantage of non-independence. In addition, in accordance with the company's Articles of Association and the Board Rules, as the Chair of the Board is not independent, the company has appointed a Lead Independent Director to ensure there is an independent counter-voice. More details about the responsibilities of the Lead Independent Director can be found in the Report of the non-executive Directors section.
Best practice provision 2.2.2: appointment periods of non-executive Directors: the initial appointment periods of the non-executive Directors are: (i) six years for Olivier Goudet and Peter Harf ; (ii) five years for Joachim Creus. The company is not compliant with best practice provision 2.2.2 that requires that a non-executive Director be appointed for an initial period of four years.	Following the company's IPO in 2020, the company has opted for phased board appointments in order to avoid the risk of all non-executive Directors resigning at the same time. More details can be found in the Term of appointment section. However, the initial term of all the new appointments of non-executive Directors in 2024 is in compliance with the relevant provisions of the Code.
Best practice provision 3.3.2: the company is not compliant with best practice provision 3.3.2 that requires that non-executive Directors not be awarded remuneration in the form of shares and/or rights to shares.	In accordance with the Directors' Remuneration Policy, the non-executive Directors received part of their fee in the form of Restricted Share Unit (RSU) grants under the company's Long-Term Incentive Plan. Vesting of these RSUs is not subject to any performance conditions. Given the company's geographical footprint, the company believes that paying part of the non-executive Director fee in shares promotes its interests and that of its shareholders by strengthening the company's ability to attract and retain highly competent non-executive Directors internationally, thereby supporting diversity.
Best practice provision 3.1.2 (vi): the company is not compliant in relation to the LTI with best practice provision 3.1.2 (vi) that requires that shares awarded to directors should be held for at least five years after they are awarded.	In accordance with the Directors' Remuneration Policy, and in line with the Dutch Corporate Governance Code, LTI awards to the executive Director vest after three years with any shares delivered being subject to a two-year holding period. However, where the individual has met the significant share ownership guideline, the two-year holding period will not be applicable. The company considers the personal shareholding under the share ownership guideline to provide sufficiently strong alignment with the long-term sustainable success of the company, in line with the intent of the Dutch Corporate Governance Code.

CORPORATE GOVERNANCE STATEMENT

The company is required to make a statement concerning corporate governance as referred to in article 2a of the decree on the content of the management report (the Decree). The information required to be included in this Corporate Governance Statement as described in articles 3, 3a and 3b of the Decree, which are incorporated and repeated here by reference, can be found in the following sections or pages of this report:

- The information concerning compliance with the Dutch Corporate Governance Code, as required by article 3 of the Decree, can be found in the Compliance with the Dutch Corporate Governance Code section
- The information concerning the company's risk management and control frameworks relating to our strategy, operations, compliance and (ESG) reporting process, as required by article 3a sub a of the Decree, can be found in the Risk management section
- The information regarding the functioning of the company's General Meeting of Shareholders and the authority and rights of the company's shareholders, as required by article 3a sub b of the Decree, can be found in the General Meeting section
- The information regarding the composition and functioning of the company's Board and its committees, as required by article 3a sub c of the Decree, can be found in the Corporate governance section as well as in the section Report of the non-executive Directors
- The information concerning the company's Diversity, Equity and Inclusion Policy, as required by article 3a sub d of the Decree, can be found in the Diversity subsection in the Corporate governance section and the S1 - Own Workforce section.
- The information concerning the inclusion of the information required by the Decree Article 10 EU Takeover Directive, as required by article 3b of the Decree, can be found in the relevant sections in Shares and shareholders and Investor relations.

REPORTING FRAMEWORKS AND LEGAL DISCLOSURES

This report is compiled in compliance with the Dutch regulatory requirements.

The financial information in the financial statements has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU IFRS). Moreover, the financial information meets the requirements as set out in Title 9, Book 2 of the Dutch Civil Code. The non-financial information is reported in the sustainability statements is in accordance with the European Sustainability Reporting Standards (ESRS) as set out in the Annex 1 to the Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council, which is not yet implemented in the Dutch law as per the publication of this Annual Report.

The Report of the Management Board (as defined in Title 9, Dutch Civil Code 2) consists of the following sections: Introduction, Strategy and value creation, Performance review and outlook, Sustainability Statements and the Governance and risk management, excluding the Report of the non-executive Directors and the Remuneration Report.

JDE Peet's adopts the recommendations of the Task Force on Climate and Nature-related Financial Disclosures (TCFD & TNFD). A TCFD/TNFD reference table is available as a separate PDF. JDE Peet's also evaluates its contribution to the UN Sustainability Development Goals developed by the United Nations to assess the impact of its corporate responsibility programme, which can be found as part of the double materiality assessment.

BRAND HIGHLIGHT

FOR LOVERS OF COFFEE

#1
Instant brand in Australia and New Zealand

4.3 M
Moccona cups consumed daily in Australia

Since 1960, Moccona has been the brand of choice for coffee lovers. Our consistent passion for quality and emotional storytelling has enabled Moccona to be the most-loved coffee brand in Australia and New Zealand, with expansion into Asia.

Our brand purpose is to reignite the thrill of romance, sparking moments of unmistakable delight. In 2024, we brought this to life by launching a new brand campaign across Australia and New Zealand with national execution across television, outdoor, social media and digital platforms. The campaign, called ‘Destiny’, blends timeless romance with a little bit of magic by inviting coffee lovers to explore Moccona’s rich heritage through a story of fate. Moccona has also launched innovation initiatives with sustainability at their heart, with Moccona Royal Gold Refills in Singapore, Malaysia and Thailand. Moccona Australia and New Zealand have also launched Moccona Classic 5 180g Refills with a focus on lower CO_2 emissions per cup and a 97% reduction in packaging compared to a 200g jar*.

Moccona Australia and New Zealand launched the first-of-its kind multi-functional speciality mixes to their markets, with the Moccona Hot/Iced Speciality Mixes range. This innovative product allows consumers to make their favourite café-style coffee, both hot and cold, in delicious Vanilla, Salted Caramel, and Hazelnut flavours. **Moccona. For lovers of coffee**

Back to brands overview

*Each individual Moccona 180g Refill bag uses 97% less packaging material than a Moccona 200g glass jar and lid, per gram of coffee.

BOARD'S ROLE, FUNCTIONING AND DUTIES

As a one-tier board, the Board is the executive and supervisory body of the company, and is therefore entrusted with the company's management. At the same time, its non-executive Directors supervise the executive Director. In doing so, the non-executive Directors focus on the effectiveness of the company's internal risk management and control systems, including the internal audit function. This extends to the integrity and quality of the financial and non-financial reporting and the company's long-term business plans, including the implementation of such plans and the associated risks, the company's information technology and cybersecurity risks, corporate social responsibility and compliance with laws and regulations.

The Board's responsibilities include, among other things, setting the company's management agenda and strategy, developing a view on the company's sustainable long-term value creation, enhancing the company's performance, and identifying, analysing and managing the risks associated with the company's strategy and activities including environmental, social and governance (ESG) issues, which includes climate-related risks and opportunities.

The Board is accountable for these matters to the General Meeting. It may perform all acts necessary or useful for achieving the company's corporate purposes, except those expressly attributed to the General Meeting as a matter of Dutch law or pursuant to the company's Articles of Association.

The Board meets at least four times a year. Additional meetings may be convened when deemed appropriate by the Chair or, if requested, by at least three Directors.

More information about the responsibilities and functioning of the Board can be found in the Board Rules.

COMPOSITION OF THE BOARD[10]

Pursuant to the company's Articles of Association, the Board is comprised of one or more executive Directors and one or more non-executive Directors. The non-executive Directors determine the total number of Directors including the number of executive Directors on the one hand and non-executive Directors on the other hand. The Board is presided over by the Chair, a title that is only granted to a non-executive Director.

At 31 December 2024, the Board comprised of one executive Director and 10 non-executive Directors, as presented in the Our Board of Directors section of this report.

APPOINTMENT, SUSPENSION AND REMOVAL OF DIRECTORS

The General Meeting of Shareholders (the General Meeting) appoints the Directors upon the proposal of the Board. A resolution of the General Meeting to appoint a Director, other than pursuant to a proposal by the Board, requires a simple majority of the votes cast, representing at least one-third of the issued share capital.

The General Meeting may suspend or remove a Director at any time. In addition, an executive Director may be suspended by the Board at any time. A suspension can be ended by the General Meeting. A suspension may be extended one or more times but may not last longer than three months in total. If, at the end of that period, no decision has been taken on termination of the suspension or on removal, the suspension shall end. A resolution of the General Meeting to suspend or dismiss a Director, other than on the proposal of the Board, requires a simple majority of the votes cast, representing at least one-third of the issued share capital.

TERM OF APPOINTMENT

Executive Directors are appointed for a maximum period of four years per appointment. On 18 November 2020, Fabien Simon was appointed as executive Director for an initial period of four years, ending at the Annual General Meeting of Shareholders to be held in 2025. As Fabien Simon stepped down as CEO on 1 April 2024, Luc Vandevelde was appointed as Interim CEO. Due to unforeseen personal circumstances, Luc Vandevelde stepped down from his position in August 2024. Following his departure, Scott Gray, the company's Chief Financial Officer, assumed the role of Interim Chief Executive Officer up until 1 November 2024, when Rafael Oliveira was appointed as the permanent CEO and stand-in executive Director. His formal appointment as executive Director is subject to shareholder approval at the company's upcoming AGM on 19 June 2025.

Non-executive Directors are, in principle, also appointed for a period of four years. After the initial period, non-executive Directors may then be reappointed once for a period of four years. A non-executive Director may then be subsequently reappointed for a period of two years, which appointment may be extended by a term of not more than two years. Following the company's IPO in 2020, the company has, however, phased out the initial appointment terms of non-executive Directors in order to avoid the risk of all non-executive Directors resigning at the same time, thereby ensuring that knowledge and experience is handed over gradually.

10 ESRS 2, GOV-1; 21a

Director re-appointment schedule

Name	Initial appointment date	End of current term
Stand-in executive Director		
Rafael Oliveira[11]		
Non-executive Directors		
Peter Harf	2 June 2020	2026
Aileen Richards	2 June 2020	2028
Stuart MacFarlane	2 June 2020	2028
Joachim Creus[12]	2 June 2020	2025
Olivier Goudet	2 June 2020	2026
Denis Hennequin	2 June 2020	2028
Frank Engelen[12]	18 November 2020	2025
Ana García Fau	11 May 2022	2026
Paula Lindenberg	11 May 2022	2026
Patricia Capel	25 May 2023	2027

BOARD COMMITTEES

The Board may appoint standing and/or ad hoc committees from among its members. These committees are charged with tasks specified by the Board. At 31 December 2024, the Board had two committees of non-executive Directors to assist the Board in fulfilling its duties. These are the Audit Committee and the Remuneration, Selection and Appointment Committee. In addition, the Board appointed Sustainability Board Contacts to remain vigilant about current and emerging ESG trends and any potential risks related to sustainability and related issues, and provide strategic guidance and advice to the company. However, the Sustainability Board Contacts do not form a committee as recognised under the Dutch Corporate Governance Code.

AUDIT COMMITTEE

The roles and responsibilities of the Audit Committee are set out in the Audit Committee’s terms of reference, which are available on the company’s website. According to the Audit Committee's terms of reference, its tasks include, but are not limited to:

- The monitoring of the financial accounting and non-financial reporting process, the efficiency of the internal management system, the internal audit and risk management system
- The monitoring of the statutory audit of the annual accounts, and in particular the process of such audit
- The review and monitoring of the independence of the external auditor
- The nomination for appointment of the external auditor by the General Meeting for the financial and sustainability audit
- The monitoring of financing and tax policy of the company
- Preparatory work for the Board's supervision where the sustainability statements are discussed
- Informing the Board on the outcome of the financial and sustainability reporting.

The Audit Committee meets as often as required for a proper functioning of the Audit Committee, but at least four times a year. Additional meetings may be held whenever deemed necessary by the Chair of the Committee or by two other members of the Committee.

REMUNERATION, SELECTION AND APPOINTMENT COMMITTEE

The Remuneration, Selection and Appointment Committee is a combination of both the remuneration committee and the selection and appointment committee. It discharges all roles and responsibilities of both a typical remuneration committee and a selection and appointment committee as provided by the Dutch Corporate Governance Code. Its roles and responsibilities are further detailed in the Remuneration, Selection and Appointment Committee's terms of reference, which are available on the company’s website and include:

- The preparation of proposals to the Board on the Remuneration Policy to be adopted by the General Meeting
- The proposals on the remuneration of executive Directors to be determined by the Board
- The preparation of the selection criteria and appointment procedures for Directors, and the composition of the profile of the Board
- The proposal for Directors' appointments and reappointments.

The Remuneration, Selection and Appointment Committee also prepares annually a Remuneration Report on the implementation of the company’s Remuneration Policy. The report is adopted by the Board and submitted to the company’s General Meeting.

The Remuneration, Selection and Appointment Committee meets as often as required for its proper functioning, but at least twice a year. Additional meetings may be held whenever deemed necessary by the Chair of the Committee or by two other members of the Committee.

SUSTAINABILITY GOVERNANCE[13]

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

- Oversees the implementation of the sustainability agenda and policies including climate change
- Reviews 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.
- Reviews the input and recommendations of the Audit Committee in relation to sustainability topics
- Discusses the setting of targets related to material impacts, risks and opportunities and the way to monitor these.

[11] The Board will propose to the shareholders to appoint Rafael Oliveira as the executive Director for a term of four years at the upcoming AGM in 2025.
[12] The Board will propose to the shareholders to appoint Joachim Creus and Frank Engelen as non-executive Directors for a second term of four years at the upcoming AGM in 2025.
[13] ESRS 2, GOV-1; 22a-d, GOV-2; 26a-b & GOV-5; 53 d

SUSTAINABILITY GOVERNANCE FRAMEWORK

PROGRESS REVIEW	REPRESENTATIVES	FREQUENCY
BOARD Strategic review and approval of Value Creation Plan and long-term strategy for sustainability	The Board	Twice a year
BOARD SUSTAINABILITY CONTACTS Quarterly meeting between VP Sustainability and the Board Sustainability Contacts	Board Sustainability Contacts VP Sustainability	Quarterly
AUDIT COMMITTEE Preparation of sustainability review of the Board, including giving recommendations and/or providing feedback. Before each meeting a slide deck will be provided as a pre-read containing material sustainability topics	Audit Committee	Quarterly
EXCO Builds VCP and sets long-term strategy for sustainability	ExCo Sustainability team	Quarterly
SUSTAINABILITY PROGRAMME REVIEW KPI progress review Strategic review of KPIs Programme roadmap sufficiency Risk assessment and mitigation	Sustainability team LT members Pillar owners	Quarterly
PILLAR + FUNCTIONAL OWNERS		
Pillar programme steerco Project identification / Funnel fuelling Project evaluation on financial & non-financial Interdependencies assessment Budget review	LT members Pillar owners	Differs

The Board has appointed Sustainability Board Contacts to provide an oversight of ESG-related matters and advise the Executive Committee and company's senior management. The Sustainability Board Contacts meet on a quarterly basis with the Vice President (VP) Sustainability to review and address critical sustainability issues. These meetings focus on assessing the impact, risks and opportunities related to sustainability, with particular attention given to any significant business transactions that may require further consideration. The detailed roles and responsibilities of the Board Sustainability Contacts can be found in the Board Sustainability Contact's terms of reference, which are available on the company's website.

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

Led by the VP 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, finance and compliance to execute and measure the company’s sustainability and climate change programmes.

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

More information on the Common Grounds programme can be found in the Common Grounds section later in this report and on our website in the Sustainability section.

CONFLICTS OF INTEREST

The company's Articles of Association and Board Rules prescribe how to deal with (potential) conflicts of interest between the company and a Director. A Director having a conflict of interest or an interest which may have the appearance of a conflict of interest must declare the nature and extent of the interest to the other Directors. Subsequently, the Director shall not participate in discussions or decision-making on a subject or transaction in relation to which the Director has a direct or indirect personal interest that conflicts with the interests of the company. With respect to the Caribou transaction, JAB nominated directors engaged in such discussions post-closing of the Caribou transactions.

Decisions to enter into transactions in which there are conflicts of interest with Directors that are of material significance to the company and/or to the relevant Directors, require a Board resolution taken with the consent of the majority of the non-executive Directors (excluding any non-executive Director with a conflict of interest). Any such decisions shall be reported in the annual report for the relevant year, including a reference to the conflict of interest and a declaration that the relevant best practice principles of the Dutch Corporate Governance Code have been complied with. Each financial year, the company requests the Directors to complete an extensive questionnaire which includes the disclosure of (potential) conflicts of interest. No conflicts of interest were reported in 2024. Reference is made to note 7.2 Related Parties of the Consolidated Financial Statements.

EXECUTIVE COMMITTEE

ROLES AND DUTIES

The company is managed by the Chief Executive Officer (CEO) who is supported by the Executive Committee, consisting of senior managers of the company. In addition to the CEO, at 31 December 2024, the Executive Committee consisted of 10 other members, namely: the company's CFO, the four segment Presidents, the Chief Marketing Officer, the Chief Research & Development Officer, the Chief Human Resources Officer, the Chief Supply Officer and the Chief Legal and Corporate Affairs Officer (who also acts as the Company Secretary).

The CEO is entrusted with the (day-to-day) management of the company. The Executive Committee reports to the CEO and assists in the fulfilment of his duties and is put in place to enable faster strategic alignment and operational execution by increasing the company's focus on the development of its business, innovation, ESG and people. Accordingly, the responsibilities of the Executive Committee involve supporting the CEO on various matters, including the implementation of the company's general strategies and risks, its business agenda as well as its operational and financial objectives. The Rules of Procedure of Senior Management are available on the company's website and describe in detail the tasks, composition and other relevant procedures of the Executive Committee.

The CEO allocates the tasks of the Executive Committee among its members, after consultation with the Board. The CEO is the first contact within the Executive Committee for the Chair of the Board and the Board, therefore any communication between the Executive Committee and non-executive Directors occurs first through the CEO. For financial topics, the company's CFO may interact directly with the Chair and other members of the Audit Committee. The company's Chief Human Resources Officer may also interact with the Chair and other members of the Remuneration, Selection and Appointment Committee. Members of the Executive Committee are, from time to time, invited to attend meetings of the Board, at the discretion of the Board. Furthermore, the Executive Committee and the Board also meet and interact during informal occasions.

More information on the Executive Committee can be found in Our Executive Committee earlier in this section.

DIVERSITY[14]

As well as striving for an inclusive culture across the organisation, the company also recognises the benefits of having a diverse Board and Executive Committee.

When selecting members of the Board and the Executive Committee, the company strives for a diverse composition and a balance between expertise, experience, competencies, other personal qualities, gender, age, nationality and cultural background, as well as an appropriate combination of international knowledge and experience encompassing financial, legal, economic, commercial, risk management, sustainability, social, marketing and technology aspects relevant to the company's business and footprint.

The company shall ensure that the composition of the Board is in accordance with the company's Diversity, Equity and Inclusion Policy and the Board profile. More specifically, the company shall, among other topics, ensure that at least one-third of the non-executive Directors are women and at least one-third of the non-executive Directors are men (in each case, rounded-up). The full text of the Diversity, Equity and Inclusion Policy and the Board profile are available on the company's website.

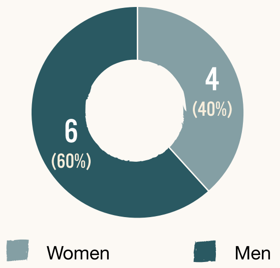
The Board annually assesses the size and composition of the Board. As part of the procedures for appointing new Directors, the Directors are invited to give their input on identifying potential candidates. Members of the Remuneration, Selection and Appointment Committee propose suitable candidates for consideration by the Board, taking into account diversity in background, gender, geographical and industry experience, skills and other distinctions between Directors. The Board is satisfied that its current composition reflects the appropriate mix of diversity, experience, independence, knowledge and skills.

The company also attaches great value to diversity in the composition of its Executive Committee. In accordance with the company's Diversity, Equity and Inclusion Policy, the company's objective is to ensure that at least 30% of the executive Directors on the Board (if more than one is appointed) are women and at least 30% are men, and that at least 30% of the positions in the Executive Committee are held by women and at least 30% by men. The company believes that such a diversity ambition for the Executive Committee is appropriate for a fast-moving consumer goods company and generally reflects the market trend.

In 2024, the company met its gender diversity objectives regarding the composition of both the Board and the Executive Committee.

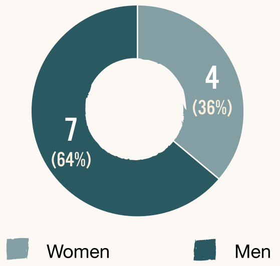
For more information on our diversity and inclusion aspirations, including for the Global Leadership Team, refer to the S1 - Own Workforce section of this report.

Number and percentage of women and men non-executive Directors in 2024



CHANGE VS 2023
men -2
women -1

Number and percentage of women and men in the Executive Committee in 2024 (including executive Director)



CHANGE VS 2023
no change

Nationalities non-executive Directors	
French	
British	
Belgian	
German	
Spanish	
Dutch	
Brazilian	
Total	**7**

Nationalities Executive Committee	
Brazilian	
American	
British	
Belgian	
Australian	
Russian	
Dutch	
Total	**7**

[14] ESRS 2, GOV-1; 21d

Board profile of non-executive Directors

The purpose of this Board profile is to provide the company's stakeholders with an overview on the main aspects of diversity and competences that the company considers to be the most relevant for its stakeholders[15].

Non-executive Director	Diversity			Experience											
Name	**Nationality**	**Year of birth**	**Gender**	**Financial experience**	**Legal experience**	**Economic experience**	**Commercial experience**	**Social experience**	**Marketing experience**	**Listed company experience**	**Corporate governance**	**FMCG experience**	**Organisational experience**	**Sustainability**	**Digitisation and technology**
Olivier Goudet	French	1964	M	●		●	●		●	●	●	●	●	●	
Aileen Richards	British	1959	F	●		●	●	●				●	●		
Stuart MacFarlane	British	1967	M	●		●	●		●	●		●	●		
Peter Harf	German	1946	M	●		●	●	●	●	●	●	●	●	●	●
Joachim Creus	Belgian	1976	M	●	●	●	●			●	●	●		●	
Denis Hennequin	French	1958	M			●	●	●	●	●	●		●		
Frank Engelen	Dutch	1971	M	●	●	●	●				●	●		●	●
Ana García Fau	Spanish	1968	F	●	●	●	●			●				●	●
Paula Lindenberg	Brazilian	1975	F			●	●	●	●	●		●	●		
Patricia Capel	Brazilian	1972	F	●		●	●	●	●	●		●	●	●	

15 ESRS 2, GOV-1; 21c & 23a-b

BRAND HIGHLIGHT

WHERE HERITAGE MEETS CRAFT

#1
White Coffee Mixes in Malaysia, Singapore mainland China and Hong Kong

200
F&B establishments with new market openings in Hong Kong and the Philippines

In an era where tradition and craftsmanship can lose its place, OldTown preserves the Asian food and drink culture by making it exciting and relevant today.

The introduction of OldTown's Salted Caramel White Coffee and Smooth Roast Less Sugar Kopi underscores the brand's commitment to meeting evolving consumer preferences. As the leading White Coffee brand in Malaysia, Singapore, mainland China, and Hong Kong, OldTown continues to solidify its market position.

It is also the fastest-growing brand in value among the top coffee mix brands across these markets.*

Since unveiling its refreshed brand identity in 2022, OldTown has garnered numerous accolades. Among these are the prestigious KANTAR BrandZ Award for Best TV Commercial in Malaysia, the FairPrice Partners Excellence Award for Most Popular Brand in Singapore, the Lazada LazMall Local Superstar Award in Malaysia, as well as Malaysia Franchise Awards, the Halal Franchise Excellence Award, and Putra Aria Brand Awards.

*Source: Nielsen Value Sales MAT August 2024

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BRAND HIGHLIGHT

SENSEO®, THE ENTRY SINGLE-SERVE SYSTEM, AFFORDABLE AND SUSTAINABLE!

#1
amongst single-serve in France, Germany, the Netherlands and Belgium

35M
cups served every day

In 2001, SENSEO® revolutionised the world of coffee with affordable, delicious coffee with rich crema, at the touch of a button.

Today, SENSEO® is the #1 single-serve system,[1] and it is present in 14 million households with 35 million cups being served every day.

When it comes to sustainability, SENSEO® is ahead of the game, delivering single-serve coffee with as little packaging per cup as roast and ground coffee, thanks to its compostable[2] pads in recycle-ready bags. And, since June 2024, all Senseo black coffees are labelled with the responsibly sourced[3] claim, as part of JDE Peet's Common Grounds programme, through which we aim to positively impact people and the planet. SENSEO® has also introduced its new SENSEO® Select Conscious coffee pad machine, made of 37% bio-based materials from recycled plant oil waste.

SENSEO® has a clear mission: to make single-serve coffee an everyday choice for all. Which is why, in 2024, SENSEO® launched a new 100% arabica range of espressos and pure origin coffees. And in its core range, SENSEO® continues to grow its formats, now offering up to 120 pads.

SENSEO®, each cup matters!

1 Amongst single-serve in France, Germany, the Netherlands, and Belgium
2 According to NEN (EN, FE, EN) -13432 biodegradable and industrially compostable
3 For more details and to learn more about the responsible sourcing of coffee, please also visit https://www.jdepeets.com/sustainability/

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REMUNERATION REPORT

REMUNERATION, SELECTION AND APPOINTMENT COMMITTEE CHAIR LETTER

Dear Reader,

On behalf of the Board and the Remuneration, Selection and Appointment Committee, I am pleased to present the 2024 Remuneration Report. This report provides a summary of the application of the Remuneration Policy for the executive and non-executive Directors in 2024.

The Remuneration Policy is focused on ensuring there is appropriate alignment between the remuneration of the executive Director and the successful delivery of the company's long-term strategy. With this in mind, a significant proportion of the remuneration package for the executive Director is linked to the delivery of sustainable long-term value creation for the company and its stakeholders, while supporting an ownership mentality and entrepreneurial culture.

Executive Director changes

2024 was a year of leadership transition following the departure of Fabien Simon, the former CEO, who stepped down from the Board and left the company on 1 April 2024. Following an extensive and rigorous search process, we were pleased to appoint Rafael Oliveira as CEO and stand-in executive Director effective 1 November 2024. His formal appointment as executive Director will be presented to shareholders for approval at the 2025 AGM.

Remuneration for Rafael Oliveira

Mr. Oliveira’s remuneration package is designed to foster an ownership mentality and entrepreneurial culture, while strengthening the alignment of his remuneration with the successful execution of the company’s long-term strategy and sustainable value creation. Aligned with our ownership mentality and demonstrating his long-term commitment, Mr. Oliveira acquired JDE Peet’s shares worth EUR 10 million upon joining, ensuring he has significant ‘skin in the game’.

In determining these arrangements, the Committee considered feedback from shareholders and shareholder advisory bodies following the 2024 AGM, as well as insights gathered during an engagement exercise led by myself as Committee Chair during the second half of 2024 and concluded in early 2025.

The total on-going package is positioned competitively against our sector peer group, albeit below median, with the base fee and Short Term Incentive (STI) opportunity set in line with the levels for the former executive Director, and the Long Term Incentive (LTI) award level lower than historic practice.

The direct link to performance in Mr. Oliveira’s remuneration package has been strengthened, including through the use of Performance Share Units (PSUs) under the Long-Term Incentive and through the grant of an one-off Option award which directly links his remuneration to the sustainable creation of long-term value and further promotes our entrepreneurial culture.

In response to shareholder feedback, Mr. Oliveira was not offered a loan to support his investment in JDE Peet’s and he will not participate in the Executive Ownership Plan, further aligning the company’s practices with governance expectations.

A summary of the key terms of his remuneration are set out here.

2025 Remuneration Policy

The Committee determined Rafael Oliveira's remuneration package in line with our remuneration principles, aiming to further strengthen the direct link to performance and sustainable long-term value creation while incorporating shareholder feedback.

We propose to formalise these changes in our Remuneration Policy which is included for approval at the 2025 AGM. This will further reinforce the link to performance and align the Policy more closely with governance best practices. Key changes include discontinuing the Executive Ownership Plan and removing the ability to provide loans to Directors or remunerate non-executive Directors in shares, in accordance with the Dutch Corporate Governance Code.

Detailed information on the proposed updates to the Remuneration Policy will be provided in the Convocation Notice and Explanatory Notes for the 2025 AGM.

Departure terms for Fabien Simon

The treatment of Mr. Simon's remuneration on cessation was determined in line with the Remuneration Policy, relevant legal requirements and the Dutch Corporate Governance Code. The Board agreed that Mr. Simon would not be eligible to participate in the 2024 STI or receive a 2024 LTI award, with the majority of his outstanding LTI awards lapsing on cessation along with his interest in the Executive Ownership Plan. Mr. Simon was also required to repay EUR 2.2 million of the sign-on award he received upon appointment. Further details can be found here.

Fair pay across the organisation

The Committee also oversees broader people matters beyond senior leadership, including with respect to Diversity, Equity and Inclusion. JDE Peet's is committed to ensuring fair and equitable pay for all employees, with regular monitoring of gender pay equity. The Committee is proud that in 2024, the adjusted gender pay equity gap remains significantly below 1%, positioning JDE Peet's among industry leaders in this area.

Looking ahead to 2025

Mr. Oliveira's remuneration in 2025 will consist of three core components: a base fee, participation in the STI and a grant under the LTI scheme.

In line with his terms of appointment, PSUs will be awarded under the LTI scheme, ensuring a direct link to longer-term company performance. For 2025, PSUs will be used alongside RSUs which align his interests with sustainable long-term value creation while supporting retention. These arrangements align with market practices among our global sector peers and the company's own remuneration framework. The PSU performance conditions will be based on EBIT growth, cumulative Free Cash Flow and ESG – emissions reductions.

For the non-executive Directors, 2025 fees will be paid entirely in cash, in accordance with the Dutch Corporate Governance Code and feedback from some shareholders. As a result, the share portion will no longer be awarded, and, as noted before, will be removed from the Remuneration Policy going forward.

Next steps

I trust that this Remuneration Report clearly explains the implementation of the Remuneration Policy in 2024 and provides the necessary information for shareholders to support this Remuneration Report and the related resolutions at the 2025 AGM. I would like to thank shareholders for their engagement during the year and look forward to presenting this Remuneration Report at the AGM.

Sincerely,

Aileen Richards

Lead Independent Director and Chair of the Remuneration, Selection & Appointment Committee

ABOUT THIS REPORT

The Remuneration Report explains how JDE Peet's Directors' Remuneration Policy was applied during the year and contains details of the actual remuneration of the executive and non-executive Directors in 2024.

All references in this Remuneration Report refer to the current Remuneration Policy which was applicable during 2024. This Remuneration Policy was adopted by the Annual General Meeting on 30 May 2024, and is available on the company's website. As noted in the Letter from the Committee Chair, an amendment to the Remuneration Policy will be presented for a shareholder vote at the AGM to be held on 19 June 2025.

This Remuneration Report is prepared in accordance with article 2:135b of the Dutch Civil Code and the Dutch Corporate Governance Code, and is subject to an advisory vote at the AGM.

CONFIRMATION OF NO DEVIATION FROM THE REMUNERATION POLICY

JDE Peet's did not deviate from the Remuneration Policy in 2024 for either the executive or non-executive Directors.

REFLECTIONS ON THE 2024 AGM

At the 2024 AGM, shareholders approved the Remuneration Report and Remuneration Policy. Since then, the company has engaged with shareholders and shareholder advisory bodies, gathering valuable feedback through an engagement exercise led by the Committee Chair during the second half of 2024 and concluded in early 2025.

The Committee carefully considered this feedback when determining the package for the CEO and stand-in executive Director, as well as the proposed amendments to the Remuneration Policy to be presented at the 2025 AGM. Key changes include:

- Strengthening the link to performance through the introduction of PSUs and a one-off Option award linked to sustainable, long-term value creation;
- Formalising the link between remuneration and sustainability through the inclusion of ESG as a long-term performance measure under the LTI;
- Eliminating the ability to participate in the Executive Ownership Plan or receive a loan from the company to support the executive's investment in the company; and
- For non-executive Directors, removing the ability to pay a portion of the retainer in shares.

SUMMARY OF REMUNERATION FOR RAFAEL OLIVEIRA

Mr. Oliveira's remuneration package has been determined in line with our remuneration principles while seeking to further strengthen the direct link to performance and sustainable long-term value creation and take into account shareholder feedback. His on-going annual remuneration package consists of the following main elements:

- **Base fee –** EUR 1.25 million per annum (not eligible for an increase in 2025).
- **Short-term incentive –** Target level for 2025 set at 130% of base fee, with the maximum opportunity being 200% of the Target level. This level is below the Policy maximum. Not eligible to participate in the 2024 STI.
- **Long-Term Incentive –** annual LTI award of EUR 4 million, equivalent to 320% of base fee. This level is below the Policy maximum of 500% of base fee. The 2024 award was granted wholly in PSUs with performance assessed over the three year period to 31 December 2027. Subject to Board approval at such time, future LTI awards are expected to be granted as a combination of PSUs and RSUs, with equal weighting. PSUs will vest based on performance over three financial years (see here for details of performance measures). A two-year post-vesting holding period shall apply if the share ownership guideline has not been met.
- **Share ownership guideline –** In line with the Policy, a shareholding of at least 800% of base fee is required to be built within five years of appointment.

Aligned with our ownership mentality and demonstrating his long-term commitment, Mr. Oliveira acquired JDE Peet's shares worth EUR 10 million upon joining, ensuring he has significant 'skin in the game'. Mr. Oliveira was not provided a loan to support this investment and will not participate in the Executive Ownership Plan, further aligning the company's practices with governance expectations and addressing shareholder feedback.

A one-off Option award was granted to Mr. Oliveira upon joining on 1 November 2024, to provide a link between his pay and sustainable long-term value creation, further promoting JDE Peet's entrepreneurial culture. The award is subject to shareholder approval at the 2025 AGM.

The key terms of the one-off Option award are:
- One-off Option award over 1,630,000 shares with an exercise price of EUR 18.43[16].
- Vesting period of 4 years, subject to continued employment and Mr. Oliveira continuing to hold his initial investment of EUR 10 million.
- Exercise period of 4 years following vesting. Any shares received upon exercise may not be sold until at least the 5th anniversary of the grant, if the share ownership guideline has not been met.
- A performance condition applies with the number of options vesting being subject to an incremental multiplier of up to 2x, based on the company's share price following the announcement of the 2028 financial year results. If the share price is at least EUR 37, the maximum multiplier of 2x will apply, with incremental steps applying up to this level. The link to performance is strengthened with smaller increments for initial share price increases and larger increments for delivering the top levels of value creation.

16 Subject to adjustment for dividends during the vesting period

SUMMARY OF IMPLEMENTATION

The Policy for executive Director(s) is simple and transparent, and comprises the following on-going elements:

Policy element	Design per Remuneration Policy	Implementation in 2024 for our former CEO	Implementation in 2024 for our CEO	Implementation in 2025 for our CEO
Annual base fee	• Fixed cash compensation, aligned with the scope and nature of the role, the executive Director's experience and relevant market benchmark data	• EUR 1.25 million per annum (until cessation)	• EUR 1.25 million (from appointment)	• EUR 1.25 million (no change)
Short-Term Incentive (bonus)	• Performance-related short-term incentive paid in cash subject to the achievement of annual targets • Policy maximum of 310% of base fee. Current approach with a Target of 130% of base fee, with the maximum payout capped at 200% of the Target	• Not eligible for 2024 bonus	• Not eligible for 2024 bonus	• Target of 130% of base fee, with the maximum payout capped at 200% of the Target
Long-Term Incentive	• The LTI forms a substantial part of the total remuneration with grant capped at 500% of base fee • LTI award of either PSUs, RSUs or Options, or any combination thereof. • LTI awards vest three years from award date and are settled in shares • A two year post-vesting holding period applies, unless the substantial share ownership guideline has been met	• Not eligible for 2024 LTI award	• Grant of PSU award of EUR 4 million (320% of base fee) • PSU performance measured over three year period to 31 December 2027 • PSU metrics: EBIT growth (50% weighting); cumulative Free Cash Flow (40% weighting); ESG – GHG emission reduction (10% weighting)	• LTI award of EUR 4 million (320% of base fee) • Equal weighting of PSUs and RSUs • PSU performance measured over three year period to 31 December 2027 • PSU metrics: In line with the 2024 PSU award[17]
Retirement and other benefits	• Defined contribution pension plan and allowance in respect of base fee above the pensionable cap • Other benefits include health, disability and life insurance, and mobility (car) allowance	• In line with Policy and typical market practice	• In line with Policy and typical market practice	• In line with Policy and typical market practice
Share ownership guideline	• To build and maintain a shareholding to the value of 800% of the annual base fee	• In line with Policy	• In line with Policy	• In line with Policy

[17] 2025 LTI award will be over 217,038 shares which is valued at EUR 4 million based on a EUR 18.43 share price. The 2026 and 2027 LTI awards will also be over the same number of shares further strengthening the link to performance.

THE REMUNERATION POLICY FOR THE EXECUTIVE DIRECTOR

The objective of the Remuneration Policy is to attract, engage, incentivise and retain highly-skilled and qualified executive Directors in order to achieve the company's strategic and operational objectives. It is designed to:

- Be simple, effective and transparent
- Support an ownership mentality and entrepreneurship
- Align the remuneration of the executive Director with the successful delivery of JDE Peet's long-term strategy and sustainable long-term value creation

When designing the Remuneration Policy, the Board considered multiple perspectives including business requirements, JDE Peet's identity, vision and values, the overall pay philosophy across the company, shareholder views, the pay-ratio between the executive Director's pay and the average employee pay, and societal context. In formulating the Remuneration Policy and determining the remuneration of the executive Director, the Board also took into consideration scenario analyses of the possible outcomes of variable remuneration components.

The remuneration offered under the Remuneration Policy is reviewed periodically against relevant benchmark data, considering compensation levels and trends in the market as well as international remuneration standards.

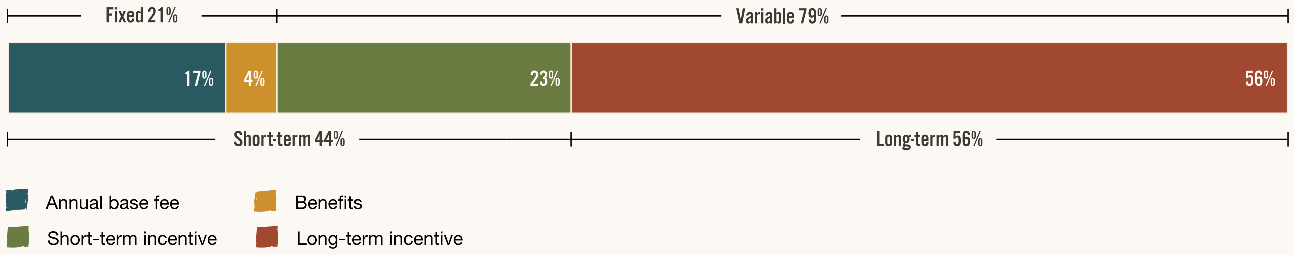
The total remuneration for the executive Director and other Executive Committee members is benchmarked against a sector peer group of 18 international companies. This peer group, selected and recommended by independent external remuneration consultants, considers our size, industry and international geographical footprint, with peers listed in five European countries, the UK and the US. This peer group reflects the companies from which we recruit talent externally and those to which our talent may be attracted, within a highly competitive sector. The international composition of our peer group also mirrors our talent practices with, for example, the Executive Committee currently comprising seven different nationalities.

FIXED VERSUS VARIABLE REMUNERATION

The Board considers that the company's ability to attract, engage, incentivise and retain a highly-skilled and qualified executive Director is a prerequisite in achieving the company's strategic and operational objectives. Therefore, the Committee determines the remuneration arrangements taking into account external market benchmark data, the performance of the executive Director and the company, the scope of responsibilities of the executive Director, as well as external and internal salary movements.

The Board has intentionally designed the Remuneration Policy to link the majority of the executive Director's pay to the company's performance and the delivery of sustainable long-term value creation. As illustrated in the chart below, more than three-quarters of the executive Director's remuneration is variable, the majority of which is long-term.

TARGET PERFORMANCE SCENARIO



SERVICE AGREEMENTS AND SEVERANCE PAYMENTS

The term of appointment for any new executive Directors is four years, subject to re-appointment by the AGM. The service agreement may be terminated by the executive Director or by the company. The notice period for the company is four months and for the executive Director two months.

If the company gives notice of termination of the employment agreement of the executive Director for a reason which is not an urgent reason ('dringende reden') within the meaning of the law, or decides not to extend the service agreement upon its expiry, or if the AGM does not re-appoint the executive Director for a subsequent term, the notice period and severance payment (combined) will be limited to one year's base fee in total.

EXECUTIVE DIRECTOR REMUNERATION IN 2024

The remuneration of executive Directors is determined by the Board, in accordance with the Remuneration Policy and following a recommendation from the Remuneration, Selection and Appointment Committee.

In 2024, Fabien Simon was the only executive Director of the company. He was appointed as Chief Executive Officer on 7 September 2020 and left the company on 1 April 2024. Following an extensive and rigorous search process, Rafael Oliveira was appointed CEO and stand-in executive Director effective 1 November 2024. His formal appointment as executive Director will be presented to shareholders for approval at the 2025 AGM.

ANNUAL BASE FEE

The annual base fee constitutes the primary fixed component of the executive Director's remuneration package. It is set at a level designed to attract, engage and retain the calibre of executive Director required to devise and execute JDE Peet's strategy.

The annual base fee of the stand-in executive Director, Rafael Oliveira, in 2024 was EUR 1.25 million, pro-rata in respect of the period since appointment. This is in line with the level for the former executive Director which was paid pro-rata until his cessation on 1 April 2024.

SHORT-TERM INCENTIVE

The current target STI is 130% of the annual base fee, with the maximum payout opportunity capped at 200% of the target (i.e. lower than the Policy maximum of 310% of base fee). The STI is paid out in cash.

There are no STI payments to executive Directors in 2024. Rafael Oliveira, the stand-in executive Director and Chief Executive Officer, was not eligible to participate in the 2024 STI as he joined in November 2024. The Board also determined that the former executive Director, Fabien Simon, would not be eligible to receive a payment under the 2024 scheme given he stepped down as CEO and left the company on 1 April 2024.

Short-term incentive framework

On an annual basis, the Committee selects indicators for the STI that are derived from, or linked to, the business plan, reflecting the company's long-term strategy. The STI payout for 2024 was dependent on the performance against the following pre-determined measures, which remained unchanged from previous years:

- Net Sales, net of commodity inflation/deflation (Link to strategy: Revenue growth)
- Adjusted Earnings Before Interest & Tax (EBIT), at constant currency (Link to strategy: Income from operations)
- Average Operating Working Capital (OWC) improvement (Link to strategy: Improvement in liquidity)

The STI payout is based on a multiplicative formula, whereby for each individual measure a multiplier is calculated by the extent to which performance is achieved. The individual multipliers are then multiplied, which results in the total bonus multiplier.

Net Sales, net of commodity inflation/deflation X Adjusted Earnings Before Interest & Tax (EBIT) X Average Operating Working Capital (OWC) improvement = Bonus multiplier

The total bonus multiplier can range from zero for below-threshold performance, to 200% of target in case of exceptional performance. The effect of the multiplicative formula is such that underperformance in one of the performance metrics will reduce the overall bonus payout, even in the case of outperformance in the others. For example, if the company meets the maximum Net Sales and OWC targets, but fails to meet the minimum threshold target for adjusted EBIT, the overall bonus for the executive Director will reduce to zero. This is more stringent than the typical market approach to bonus where each performance measure is assessed separately, which could result in payout for one measure even in the event of underperformance in other measures.

The total bonus multiplier is then applied to the target bonus opportunity to calculate the overall bonus outcome.

Base salary x Target bonus x Bonus multiplier = Final bonus outcome

The Remuneration, Selection and Appointment Committee has the right to adjust the formulaic total bonus outcome for any of the following reasons:

- Quality delivery (for example quality market share, brand performance and investing for the future)
- Environmental, Social and Governance performance
- Any extraordinary circumstances

LONG-TERM INCENTIVE

The LTI grant is aimed at encouraging ownership, incentivising sustainable long-term value creation and further aligning the long-term interests of the executive Director with those of shareholders.

The maximum annual grant under the Remuneration Policy is 500% of the annual base fee. In line with the terms agreed upon joining, for 2024 the Board approved the grant to the stand-in executive Director and CEO of 217,038 PSUs. This equates to a value of EUR 4 million, equivalent to 320% of his annual base fee. The performance period for the 2024 PSU award will cover the three-year period from 1 January 2025 to 31 December 2027. The performance targets agreed by the Board are summarised below.

Metrics	Link to strategy	Weighting
EBIT growth	Income from operations	50%
Cumulative Free Cash Flow	Cash generation to support dividends	40%
ESG – reduction in GHG emissions (scope 1 & 2)	Sustainability	10%

The 2024 PSU award will vest in March 2028 to the extent the performance conditions are met and, subject to continuous employment. Any shares vesting will be subject to a two-year holding period, in line with the Policy, unless the executive Director has met the significant share ownership guideline.

No LTI awards were granted to Fabien Simon in 2024 given his cessation on 1 April 2024.

RETIREMENT AND OTHER BENEFITS

In line with the Remuneration Policy, executive Directors are eligible for retirement and other benefits.

Since appointment, the stand-in executive Director and CEO participated in the defined contribution plan. Annual contributions are made up to the maximum pensionable amount of EUR 137,800 in 2024 (2023: EUR 128,810) and are paid gross into the defined contribution plan. Mr. Oliveira received a cash allowance in lieu of pension contributions above the pensionable cap (with a maximum salary cap of EUR 500,000). In addition to retirement benefits, he is entitled to a monthly mobility allowance and other benefits in kind such as a health, disability and life insurance, and reimbursement for reasonable costs and expenses.

MALUS AND CLAWBACK

The Remuneration Policy provides that variable payments can be recovered to the extent that payment thereof has been made on the basis of incorrect information about the realisation of the underlying goals or about the circumstances from which the entitlement to the payment arose. Furthermore, the Board may adjust the outcome of variable remuneration to an appropriate level if payment of the variable remuneration is unacceptable according to the requirement of reasonableness and fairness. For the LTI, additional grounds for claw-back apply: detrimental activity (such as the violation of important restrictive covenants), circumstances warranting dismissal for cause and any other circumstances where the Remuneration, Selection and Appointment Committee determines such action is justified.

In 2024, no application of the use to reclaim variable remuneration by means of either a clawback or malus within the meaning of article 2:135 (8) of the Dutch Civil Code was applied on any kind of variable payments to the executive Director.

TOTAL REMUNERATION FOR THE EXECUTIVE DIRECTOR IN 2024

Total gross remuneration of the executive Directors in 2024 and 2023 is presented in the table below (all in EUR):

Executive Director[18]	Year	Fixed remuneration	Variable remuneration		Benefits		Total remuneration	Proportion fixed - variable remuneration[19]
		Annual base fee	Short-Term Incentive	Long-Term Incentive[20]	Retirement benefits[21]	Other benefits[22]		
Rafael Oliveira (Stand-in executive Director) from 1 November 2024	2023	-	-	-	-	-	-	-
	2024	**208,333**	**-**	**483,567**	**15,916**	**35,708**	**743,524**	**35% - 65%**
Fabien Simon (former executive Director) until 1 April 2024	2023	1,250,000	1,982,500	2,844,032	96,349	233,844	6,406,725	25% - 75%
	2024	**312,500**	**-**	**-**	**23,920**	**1,307,100**	**1,643,520**	**100% - 0%**

The tables below provides an overview of the Long-Term Incentive grants at market value at 31 December 2024:

Executive Director	Grant year	Type	Share price at grant date	Units granted in 2024[23]	Units lapsed in 2024	Outstanding at 31 December 2024	Vesting date[24]	Exercise price	Dividend 2024	Market value at 31 December 2024[25]
Rafael Oliveira (Stand-in executive Director)	**2024**	LTI: One-off Options	EUR 19.87	1,630,000	-	1,630,000	1 November 2028	18.43	-	0
	2024	LTI: PSUs	EUR 18.15	217,038	-	217,038	23 March 2028	n/a	-	3,587,638

18 Rafael Oliveira was appointed stand-in executive Director and Chief Executive Officer with effect from 1 November 2024. Fabien Simon was the executive Director and Chief Executive Officer until cessation on 1 April 2024. The role of Interim CEO was filled by Luc Vandevelde, non-executive Director (1 April to 12 August 2024) and Scott Gray, Chief Financial Officer (12 August to 31 October 2024).

19 Proportion fixed – variable remuneration reflects the comparison between fixed (annual base fee, retirement and other benefits) and variable remuneration (short- and long-term incentive).

20 The LTI value reflects the accounting costs in accordance with IFRS. The value of unvested LTI grants is determined on the grant date and apportioned over the vesting period. The accounting cost for 2024 reflects the 2024 allocation of the LTI grants made in the period 2020-2024. For the former executive Director, given the majority of awards lapsed on cessation the total accounting charge in respect of 2024 is negative as, in line with IFRS, the accounting charge has been reversed.

21 The former executive Director participated in JDE Peet's Dutch defined contribution plan until cessation.

22 The amount in other benefits for the former executive Director includes a termination payment equivalent to 12 months base fee covering a payment in lieu of notice and a contractual severance payment.

23 The awards granted to Rafael Oliveira remain subject to shareholder approval at the 2025 AGM.

24 The final vesting level for the one-off Option award will only be determined towards the end of Q1 2029. The Options may be exercised until 4 years after vesting. Any shares acquired on exercise must be held until at least the 5th anniversary of grant if the share ownership guidelines have not been met. The key terms of the Option award are included here in the share based payment note of the financial statements.

25 JDE Peet's share price at 31 December 2024 was EUR 16.53. The Options have been valued at the intrinsic value. The PSUs have been valued at Target performance.

Former executive Director	Grant year	Type	Share price at grant date	Units granted in 2024	Units lapsed in 2024	Outstanding on cessation[26]	Vesting date	Exercise price	Dividend 2024	Market value on cessation[27]
Fabien Simon	2020	LTI: RSUs	EUR 35.70	-	84,034	-	23 September 2025	n/a		-
	2020	EOP [28]	EUR 34.07	-	675,080	-	7 September 2025	n/a	EUR 236,278	-
	2021	LTI: RSUs	EUR 27.38	-	109,570	-	23 September 2026	n/a		-
	2021	LTI: RSUs	EUR 25.90	-	17,650	59,571	15 December 2024	n/a		1,159,252
	2022	LTI: RSUs	EUR 26.03	-	9,881	28,544	19 January 2025	n/a		555,466
	2022	LTI: RSUs	EUR 29.96	-	100,134	-	23 September 2025	n/a		-
	2022	LTI: RSUs	EUR 27.72	-	36,076	-	15 December 2025	n/a		-
	2022	EOP [17]	EUR 27.72	-	72,202	-	15 December 2025	n/a	EUR 25,271	-
	2023	LTI: RSUs	EUR 25.70	-	194,553	-	23 September 2026	n/a		-

Departure of Fabien Simon

The treatment of Mr. Simon’s remuneration upon cessation on 1 April 2024 is as follows:

- A termination payment of 12 months base fee (in line with the Dutch Corporate Governance Code and Remuneration Policy);
- The Board determined that Mr. Simon was not eligible to participate in the 2024 STI or receive a 2024 LTI award;
- The majority of his outstanding LTI awards lapsed on cessation, as disclosed in the table above;
- His interest in the Executive Ownership Plan lapsed, with his original investment returned at the current value;
- The loan provided to Mr. Simon to support his investment in the company was repaid in full, along with interest accrued;
- Mr. Simon repaid EUR 2.2 million of the sign-on award he received upon appointment.

26 Outstanding balance on cessation on 1 April 2024.

27 Market value on cessation based on JDE Peet's share price at 1 April 2024 was EUR 19.46.

28 The participation in the Executive Ownership Plan lapsed on cessation, with his original investment returned at the current value. The dividend was in respect of the dividend paid by JDE Peet’s N.V in January 2024.

REMUNERATION AND COMPANY PERFORMANCE DEVELOPMENT

The overview below provides insight into the development of the executive Director's remuneration, company performance and employee pay over the past five years.

	2024	2023	2022	2021	2020
Executive Director Remuneration	Rafael Oliveira	Fabien Simon	Fabien Simon	Fabien Simon	Fabien Simon
Executive Director [29]	EUR 743,524 (EUR 4,461,144 on an annualised basis)	EUR 6,406,725	EUR 3,959,853	EUR 3,461,409	EUR 801,365 (EUR 2,520,361 on an annualised basis)
Company Performance					
Sales	EUR 8,837 million	EUR 8,191 million	EUR 8,151 million	EUR 7,001 million	EUR 6,651 million
Organic Sales growth versus prior year	5.3%	3.9%	11.3%	6.1%	n/a
Adjusted EBIT	EUR 1,277 million	EUR 1,128 million	EUR 1,227 million	EUR 1,304 million	EUR 1,278 million
Organic Adjusted EBIT growth versus prior year	10.4%	1.1%	(9.3)%	1.5%	n/a
All employee remuneration					
Average annual employee remuneration on FTE basis	EUR 61,316	EUR 62,781	EUR 61,914	EUR 57,705	EUR 53,832
Pay ratio to executive Director[30]	1: 12 (annualised 1: 73)	1: 102	1: 64	1: 60	1: 15 (annualised 1:47)

The change in pay ratio between 2023 and 2024 is primarily as a result of the remuneration payable to the executive Director with the lower figure for 2024 reflecting that Mr. Oliveira only joined the company in November 2024 with his variable pay reflecting his recent appointment (see here for further information).

29 Where the executive Director was appointed during the year, both the actual and annualised remuneration have been included. The value of the one-off Option award is based on the valuation in November 2024. As disclosed in note 7.1 Share Based Payments, the fair value of the Options will be remeasured at the time of the 2025 AGM, if approved by shareholders.

30 Pay ratio - the executive Director's pay reflects the actual total 2024 remuneration as shown earlier in this report. The average employee pay is calculated as the total remuneration of all JDE Peet's employees on an IFRS basis divided by the average number of JDE Peet's employees on an FTE basis. More information on the average number of FTEs can be found in note 2.3 of the Consolidated Financial Statements. The Total Remuneration Ratio between the highest paid individual and the median employee is disclosed here in the sustainability statements.

THE REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS

The fee structure for the non-executive Directors has been designed to ensure that the company attracts, retains and appropriately compensates a diverse and internationally experienced set of non-executive Directors.

The remuneration of the non-executive Directors is determined by the Board, in accordance with the Articles of Association, following a recommendation from the Remuneration, Selection and Appointment Committee with due observance of the Remuneration Policy. In line with the Dutch Corporate Governance Code, the remuneration of the non-executive Directors is not linked to company or individual performance.

The Board has reviewed the non-executive Directors' Remuneration Policy, and from 2025, the non-executive Directors will no longer receive a portion of their annual retainer in shares. This decision was made in response to feedback from shareholder advisory bodies on past practices and fully aligns with the Dutch Corporate Governance Code. The total annual retainer will be lower than the current combined cash and share retainer total, while remaining competitive with the sector peer group at a broadly mid-market positioning.

The Remuneration Policy for non-executive Directors is simple and transparent in design and consists of the following elements:

Policy element	Design per Remuneration Policy	Implementation in 2024	Implementation in 2025
Annual retainer & fees for additional responsibilities - cash	– Reflects responsibilities and expected time commitment	Annual cash retainer – Board Chair: EUR 250,000 – Lead Independent Director: EUR 150,000 – Board members: EUR 100,000 Fees for additional responsibilities: – Committee Chair: EUR 50,000	Annual retainer – Board Chair: EUR 435,000 – Lead Independent Director: EUR 265,000 – Board members: EUR 215,000 Fees for additional responsibilities: – Committee Chair: EUR 50,000
Annual retainer – shares (removed from 2025 Remuneration Policy)	– Awarded in RSUs which vest after 5 years – Maximum annual value is 150% of annual cash retainer fee	Annual share retainer – Board Chair & Lead Independent Director: RSU award to the value of 100% of the annual cash retainer – Board members: RSU award to the value of 150% of the annual cash retainer	*Not applicable under 2025 Remuneration Policy*

All expenses reasonably incurred by non-executive Directors in the course of performing their duties are reimbursed at cost.

TOTAL REMUNERATION FOR NON-EXECUTIVE DIRECTORS

All non-executive Directors receive an annual cash retainer reflecting the responsibilities and expected time commitment of each role. Additional fees are also paid to the Chairs of the Audit, and the Remuneration, Selection and Appointment Committees.

In addition, until 2024 all non-executive Directors received an annual retainer in shares in the form of RSUs. In line with prior years, the RSUs granted to the non-executive Directors in 2024 vest on the fifth anniversary of grant, subject to continuous Board membership, without reference to any performance conditions.

The total remuneration for the non-executive Directors for 2024 was as follows (all in EUR):

Non-executive Director	Fees in cash[31]	Fees in shares[32]	Total 2024[33]	Total 2023
Peter Harf	158,523	175,148	**333,671**	238,325
Olivier Goudet	161,957	289,408	**451,365**	540,535
Patricia Capel	100,000	51,704	**151,704**	119,288
Joachim Creus	100,000	155,357	**255,357**	178,447
Frank Engelen	100,000	133,905	**233,905**	166,548
Denis Hennequin	100,000	155,357	**255,357**	178,447
Stuart MacFarlane	150,000	155,357	**305,357**	228,447
Aileen Richards	187,500	155,357	**342,857**	228,447
Ana García Fau	100,000	64,908	**164,908**	129,070
Paula Lindenberg	100,000	64,908	**164,908**	129,070
Former non-executive Director				
Luc Vandevelde	219,545	1,012,344	**1,260,041**	228,447
Jeroen Katgert	91,270	0	**91,270**	129,070
Laura Stein	91,270	0	**91,270**	129,070

No loans or guarantees were granted to the non-executive Directors in 2024.

31 The fees in cash are excluding any expenses grossed-up for taxes.

32 The LTI value reflects the accounting costs in accordance with IFRS. The value of unvested LTI grants is determined on the grant date and apportioned over the vesting period. The accounting cost for 2024 reflects the 2024 allocation of the LTI grants made in the period 2020-2024. The value for Luc Vandevelde includes an accounting cost of EUR 899,997 in relation to his one-off Option grant. All outstanding RSU grants for Jeroen Katgert and Laura Stein lapsed upon the Directors stepping down from the Board on 29 November 2024.

33 The total 2024 figure for Luc Vandevelde includes expenses valued at EUR 28,151 in respect of travel, tax and legal support.

The table below provides an overview of the RSU grants to non-executive Directors in 2024:

Non-executive Director	Units granted in 2024	Grant value (EUR)	Units outstanding from previous years	Units lapsed during 2024	Total units outstanding at 31 December 2024	Market value at 31 December 2024 (EUR)[34]
Peter Harf	9,437	188,798	18,182	-	27,619	456,542
Olivier Goudet	9,350	191,096	30,303	-	39,653	655,464
Patricia Capel	7,339	150,000	6,742	-	14,081	232,759
Joachim Creus	7,339	150,000	18,182	-	25,521	421,862
Frank Engelen	7,339	150,000	16,135	-	23,474	388,025
Denis Hennequin	7,339	150,000	18,182	-	25,521	421,862
Stuart MacFarlane	7,339	150,000	18,182	-	25,521	421,862
Aileen Richards	7,339	150,000	18,182	-	25,521	421,862
Ana García Fau	7,339	150,000	8,585	-	15,924	263,224
Paula Lindenberg	7,339	150,000	8,585	-	15,924	263,224
Former non-executive Director						
Luc Vandevelde	7,339	150,000	18,182	15,915	9,606	192,696
Jeroen Katgert[35]	7,339	150,000	8,585	8,585	0	0
Laura Stein[35]	7,339	150,000	8,585	8,585	0	0

The grant date for RSU awards to non-executive Directors in 2024 was 23 March 2024 at a share price of EUR 20.44. Additionally, Peter Harf received an RSU award on 23 September 2024 at a share price of EUR 18.50 following his appointment as Board Chair on 12 August 2024. All awards will vest on the fifth anniversary of each grant.

Luc Vandevelde was appointed Interim CEO effective 1 April 2024 and received a fee of EUR 500,000 and a one-off Option grant on 1 April 2024 over 2,500,000 shares, with an exercise price of EUR 20.94 (see 2024 Remuneration Policy for full terms). He stepped down from the Board on 12 August 2024, with his outstanding RSU awards pro-rated for the period served as a proportion of the vesting period. The Option award was also pro-rated on cessation with 2,222,223 Options lapsing with the remaining 277,777 Options outstanding on 31 December 2024.

[34] JDE Peet's share price at 31 December 2024 was EUR 16.53. Luc Vandevelde's awards valued on cessation on 12 August 2024 when the share price was EUR 20.06.
[35] All outstanding RSU grants for Jeroen Katgert and Laura Stein lapsed upon the Directors stepping down from the Board on 29 November 2024.

ETHICS AND COMPLIANCE

Our Codes of Conduct Principles

	Our Commitments
Asking for help and voicing concerns	We can only grow and improve as an organisation if we are open and honest with one another. This is why the company encourages a speak-up culture to report any actual or suspected misconduct, be it a violation of our Codes of Conduct, policies, our values or the laws that apply to us. The company does not tolerate any form of retaliation against those who voice their concerns in good faith.
Acting honestly and ethically with each other	We believe it is important to foster a diverse, inclusive work environment where all ideas, perspectives, and backgrounds are considered. We focus on maintaining high standards for workplace safety, and hold each other accountable for our actions and behaviour. We do not sacrifice safety for the sake of productivity. We also safeguard company information.
Acting honestly and ethically with our customers and business partners	Upholding our commitment to quality and safety ensures that those who consume our products enjoy the best possible experience, while those who manufacture, market and distribute them do so with confidence. As a leader in coffee & tea, we have a responsibility to deal fairly with others.
Acting honestly and ethically with our company and owners	To maintain our market position and preserve the integrity of our corporate brand, we have a duty to act in our company's best interest at all times.
Acting honestly and ethically with our global communities	We have committed to promoting and respecting human rights throughout our organisation in accordance with internationally declared human rights, including the UN Guiding Principles on Business and Human Rights and the 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. We believe in giving back to our local communities through charitable donations and volunteer work, and in strengthening and uniting the areas where we live, work, and innovate.

OBSERVING THE HIGHEST STANDARDS OF ETHICS AND COMPLIANCE

BUSINESS ETHICS AND OUR CODES OF CONDUCT

Across JDE Peet's, we strive to live up to and embody the values and principles-based culture at the core of our Codes of Conduct. 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. For the way the corporate culture was determined, please see Our Purpose and Our Values for more information.

We expect all employees to fully live up to the company's values, to be accountable for their own behaviour and to act with integrity and respect for others at all times. Our Codes of Conduct underline our commitment to ethical behaviour and compliance with the legal requirements of the countries in which we operate and serve to foster a culture of integrity, ethics and legal compliance. We introduce our Codes of Conduct to new employees as part of their onboarding, and conduct a global e-learning of our Codes of Conduct every two years.

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 compliance trainings and awareness campaigns.

The company recognises the importance of the tone at the top when it comes to ethics and compliance. As a result, the Board's Audit Committee receives a quarterly report on key compliance matters covering topics that include updates on policies, speak-up reports and potential incidents relating to corruption and bribery. This enables the Board to monitor cases of actual or suspected misconduct or irregularities, and ensure that independent investigations are carried out when necessary.

An effective Compliance programme is one that, by definition, continuously adapts to changes and improves over time.

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 within the company or throughout our supply chain.
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. Examples of suspected misconduct may include a violation of applicable (international) law, a violation of the JDE Peet's Codes of Conduct, its policies, standards and/or procedures under which it operates.

Our Speak Up Policy is translated into the languages used along our value chain, thus ensuring its accessibility to different stakeholders. In 2024, we conducted awareness campaigns and skill-up sessions to foster the speak-up culture within the company, including cross-functional trainings on how to conduct investigations concerning speak-up reports.

We have different channels to report suspected misconduct, including an online reporting tool that is 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.

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. Additionally, the Speak Up Policy provides comprehensive guidelines on the protection of whistleblowers against retaliation, fully aligned with the relevant legislation implementing EU Directive (EU) 2019/1937. The Speak Up Line is operated by an independent third-party provider, ensuring anonymity for those who wish to report concerns anonymously.

In 2024, the company received a total of 118 reports, the majority of which were related to routine human resources matters. Other issues frequently reported through our Speak-Up lines in 2024 included allegations of harassment, use of inappropriate language, and alleged non-compliance with laws and policies (including alleged fraud). In 2024, the company received 30 reports alleging discrimination, including harassment. Eight of them have been substantiated and remediation actions have been taken.

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.

ANTI-BRIBERY AND ANTI-CORRUPTION

As a company present in more than 100 countries, we are committed to conducting business in an ethically responsible manner and complying with applicable laws in all countries in which we operate. This commitment specifically includes compliance with applicable laws relating to anti-bribery and corruption, gifts, entertainment and hospitality, export and sanctions compliance and anti-money laundering, and is set out in our Anti-Bribery, Anti-Corruption, Trade Sanctions and Anti-Money Laundering Policy, which is consistent with the United Nations Convention against Corruption. Anti-Bribery, Anti-Corruption, Trade Sanctions and Anti-Money Laundering Policy applies to all employees and is reviewed regularly. Contracts with our business partners and suppliers include relevant references including with respect to anti-bribery and corruption.

In addition, our Gifts, Entertainment and Hospitality Policy details the behaviour expected of our employees with regard to the giving and receiving of gifts or entertainment. Together with our Public Advocacy Policy regarding interactions with public authorities and officials in relation to public policy development and implementation, this is an important element in our Anti-Bribery and Corruption Compliance programme.

The company conducts a global e-learning course on anti-bribery and anti-corruption every two years. Completion of such e-learning is mandatory for all company employees, and people managers have a responsibility to reinforce the importance of these trainings to their teams.

Functions exposed to compliance risk in this area, including sales, procurement and operations, receive annual training. In 2024, 100% of these at-risk functions were covered by the anti-bribery and anti-corruption training. Our trainings in this area cover topics such as the definition of corruption (including facilitation payments), our policies and procedures, as well as the behaviour expected of our employees with regard to the prevention, detection and reporting of any suspicion of bribery or corruption.

In 2024, those 5,609 company employees who are deemed to be exposed to risk followed a global e-learning course on anti-bribery and anti-corruption, with a completion rate of 92%. A global e-learning for all employees was conducted in 2023, with a completion rate of 92%.

The Internal Audit Department conducts periodic, independent audits of the company's compliance processes to assess the effectiveness of internal controls and procedures in the prevention and detection of corruption or bribery incidents, and provides recommendations to develop action plans for strengthening such controls.

The company has a comprehensive Sanctions Compliance Framework in place, which includes specific sanction compliance toolkits, expanded third-party screening and specialised external legal advice.

As part of our third-party risk management, we have implemented a comprehensive third-party due diligence workflow-powered platform for anti-bribery and anti-corruption integrity due diligence, as well as restricted (i.e. sanctioned) third-party screening before engaging third parties.
No fines were issued against JDE Peet's for anti-bribery or sanctions violations and no public legal cases were initiated in this respect in 2024.

COURSES AND TRAINING

At least twice a year, we provide alternating compliance e-learning courses for employees, covering key topics such as ethical conduct and principles, competition law, anti-bribery and corruption, data protection, and human rights. These courses are designed to ensure that all employees receive training in these areas at a minimum of every two years. Participation in these training sessions is mandatory for all employees, including members of the Executive Committee, who have both an email address and access to our Learning Management System. Members of our Board receive dedicated induction training at the outset of their term. Additional training sessions, including those on business conduct and anti-bribery and corruption, are available to Board members, who may undertake them at their discretion. During the annual Board evaluation, members have the opportunity to express any further training needs.

Furthermore, for those employees without email access, such as certain employees working in certain manufacturing units, we offer shared laptops or conduct in-person training sessions.

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

POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

In line with our Public Advocacy Policy, JDE Peet's interacts with government authorities and officials both directly and via trade associations related to public policy developments. JDE Peet's follows all applicable rules and regulations, and is registered on the EU Transparency Register. We made no political contributions in 2024.

FAIR COMPETITION

We are firmly committed to fair competition, including in relation to our business partners. As such, compliance with applicable competition laws is essential to the company.

Our Competition Law Compliance Policy, which is reviewed periodically, demonstrates our ongoing commitment to ensuring compliance with applicable competition laws and our Codes of Conduct. In particular, this policy explains to our employees the behaviour expected of them regarding interactions between the company and its competitors, customers and suppliers, and provides specific guidance in areas such as trade association meetings.

Key components of our Competition Law Compliance programme comprise playbooks, manuals, and training sessions. We also conduct regular risk assessments to identify and address any potential risks from a competition law perspective, alongside measures designed to mitigate any significant residual risks. Additionally, we have established competition law controls, including protocols to be adhered to during trade association meetings.

No fines were issued against JDE Peet's for competition law violations in 2024.

CONFLICTS OF INTEREST

To preserve the integrity of our brands, we expect all employees to be free from influences that conflict with the best interests of our company. Specifically, our Codes of Conduct lay out the requirement to identify, assess and manage conflicts of interest, when an employee's personal interests are in conflict with the performance of his or her duties or the interests of our customer, suppliers or other stakeholders. Furthermore, our Gifts, Entertainment and Hospitality Policy incorporates key requirements and an approval process for our employees when it comes to accepting or receiving gifts, entertainment and hospitality to prevent conflict of interest situations, and includes mandatory instructions on, for example, maintaining registers.

DATA PRIVACY

Our customers, employees and business partners entrust us with their personal data, and we place enormous importance on protecting and safeguarding this information, consistent with the various privacy laws that apply to our business.

We have established a robust framework of data privacy policies, including our Privacy Code for Employee Data and the Privacy Code for Consumer, Supplier and Business Partner Data. These policies encompass guidelines on data subject access requests, data breach responses, and other processes and tools that support data privacy across our operations. To further safeguard personal data, we have implemented both technical and organisational measures aimed at preventing accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access.

Our Privacy and Personal Data Protection programme, which is overseen by the Global Privacy Council – comprising senior management from IT, IT Security, HR, Marketing, and Legal and Compliance – includes regular privacy audits to ensure adherence to our policies and the continuous enhancement of our privacy practices.

In 2024, there were no material complaints or issues raised with respect to data privacy matters and no fines were issued against the company for data privacy violations.

RESPONSIBLE TAX

€ 212m
Income tax payments

31.3%
Effective tax rate

APPROACH TO TAX

In line with our Codes of Conduct, JDE Peet's always aims to be a responsible taxpayer. We have a responsibility to contribute to society by paying the right amount of tax in the countries in which we operate, helping to drive economic and social prosperity. We believe this is a critical element of our commitment to grow in a sustainable and responsible way.

We comply with the letter and spirit of the law and take into account the medium- to long-term interests of our stakeholders. Tax should follow business and, as such, the tax function must act as a partner to the business when creating and protecting value. In doing so, Group Tax applies robust governance and seeks to minimise tax risks through proactive tax management of our business operations and transactions.

We do not engage in tax evasion and we will not undertake transactions with the sole purpose of creating a tax benefit which is contrary to the objective and purpose of relevant tax rules. The EU list of non-cooperative jurisdictions for tax purposes is monitored on an ongoing basis and considered in case of investments in jurisdictions where JDE Peet's is not yet active. Entities within JDE Peet's established in any of these jurisdictions, or in a low (<15%) or zero tax rate jurisdiction, exist for substantive and/or commercial reasons.

TAX GOVERNANCE, CONTROL AND RISK MANAGEMENT

Our Global Tax Policy outlines our tax strategy and our Guiding Tax Principles and is reviewed and approved by the Board and Audit Committee. It is reviewed annually and updated as necessary. The Board is accountable for the tax strategy, and responsibility for tax risk management is delegated to the CFO and the Global Tax Director and overseen by the Audit Committee.

The effectiveness of our tax strategy depends on the quality of its implementation, execution and monitoring. Therefore, roles and responsibilities with respect to the execution of our Global Tax Policy are addressed in our Tax Control Framework. Our risk appetite for the tax decisions we take (including those relating to optimisation opportunities) and implementing our business models, is low. Key risks regarding the execution of our Global Tax Policy have been identified and, where necessary, controls have been put in place to mitigate the relevant risks.

To minimise tax compliance risk[36], Group Tax carries out a monthly review to ensure tax payments are correct, while quarterly confirmation by the local Finance Director ensures tax returns are filed on time, are accurate, and are in line with the Global Tax Policy. We strive to comply fully with all applicable laws and regulations and with our codes of conduct, policies, and procedures, wherever we do business. Employees and suppliers can report concerns about unethical or unlawful behaviour, or about activities that compromise our tax integrity, through our whistle-blower hotline. The Group Tax team maintains an adequate staff of qualified and trained tax professionals and has global responsibility for our tax positions. Proper governance and procedures are in place to ensure that Group Tax is involved in all significant business developments, investments and transactions and that tax consequences are considered as part of every major business decision. Various training initiatives are in place and are being developed to enable continuous education on how to deal with tax matters, including the link between tax strategy, business strategy and sustainable development.

We continuously seek to develop and improve our Tax Control Framework, supported by further investments in tax technology, to improve data management and thus the overall quality of direct and indirect tax compliance, control and reporting. We currently have various technology initiatives underway, within our direct as well as indirect tax disciplines, to optimise and upgrade our tax processes and we have drafted a global tax technology strategy and roadmap to track and trace data improvement projects and monitor future digital tax developments.

We are open and transparent and develop cooperative relationships with tax authorities.

TAX TRANSPARENCY

We believe that transparency in terms of both approach to tax and reporting on tax contributes to building trust in society. We firmly believe that tax transparency and reporting should not be viewed in isolation but rather as part of our overall sustainability journey. This is furthermore aligned with our general approach to reporting on financial and non-financial performance in a transparent and integrated manner.

As we progress on our sustainability journey, and seek to continuously improve our disclosures, we further define our ambition and plan in terms of transparency and reporting in the area of tax. This includes looking at data availability and quality, processes and controls, and the identification of steps required to realise our ambition.

Throughout the process of defining our ambition and plan, we closely monitor tax transparency and reporting developments of both a mandatory and non-mandatory nature across the globe. We actively consider these and, if and when appropriate, we will implement accordingly. We look at the Dutch Tax Governance Code for best practices as we define our evolving ambition. At all times, we will ensure full compliance with all laws and regulations in jurisdictions where we operate.

36 More information on the process of identifying tax risk is described in the Risk management section of this report.

BRAND HIGHLIGHT

#1
brand in the Netherlands (market share)

#1
in awareness in the Netherlands

INSPIRING YOU TO TAKE TIME FOR YOURSELF AND OTHERS

The rich history of Pickwick started more than 200 years ago in the Netherlands. The brand has a leading position in eight European markets.

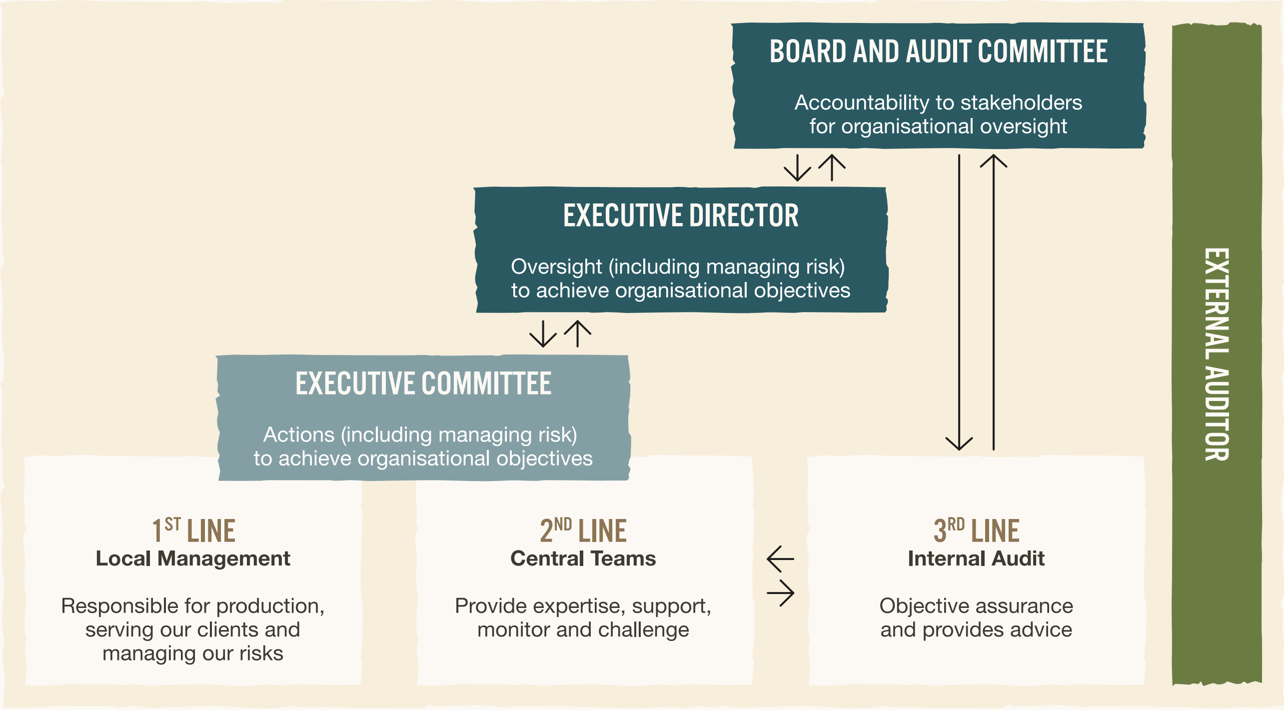
Pickwick is an iconic brand with a clear purpose: to inspire people to take time for themselves and others. Every day, Pickwick creates uplifting moments for those who value self-care and connection. We believe that everyone has the power to create simple, meaningful moments that enhance their well-being.

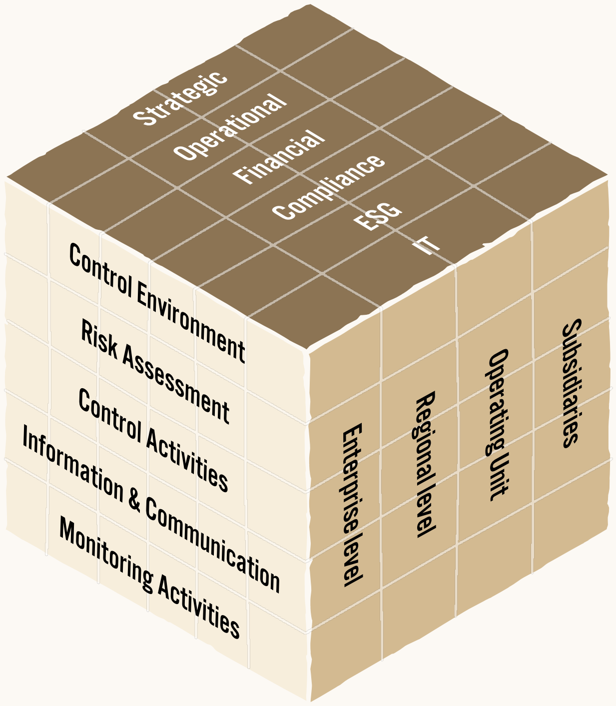
In 2024, Pickwick introduced several innovations in the growing tea segments. Notably, we expanded our Herbal Super Blends line and built on the success of the Ginger Goodness range by launching new variants, including 'Ginger Goodness Honey' and 'Ginger Goodness Mint'. These initiatives align with our strategy to drive premium tea growth, increase spend per trip, and capitalise on health trends and popular flavour combinations from the out-of-home segment.

Additionally, we launched two new equity campaigns for the Pickwick brand—one tailored specifically for the Netherlands and the other marking our first-ever campaign in Eastern Europe. This strategic brand focus is designed to enhance saliency and strengthen Pickwick's position in markets at different stages of brand maturity.

Back to brands overview

RISK MANAGEMENT





OUR APPROACH[37]

At JDE Peet's, we are committed to effective risk management to safeguard our stakeholders' interests and ensure sustainable growth.

We have adopted globally recognised frameworks, including the COSO Enterprise Risk Management Framework, the COSO Internal Control-Integrated Framework, and the Three Lines Model, to ensure comprehensive oversight and governance across our operations.

The COSO frameworks offer a structured approach to identifying, assessing, and managing risks throughout all areas of the business, aligning with our strategic objectives. In conjunction, the Three Lines Model sets out clear responsibilities: operational management ('Local Management') addresses risks on a day-to-day basis, while risk management, internal controls and compliance functions ('Central teams') provide oversight, and internal audit offers objective assurance.

Together, these frameworks cultivate a strong risk management culture, enhancing resilience and facilitating informed decision-making across the organisation.

We view risk management as an ongoing and dynamic process, and are committed to learning from past experiences, adapting to emerging threats, and enhancing our risk management framework with new insights and requirements. ESG-related risks and controls have been integrated into the frameworks and are reported as an integral part in the risk assurance statements. The new Verklaring Omtrent risicobeheersing (VOR) requirements will be integrated into our 2025 annual report.

CONTROL ENVIRONMENT

In 2024, we continued to reinforce clear expectations for ethical conduct, professional behaviour, and compliance with legal and regulatory requirements. These principles are reinforced by our Codes of Conduct, along with policies and procedures that foster a culture of integrity, accountability, and trust among stakeholders, enhancing the company's overall effectiveness and reputation. Our strategic framework and sustainability strategy provide valuable insights into our company's objectives, enabling the identification of potential events that may impede progress towards these goals.

In alignment with the best practices outlined in the Dutch Corporate Governance Code, we apply the Three Lines Model. The first line, local management, is responsible for identifying, managing, and monitoring risks as part of daily operations. Key activities within this line include the implementation of soft controls and executing formalised risk management controls.

37 ESRS 2, GOV-5; 36a

The second line consists of various central departments responsible for setting standards for Internal Control, Compliance, and Enterprise Risk Management across JDE Peet's. This line also monitors control testing activities, assesses the effectiveness of mitigation efforts, and provides ongoing support to the first line on risk-related matters.

Our third line, internal audit, serves as an objective assurance body. Using a risk-based approach, internal audit assesses the adequacy and effectiveness of the first and second lines in managing risks. Regular audits and desktop reviews help identify control deficiencies, with recommendations offered to strengthen and improve our risk management processes.

RISK ASSESSMENT[38]

We conduct ongoing risk assessments throughout the year using horizon scanning, threat development and reviews of mitigation effectiveness. Separately, in 2024, a light update was executed on the ESG double materiality assessment through peer company reviews, analysis of significant events, and expert meetings to reconfirm our material topics. ESG-related material topics, along with their associated risks, impacts and opportunities, have been integrated into the company's overall risk profile and detailed Enterprise Risk overview.

Risk appetite and actual risk levels are assessed using a standardised quantitative methodology to determine likelihood and impact. This methodology enables the comparison and prioritisation of the risks while providing additional insights into the impacts of related risks. The full cycle is completed annually, with a discussion and alignment on the company's overall risk profile in the Executive Committee, followed by a presentation to the Audit Committee and discussion by the Board.

CONTROL ACTIVITIES

At JDE Peet's, our risk management systems are designed to ensure the effective execution of management's directives for navigating and mitigating risks. Our Enterprise Risk Management and Internal Control frameworks provide clear guidance on required actions and controls at various organisational levels. These control activities are designed to prevent, detect, and correct errors or irregularities promptly, supporting the achievement of our strategic, operational, reporting and compliance objectives. Regular performance reviews allow management to monitor operational effectiveness, ensuring that control measures function as intended.

INFORMATION & COMMUNICATION[39]

We fully acknowledge the importance of generating, capturing, and distributing relevant and reliable information to support decision-making and meet internal control objectives. To this end, the Audit Committee is regularly updated on the effectiveness of internal controls, risk management, and alignment with strategic objectives.

At JDE Peet's, communication on critical internal control matters is centrally coordinated by key stakeholders, including the Accounting & Reporting (A&R), Compliance, Sustainability, Internal Controls (IC), IT, and HR teams. Each month, the A&R team issues Period-End Close instructions to all countries, with a dedicated section highlighting relevant IC deadlines and key points for attention. This ensures leadership remains well-informed on the effectiveness of risk management, internal controls and compliance.

The Board relies on consistent and transparent reporting to fulfil its oversight responsibilities and make informed decisions aligned with the organisation's objectives. This reporting process provides valuable insights into the identification, assessment, and management of risks, while also identifying any deficiencies or areas for improvement within the internal control system.

MONITORING ACTIVITIES[40]

We conduct monitoring activities through regular management oversight, internal audits, and other evaluations to identify deficiencies and areas for improvement. The Internal Controls team performs check-ins with countries as needed. Triggers for these check-ins may include deficiencies reported in self-assessments, comments in the Letter of Representation, spot checks by the central Internal Controls team, or findings from Internal Audit. The Internal Controls dashboard serves as an effective tool to raise awareness about the importance of internal controls and to highlight the number of deficiencies per region. This overview is accessible to all regional Finance Directors.

In addition to continuous horizon scanning and annual peer company risk development reviews, risk developments and the effectiveness of mitigations are reviewed three times per year with the designated risk managers. These reviews include updates on mitigation efforts to ensure that risks are aligned with the appetite levels set by our leadership.

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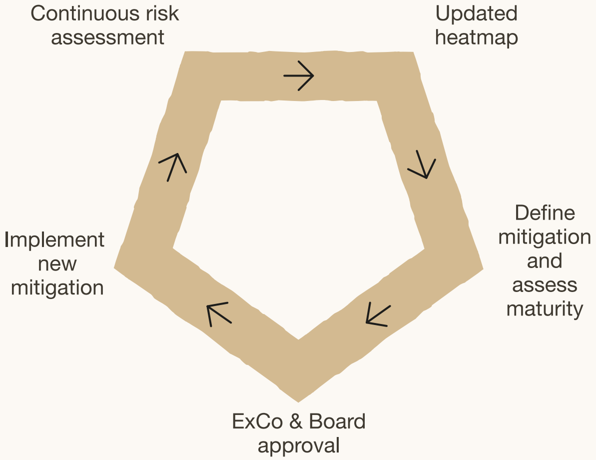
38 ESRS 2, GOV-5; 36 b-c & GOV-5; 53 ciii & GOV-53 e
39 ESRS 2, GOV-5; 36 d-e
40 ESRS 2, GOV-5; 36 d-e

RISK MANAGEMENT PROCESS

Our Enterprise Risk Management process is outlined below.

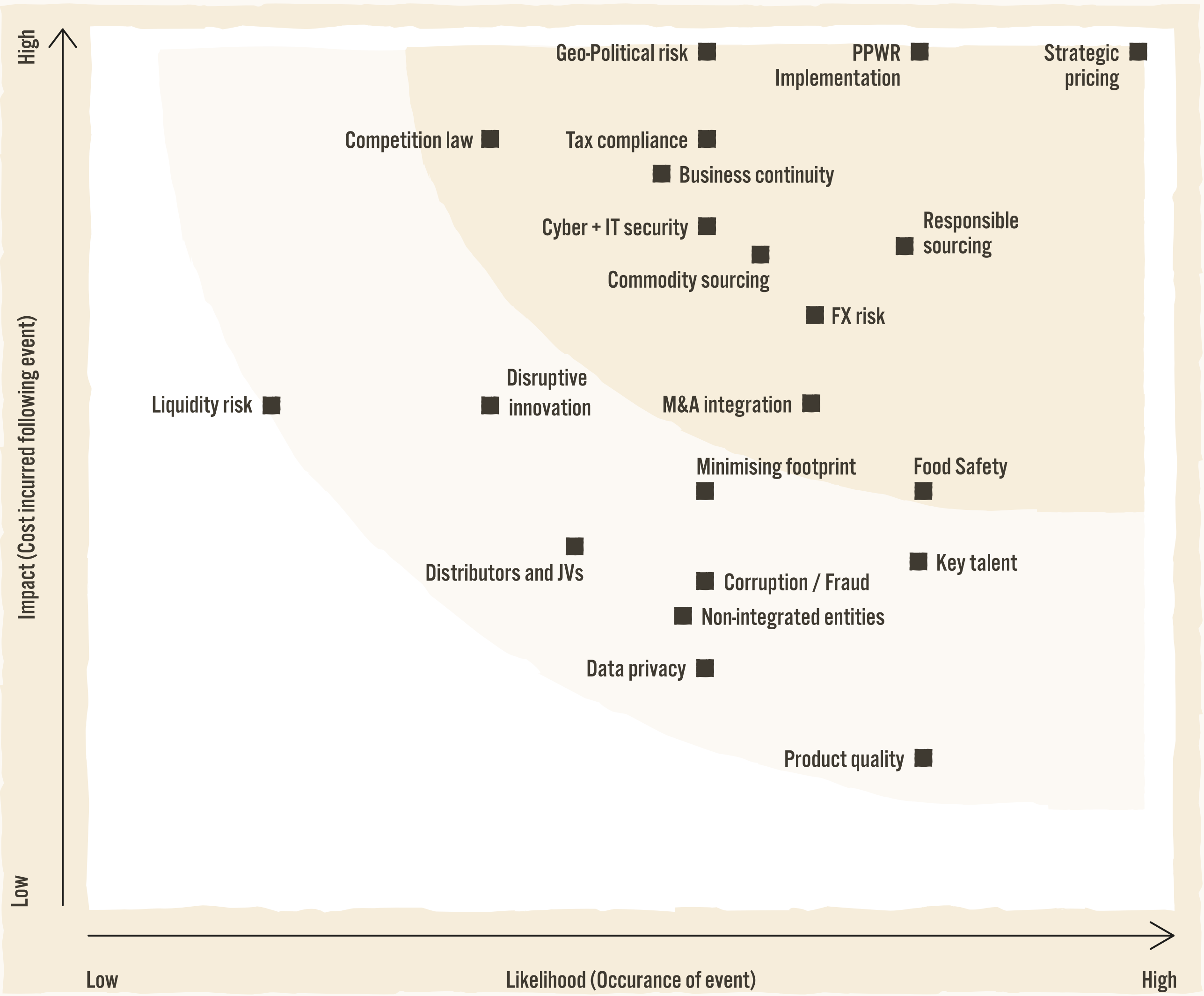


OUR MAIN RISKS

Overall, our risk portfolio, as described in this section, did not change substantially in 2024. Strategic pricing, driven by continued inflation and record-high green coffee prices, remained the highest risk in our landscape. Sustainability-related risks, reaffirmed through the update of the double materiality assessment, continue to rank among our highest risks. Increased regulatory pressure, stemming from several new directives and regulations, has raised risk levels within our risk portfolio and led to the creation of a separate risk for Packaging & Packaging Waste Regulation (PPWR) implementation, previously reported under our Minimising Footprint risk. For all risks, we continue to implement mitigation measures to ensure our risks remain at the agreed risk appetite levels.

MACRO-ECONOMIC ENVIRONMENT

In 2024, macroeconomic risks remained elevated due to a combination of global factors that threaten economic stability. Ongoing inflation, supply chain disruptions and geopolitical tensions pose significant risks to the global economy. Additionally, rising cybercrime levels and climate change-related disruptions amplify economic vulnerabilities. Governments have responded to these threats by raising interest rates, enacting trade protectionist measures, and introducing regulatory measures. JDE Peet's closely monitors developments impacting the macro-economic environment and assesses the company's exposure to these factors. The risk heat map provides an overview of our assessment of the company's main risks, their impact, and an evaluation of their likelihood.



We define our risk appetite and actual risk level as follows:

Appetite	
Averse	Avoidance of risk and uncertainty in this area is a key objective.
Cautious	Preference for secure and immediate mitigation, ensuring likelihood of risk occurring is remote.
Prudent	Preference for longer-term mitigation to manage risk towards a limited likelihood, prudently balancing risk and reward.
Open	Willingness to consider appropriate options that generate higher rewards.
Highest	Eager to be innovative and pursue opportunities that generate the highest rewards despite greater inherent risk.

Actual risk level:	
Very Low	The risk is insignificant and requires minimal attention.
Low	The risk is small and can be managed through routine procedures.
Medium	The risk is significant but manageable with additional controls or mitigations.
High	The risk is severe and needs to be addressed.
Very High	The risk is extreme and needs immediate attention and action.

Strategy pillar	Risk	Risk description	Risk appetite level	Actual risk level	Mitigation actions
Serve more cups	**Product quality**	The risk of large product quality issues leading to loss of business due to consumer dissatisfaction.	**Averse**	**Very Low**	– Internal and external quality measurement systems. – Verification and quality audits on all materials. – Efficient analytical support mechanism.
Serve more cups	**Merger & acquisition (M&A) integration**	Failure to develop an accurate business case and the risk that any other risk occurs before the new acquired business is on the JDE Peet's standards.	**Cautious**	**Medium**	– Internal deal team led by Executive Director, supported by external independent advisors – Internal accountability model, driving co-creation of the M&A business case. – Mature pre-closing due diligence process and post-closing fit/gap analysis. – Local and global teams are guided through the integration journey by integration governance models. – Manage M&A business case delivery through synergy tracking – Maratá Integration well underway, Caribou integrated under Peet's, no blockers identified.
Serve more cups	**Strategic pricing**	The risk that we cannot pass on price increases to our customers to offset inflation on time and in full.	**Prudent**	**Very High**	– Continue to build power brands. – Strong value creation narrative towards external partners. – Creation of a strong innovation pipeline to guarantee attractiveness for retailers.
Serve more cups	**Disruptive innovation**	The risk that new business models or technologies will disrupt JDE Peet's business model in the long term.	**Cautious**	**Low**	– Mature horizon scanning process to identify new trends on time. – Dedicated teams working on strategic innovations versus adaptations or variants to existing products. – NPD portfolio management per category and strategic buckets (WIN, MOVE, CREATE) – Scouting disruptive technology – start up and scale up
Serve more cups	**Non-integrated entities**	Non-integrated entities are often locally governed and fall outside the boundaries of centrally defined mitigations, which makes them vulnerable to any of the centrally defined risks.	**Cautious**	**Low**	– Risk review defined as one of the initial steps in the integration playbook. – Standard fit gap analysis checklist available for JDE Peet's compliance framework. – Process in place to identify and map the risks in the global ERM scope.
Master execution	**Data privacy**	The risk of serious breaches with GDPR or other privacy laws resulting in fines and reputational damage.	**Averse**	**Very Low**	– Mature process on privacy governance. – Privacy audits. – Data breach reporting procedure in place. – Periodic trainings.
Master execution	**Competition law**	The risk of non-compliance with antitrust laws, leading to claims, court cases, fines to be paid to either regulators, customers or other parties.	**Averse**	**Medium**	– Periodic compliance training for all employees, local specific small group trainings – Commercial play-books available for front-line employees – Anti-trust compliance policies & processes – Anti-trust audits
Master execution	**Tax compliance**	Risk of non-compliance to our business model ways of working and changes in tax laws and regulations can lead to additional tax exposure.	**Cautious**	**Medium**	– Tax controls testing. – Business model Governance Board. – Design, implementation and review of business/tax compliance framework. – We aim for certainty on tax positions and involve third-party tax advice where needed.

Strategy pillar	Risk	Risk description	Risk appetite level	Actual risk level	Mitigation actions
Master execution	**Corruption/Fraud & Sanction compliance**	The risk of significant corruption or fraud occurring.	**Averse**	**Low**	– Availability of Speak Up line for both internal and external whistleblowers – Periodic training. – Mature third-party risk management process and tooling. – Internal audits, and audits supported by external parties. – Sanction compliance toolkits
Master execution	**Supply security & business continuity**	The risk of significant disruption of the supply chain.	**Prudent**	**Medium**	– Risk management system in place with review on most critical sites and suppliers – Significant preventive and impact mitigating measures in place in most of our manufacturing facilities – Identification of alternative manufacturing facilities – Balancing inventory levels between optimised working capital and potential supply disruption.
Master execution	**Cyber + IT security & continuity**	Failure to protect JDE Peet's IT systems from intrusion (both from outside or inside) and failure to recover the main IT system after an event.	**Cautious**	**Medium**	– Regular security testing, vulnerability scanning and benchmarking. – Security policy framework & security awareness training & testing – Active vulnerability management – Clearly defined incident management process – Disaster recovery testing on annual basis
Master execution	**FX**	Failure to hedge currency risk in a cost-effective way.	**Prudent**	**Medium**	– Derivatives addressing foreign currency debt exposure. – Active currency monitoring and risk analysis – Defined processes with transactional hedging of major currencies
Master execution	**Liquidity**	Risk that JDE Peet's cannot meet its debt obligations.	**Averse**	**Very Low**	– Active liquidity management with live liquidity models and periodic stress testing – Active cash upstreaming process to IHQ – Strong and healthy debt maturity profile on different bond markets – Maintaining cash conversion cycle through disciplined AP/AR working capital – Committed credit and overdraft facilities in place to address short term liquidity needs
Master execution	**Commodity sourcing**	Failure to buy and make commodities available at equal or better conditions than peer group, based on fair market conditions.	**Prudent**	**Medium**	– Commodity Risk Governance Framework and Policy. – Performance tracking of JDE Peet's buying strategy against automated buying. – Highly skilled and experienced commodity buying employees.
Master execution	**Geo-Political**	The risk of negative impacts for JDE Peet's, direct and indirect, arising from political, economic, or security related events that affect global markets, businesses, and international relations.	**Cautious**	**High**	– Build in-house capabilities and escalation procedures. – Intensified horizon scanning for risk areas – Build scenario planning skills

Strategy pillar	Risk	Risk description	Risk appetite level	Actual risk level	Mitigation actions
Grow together	**Food safety/Food law compliance**	The risk of consumer food safety or product mislabelling issue leading to consumer harm or deception, a large recall, fine, or extensive reputation damage	**Averse**	**Medium**	– Adherence to JDE Peet's policies and best practices – Monitoring ingredients & finished products to validate compliance to process// requirements – Auditing IM and EM plants and validating heat treatment procedures – Ensuring product/packaging/labelling compliance to applicable local/regional regulations – Scouting activities through trade associations, industry and scientific bodies and external consultancy – Issue & Crisis Management process
Grow together	**PPWR Implementation**	The risk that JDE Peet's is not able to meet the compliance requirements from EU regulations aimed at reducing packaging waste, promoting recycling, and using sustainable materials (PPWR)	**Cautious**	**Very High**	– Capsules recyclability secured – Senseo and Tea industrial compostability secured – Additional requirements identified and projects defined to secure delivery – Projects managed under the PMO office, including KPI and progress tracking
Grow together	**Minimising footprint**	Near to medium term: Failure to meet environmental targets Long term: Physical impact of climate change on JDE Peet's sourcing and supply chain.	**Cautious**	**Low**	– Delivery of SBTi target on GHG Scope 1+2 reduction – Scope 3 delivery of farmer reach initiatives and vendor SBTi commitment to contribute to GHG reduction – Definition and deployment of water strategy
Grow together	**Responsible sourcing**	Near to medium term: Potential non-compliance to all applicable laws and regulations. Long term: Physical impact on JDE Peet's sourcing and supply chain.	**Cautious**	**High**	– Human Rights Policy updated – Human rights due diligence protocol defined and being deployed incl internal training. – Continuous internal assessments executed – Progress on responsible sourcing deployment – Preparation for new EUDR regulation – Delivery of farmer reached targets
Grow together	**Key talent**	Inability to retain key employees and to build a healthy talent pool.	**Cautious**	**Low**	– Maintain current high engagement standard – Further improve offer compensation package in line with the market. – Maintain a clear company purpose and inspiring culture. – Employees' safety and well-being programme in JDE Peet's business (incl. human rights, DE&I, human capital)
Grow together	**Distributors and JVs**	The risk that any of the other risks occurs with a key distributor who is acting on JDE Peet's behalf.	**Cautious**	**Low**	– Contracts in place with distributors / JVs. – Playbook selection and onboarding of reliable distributors – Active risk assessment and performance reviews of current partners

STATEMENT OF THE BOARD

JDE Peet's Board of Directors is responsible for the design and operation of the company's Internal Risk & Control Framework.

In accordance with best practice provision 1.4.3 of the Dutch Corporate Governance Code of December 2022, we have assessed the design and operational effectiveness of our Internal Risk & Control Framework. The outcome of these reviews was shared with the Audit Committee and was discussed with our external auditor.

JDE Peet's Internal Risk & Control Framework is designed to mitigate the risks associated with our strategy, operations, compliance and reporting, and aims to provide reasonable assurance that our financial reporting does not contain any material inaccuracies.

On the basis of the assessments performed, and the current state of affairs, the Board of JDE Peet's concludes that:

- This annual report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems, including strategic, operational, compliance and reporting risks
- The internal risk management and control systems in place provide reasonable assurance that the financial reporting does not contain any material inaccuracies
- Based on the current state of affairs, it is justified that the financial reporting is prepared on a going-concern basis; please refer to note 1.1 of the Consolidated Financial Statements section of this report
- The report states those material risks and uncertainties that are relevant to the expectation of the company's continuity for a period of twelve months after the preparation of this report. This is justified under the Risk management section. However, the Internal Risk & Control Framework cannot provide absolute assurance that control gaps, material misstatements, cases of fraud, or violations of laws and regulations will be prevented. Nor can it provide absolute assurance as to the realisation of operational and strategic business objectives.

In accordance with the Dutch Financial Supervision Act, section 5.25c, the Board confirms that, to the best of its knowledge and belief:

- The financial statements for 2024 provide a true and fair view of the consolidated assets, liabilities and financial position at 31 December 2024, and of the 2024 consolidated profit or loss of JDE Peet's
- The annual report provides a true and fair view of the situation at 31 December 2024, and the development and performance of the business during the financial year 2024, together with a description of the principal risks and uncertainties faced by JDE Peet's.

SUSTAINABILITY STATEMENTS

COMMON GROUNDS

As the Vice President of Sustainability at JDE Peet's, I am proud to share our progress and challenges in 2024, a pivotal year in our sustainability journey. Despite geopolitical and economical turbulence, we made meaningful strides toward sourcing 100% of our coffee & tea responsibly, reducing our environmental footprint, and engaging employees and our entire value chain in this transformative journey to create a better future. These achievements not only support our people and reduce our impact on the planet, but also strengthen our business by enhancing our credibility, boosting employee engagement, deepening stakeholder relationships, building resilience to reduce risk exposure, and opening new opportunities.

At JDE Peet's, we see sustainability not as a trade-off, but as a catalyst for value creation. Our sustainability strategy is embedded within our business strategy and supports our vision of unleashing the possibilities of coffee & tea to create a better future. I would like to highlight four key areas where sustainability drives value for our company, our stakeholders, and the planet: quality, innovation, resilience, and trust.

- **Quality**: Through responsible sourcing, we deliver the highest quality products to consumers, support farmers' livelihoods, and help protect the natural resources and biodiversity in our origin countries. We are investing in social infrastructures, research and climate-smart agricultural and agroforestry practices, to improve the quality, sustainability and resilience of our supply chain.

- **Innovation**: By advancing innovative solutions for our packaging, products and operations, we reduce our environmental footprint and offer consumers a broader variety of delicious, more responsible and healthy options. We have pioneered circular packaging solutions, including recyclable paper pouches and compostable pads, as well as carbon-neutral roasting and distribution processes, which reduce waste and emissions while enhancing our efficiency and differentiation.

- **Resilience**: Through proactive management of environmental and social risks, we bolster our resilience and competitiveness in a rapidly evolving world. Building on our 2023 double materiality assessment, scenario analysis, and 2024 'light review', we prioritised key sustainability topics, set measurable goals, and integrated sustainability into governance and risk management to drive accountability and transparency.

- **Trust**: By engaging and collaborating with stakeholders, we build trust and loyalty with consumers, customers, employees, investors and partners. We have increased transparency in our sustainability initiatives and impacts, enhanced our non-financial reporting to meet CSRD requirements, and demonstrated our commitment to ongoing progress.

In conclusion, I would like to thank all our stakeholders for their support and collaboration in making 2024 a successful and more sustainable year for JDE Peet's. We are proud of our achievements, but we recognise that significant work remains to ensure our long-term sustainability. We are confident that our sustainability strategy positions us well to seize opportunities and create lasting value for all.

Laurent Sagarra
Vice President Sustainability

“ WE ARE PROUD OF OUR ACHIEVEMENTS, BUT WE RECOGNISE THAT SIGNIFICANT WORK REMAINS.

GENERAL DISCLOSURES

STRATEGY

One of our key challenges in securing medium- to long-term financial success is the responsible sourcing of essential materials, coffee & tea, that are grown in regions under considerable socio-economic and environmental pressures. Through our Common Grounds programme, we address these challenges by identifying critical supply chain issues and collaborating with partners across the supply chain to develop solutions that create value for both our business and our stakeholders.

For instance, low coffee yields in certain regions place significant financial strain on farmers, often leading to deforestation as smallholder farmers seek to expand their cultivation areas. This not only exacerbates environmental degradation but also accelerates climate change, compounding the difficulties faced by these communities.

Through Common Grounds, we are proactively addressing these issues by co-funding the development of resilient coffee varieties and promoting regenerative agricultural practices. Additionally, we are investing in projects to strengthen the resilience of smallholder farmers. By training farmers in regenerative techniques, we aim to improve coffee yields and increase incomes while actively working to prevent deforestation.

This approach helps secure a sustainable coffee supply for the future, benefiting all stakeholders involved.

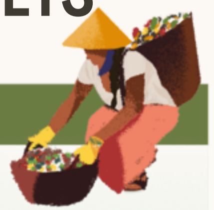
In this section, we report on 2024 progress across our three strategic pillars and foundational initiatives—from reducing GHG emissions throughout our value chain, in alignment with our SBTi commitment, to projects aimed at optimising energy, water, and packaging efficiency. We highlight our achievements in responsible sourcing, support for smallholder farmers to secure materials and improve livelihoods, and our ongoing efforts to create an inclusive, safe workplace for employees and stakeholders.

JDE Peet's Common Grounds 2024 targets and progress[41]

Common Grounds pillar	JDE Peet's sustainability target	Year	Result 2024	Result 2023	Result 2022
Responsible Sourcing	Working towards 100% responsibly sourced green coffee	2025	83.2 %	83.8 %	77 %
	Working towards 100% responsibly sourced tea	2025	80 %	40 %	27 %
	Working towards 100% responsibly sourced palm oil	2025	100 %	100 %	100 %
	Directly reaching 500,0000 smallholder farmers (since 2015)	2025	835,000	700,900	590,000
Minimising Footprint	Reduce absolute Scope 1 & 2 GHG emissions by 43.3% (vs 2020)	2030	31 %	22.5 %	17 %
	Reduce absolute Forest, Land and Agriculture (FLAG) Scope 3 GHG emissions (coffee) by 30.3% (vs 2020)	2030	(1)%	n/a	n/a
	Reduce absolute non-FLAG Scope 3 GHG emissions (all other materials) by 25% (vs 2020)	2030	4 %	n/a	n/a
	Deforestation-free across primary deforestation-linked commodities (coffee)	2025	99.9 %	99.9 %	n/a
	Towards 100% of our packaging components designed to be reusable, recyclable or compostable	2030	79 %	79 %	78 %
	Reduce our absolute water withdrawal across our manufacturing operations by 18% (vs 2020)	2030	15 %	n/a	n/a
	Halve our total operational waste (vs 2020)	2030	31 %	36 %	20 %
	Maintain operational waste-to-landfill under 1%	2030	1.8 %	1.3 %	1.5 %
Connecting People	40% women in leadership positions	2025	40.5 %	41.3 %	n/a
	Maintain voluntary turnover in leadership positions under 9%		5.2 %	n/a	n/a
Upholding Standards	Towards 100% compliance of our (non-coffee) COGS suppliers to our Human Rights Due Diligence	2027	67 %	n/a	n/a
	Towards 100% of our direct coffee suppliers went through phase 1 of our human rights due diligence	2025	70 %	n/a	n/a
	Towards 100% of manufacturing sites food safety and quality verified by an internationally recognised certification body	2025	84.5 %	85 %	75 %

41 Comparative results are as reported in prior years, in case no results were reported in prior years n/a is filled in. For more information of comparative results refer to the Basis of Preparation section. The comparative results of Scope 1,2, 3, water and waste are restated compared to the 2023 Annual Report to reflect 2024 updated methodology in calculating emission (refer to E1- Climate Change Accounting Policies) and acquisitions.

COMMON GROUNDS TARGETS



SOURCING FOR BETTER

APPROACH

We are championing regenerative agriculture to enhance livelihoods and positively impact our planet

KPIs

- 100% — Working towards 100% responsibly sourced green coffee
- 100% — Working towards 100% responsibly sourced tea
- 100% — Working towards 100% responsibly sourced palm oil
- Directly reaching 500,000 smallholder farmers (since 2015)

Read more
ESRS E4 Sustainable agriculture
ESRS S2 Farmer livelihoods

TOWARDS PLANET POSITIVE

APPROACH

We are striving towards a planet-positive supply chain through innovation and collaboration on sustainable solutions

KPIs

- -43% — Reduce absolute Scope 1 & 2 GHG emissions by 43% (vs 2020)
- -30%/-25% — Reduce absolute FLAG Scope 3 GHG emissions (coffee) by 30% and all other Scope 3 non-FLAG emissions by 25% (vs 2020)
- 100% — Towards 100% of our packaging components designed to be reusable, recyclable or compostable
- -18% — Reduce our absolute water withdrawal across our manufacturing operations by 18% by 2030 (vs 2020)
- -50% — Halve our total waste (vs 2020)
- <1% — Maintain waste-to-landfill under 1%
- Deforestation-free across our primary deforestation-linked commodities, coffee, pulp & paper, palm oil, cocoa and wood

Read more
ESRS E1 Climate action, **ESRS E3** Water and wastewater management
ESRS E4 Deforestation , **ESRS E5** Packaging and circularity

PUTTING PEOPLE FIRST

APPROACH

We are engaging colleagues and communities through the joy of coffee & tea to support well-being and promote equal opportunity

KPIs

- 40% — 40% women in leadership positions
- < 9% — Maintain voluntary turnover in leadership positions < 9%

Read more
ESRS S1 Human capital management & Diversity, equity and inclusion

FUNDAMENTALS FOR GROWTH

APPROACH

It serves as the cornerstone of our Common Grounds programme, providing a robust foundation and demonstrating our unwavering commitment to essential standards for the planet, our people, and JDE Peet's

- 100% — Towards 100% compliance of our (non-coffee) Cost of Goods Sold (COGS) suppliers to our Human Rights Due Diligence by 2027
- 100% — Towards 100% of our direct coffee suppliers went through phase 1 of our Human Rights Due Diligence by 2025
- 100% — Towards 100% of manufacturing sites food safety and quality verified by an international recognised certification body

Read more
ESRS S2 Human rights and Farmer livelihoods
ESRS S4 Product safety and quality
ESRS G1 Ethics and governance

Responsible Sourcing: Sourcing for Better

Our Responsible Sourcing pillar is dedicated to securing the long-term sustainability of both coffee & tea through a targeted sourcing strategy and our extensive smallholder farmer programmes. Through this initiative, we empower smallholder farmers by offering targeted training and essential resources—such as seedlings and wastewater treatment systems—designed to address their specific local challenges. The ongoing success and resilience of our business depend on our ability to drive positive social and environmental impact throughout our supply chain.

Our Assess, Address, Progress approach, central to our Due Diligence framework, enables us to take action to prevent or reduce negative impacts on people and the environment in our supply chain. This approach builds on years of expertise in coffee & tea and incorporates new tools and technologies that support our goals.

- **Assess**: Third-party assessments have been conducted 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, using the Global Coffee Platform Coffee Sustainability Reference Code, focussing on key issues such as child labour, working conditions, and climate impact. We also engage suppliers in self-assessments to evaluate their responsible business practices and the risks and opportunities within farming communities

- **Address**: Using insights from these assessments, we address identified gaps through multi-year farmer programmes. In partnerships with farmers, cooperatives, suppliers, NGOs, and governments, we work to improve standards across key focus areas. We actively engage with suppliers to ensure alignment with our sourcing principles and address key sustainability challenges

- **Progress**: We track progress by measuring key performance indicators within our farmer programmes and supplier assessments, sharing insights and learning from these interventions. If suppliers do not align with our sourcing principles, we work with them on a time-bound improvement plan to help them meet goals. If they fail to execute these plans in good faith or within the agreed timeframe, we take further action.

SUSTAINABILITY OF LAND

Regenerative agriculture and responsible land use practices are critical to address climate change and biodiversity loss.

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

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

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

EQUALITY OF PEOPLE

International standards on human rights are upheld for children, farmers and workers.

Gender & youth equality
Our partners implement locally relevant and culturally appropriate strategies to increase opportunities for women and young people.

Child labour
We are working to get to the root causes of child labour and we are building sustainable solutions to address this.

Working conditions
We include training on safe working conditions and access to protective equipment for agrochemical application.

PROSPERITY OF FARMERS

We help build capacities to make farming more economically viable.

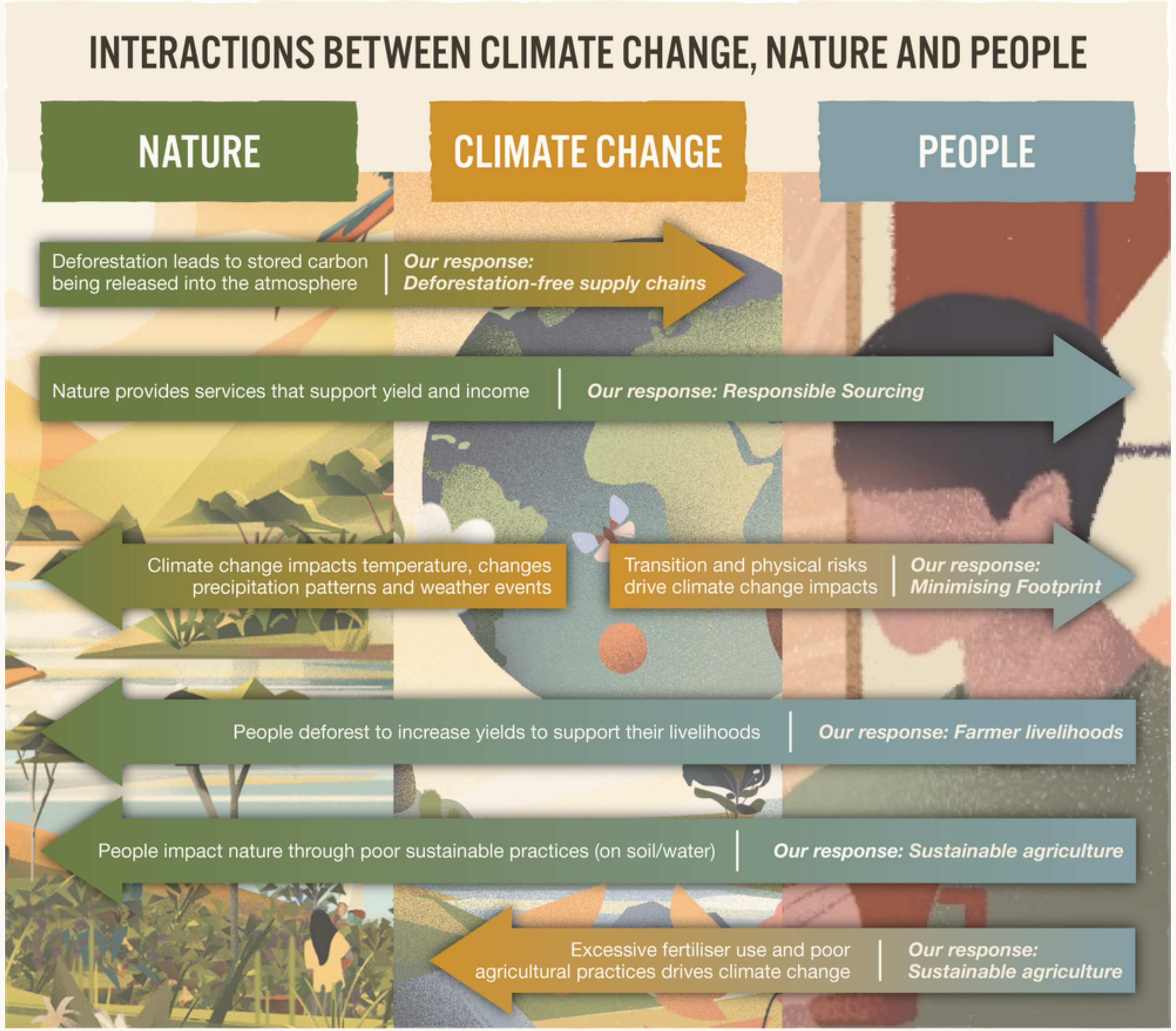
Farm management
With a strong emphasis on farmer participation, we support farmers to adopt good agricultural practices and we provide business and financial training.

Yield improvement
Training in applying good agricultural practices helps increase yields, leading to increased incomes and contributes to improved livelihoods.

Income diversification
Supporting farmers to diversify their portfolio of products helps improve efficiency of output on existing land and increase their earning capacities.

The foundation of our Responsible Sourcing strategy is our Coffee Responsible Sourcing Principles, focusing on three pillars: Sustainability of Land, Equality of People, and Prosperity of Farmers.

The social and environmental landscape is evolving, with a material increase in the number and scope of regional and national laws and regulations around reporting and due diligence.



At JDE Peet's, our Responsible Sourcing approach is aligned with internationally recognised frameworks, including the OECD Due Diligence Guidance for Responsible Business Conduct. We apply a data-driven, risk-based approach, taking ownership of what we consider to be our most critical challenge – securing the future of coffee & tea. Our goal is to drive genuine change to build long-term resilience for our business.

While coffee & tea are at the heart of what we do, producing cups of responsibly sourced coffee & tea is not a simple exercise. It requires dedication and expertise across multiple levels, from agricultural research and science to the smallholder farmers who grow and harvest the plants, to collection, processing and quality control, through to the final product that we sell under one of our iconic brands. This is why our responsible sourcing efforts are constantly evolving, requiring agility and adaptability to address the local realities of our supply chain. Ultimately, it is about understanding our supply chain and taking action to avoid, mitigate and address the risks in sourcing the agricultural commodities essential to our business.

Minimising Footprint: Taking Planet Action

Building farmer resilience is central not only to our Responsible Sourcing pillar, but also to our Minimising Footprint approach. We work with partners, civil society and governments on projects that support smallholder farmers in reducing fertiliser needs, increasing yields, and improving coffee plant resilience. These efforts are linked to enhancing soil health and, in appropriate regions, using agroforestry to support ecosystem services for farmers, and help them adapt to future temperature changes.

In line with our climate risk (see the Anticipated financial impact disclosures in the Environmental sections of this report) we are investing in long-term solutions to future-proof sustainable coffee & tea farming. This is particularly important given the climate crisis and its impact on crop production, as well as the ongoing social and economic disruptions that affect the most vulnerable farmers and their communities.

As part of our comprehensive strategy, we are committed to minimising the environmental footprint of our own operations, while fostering biodiversity and circularity within our supply chain, to support global efforts toward a sustainable, low-carbon, and circular economy.

Connecting People: Putting people first

Our employees are the driving force behind our success in fulfilling our purpose as an organisation. They enable us to unleash the possibilities of coffee & tea to create a better future. This means that the financial and non-financial performance of JDE Peet's hinges on our ability to attract, develop and retain talent capable of delivering our future growth. Our Connecting People pillar encapsulates our strategic initiatives to support this ambition.

Connecting People with their possibility

Our Human Capital Management approach is core to our efforts to attract, retain and develop top talent. We invest in skill development and succession planning to ensure our teams are prepared for the future. Our integrated talent management approach seamlessly connects recruitment, development, performance, career growth, and employee engagement. This commitment to our people is fundamental to our success, as we believe a motivated, skilled workforce fuels innovation and excellence, empowering our employees to unleash their full potential.

Connecting People across differences

We are deeply committed to diversity, equity and inclusion (DE&I), aspiring to reflect and positively impact the communities we serve. We approach DE&I systemically across our workforce, workplace, marketplace, and supply chain, striving to create an environment where everyone feels empowered to be their authentic selves and where differences are celebrated. We are also committed to breaking down any barriers to women's empowerment, fostering an environment where all genders can thrive.

Connecting People with communities

Beyond our internal focus, we are passionate about positively impacting the communities we serve. Our community engagement initiatives span global markets, including volunteer platforms and charity events, embodying our vision of connecting people through coffee & tea. These efforts demonstrate our commitment to creating meaningful connections and lasting change in the communities where we operate.

Together, these efforts encapsulate our dedication to social sustainability. By prioritising people, embracing DE&I, and engaging in our communities, we are building a brighter future for all.

Upholding Standards: Fundamentals for growth

Upholding Standards forms the cornerstone of our Common Grounds programme, establishing a strong foundation for the three additional pillars that support our sustainable growth strategy. This pillar represents our commitment to essential standards and guiding principles across all our initiatives, safeguarding our brands and JDE Peet's reputation. Our commitment to upholding fundamental values, including human rights, health and safety, and product quality, reflects our dedication to social responsibility and sustainable practices. At JDE Peet's, this commitment goes beyond compliance; it is about creating a resilient platform for future growth. By integrating human rights, health and safety, and quality assurance within our operations, we demonstrate our commitment to fostering a supportive environment for employees and stakeholders, while meeting the evolving expectations of consumers. Through this approach, we aim to contribute positively to society and the environment, aligning our business practices with sustainable growth and long-term value creation.

OUR SUSTAINABLE VALUE CHAIN

We source approximately 8% of the world's coffee and less than 1% of the world's tea, supplied to our manufacturing facilities. We operate local manufacturing facilities that respond rapidly to local consumer preferences and tastes.

As a global business, we rely on an extensive supply chain. The majority of our direct material supplier base, other than coffee & tea, are concentrated in packaging materials. Marketing and media make up the majority of our total spend on indirect materials and services. No significant changes were made to our supply chain in 2024.

FROM BEAN TO CUP

UPSTREAM

AGRICULTURE

We source coffee, tea and other agricultural products from more than 30 countries. Coffee & tea are grown in countries that face significant socio-economic and environmental challenges. Countries such as Indonesia, Ethiopia and Uganda have the greatest concentration of smallholder coffee farmers, many of whom we reach through our Responsible Sourcing pillar, under our Common Grounds programme.

Common Grounds (page 90)

SUPPLIERS

We work with more than 900 direct material suppliers (other than coffee & tea) across more than 62 countries. They are critical to sustaining our business, and some play an important role in helping us achieve our sustainability goals.

OWN OPERATIONS

PRODUCTION

We manufacture our coffee & tea products primarily at 45 manufacturing facilities in 24 countries, ensuring consistently high product quality while carefully managing the use of resources.

Our offices play a key role in supporting various functions, including the procurement, manufacturing, sales, and marketing of our coffee & tea products.

Minimising Footprint (page 108)

PACKAGING

The packaging of our products is critical to the great taste and freshness we offer our consumers. However, we recognise that packaging becomes waste and that its lifecycle must be managed to limit the environmental impact and promote circularity.

Sustainable Packaging (page 144)

DOWNSTREAM

DISTRIBUTION

We work with third-party logistics partners to reliably 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.

CHANNELS

We sell our full product range through a go-to-market approach that covers the entire spectrum of sales channels, retail channels, online channels, Out-of-Home channels and coffee stores.

Our Approach (page 25)

CONSUMERS

Our mission is to delight consumers with every cup delivering high-quality products, while creating value for our customers.

Our Brands (page 13)

END-OF-LIFE

Our multiple partnerships allow consumers to more easily return their used coffee pods for public or private collection and into recycling streams.

Engaging our Stakeholders (page 195)

OUR DOUBLE MATERIALITY ASSESSMENT

Working in a fast-paced environment, we recognise that stakeholder engagement is crucial for achieving our goals. Engaging stakeholders helps us align our policies and action plans for sustainable growth, enabling us to consider their perspectives.

We value the contributions of various stakeholder groups, including consumers, customers, smallholder farmers, suppliers, employees, and shareholders, through active listening and meaningful interaction.

Our commitment to stakeholder engagement spans the entire organisation and value chain, fostering regular interactions and collaborative projects to drive innovation and partnerships. This approach allows us to leverage stakeholders' expertise to improve operations, prioritise long-term value, and address potential risks. Our Stakeholder Engagement Policy provides the framework and principles to stay connected and responsive to the needs of these vital groups.

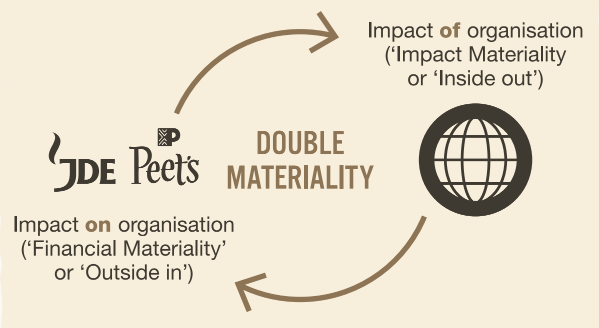
As our journey progresses, stakeholder engagement remains fundamental. Our collaborative efforts allow us to implement scalable solutions for a sustainable and prosperous future.

DOUBLE MATERIALITY

To ensure that we hear the voices of all our stakeholders and determine related impacts, risks and opportunities, we conducted our first double materiality assessment in 2023, as part of our triennial review. Conducting a review once every three years allows for topics to evolve, provides sufficient time to implement actions based on outcomes, and enables the company to align with periodic strategic updates, such as the Value Creation Plan.

As part of the three-year cycle, a light review was carried out in 2024. During this update, we performed desk research, peer reviews, considered major events, and ran focus groups with internal stakeholders to realign our material topics. The materiality process informs the Business Planning and Enterprise Risk Management.

As part of our double materiality assessment, and in line with the European Sustainability Reporting Standards (ESRS) definitions, we capture both impact and financial perspectives. We assessed all assets and activities in our own operations, as well as in the upstream and downstream value chain.



DOUBLE MATERIALITY METHODOLOGY

CONTEXT AND STAKEHOLDER IDENTIFICATION	IDENTIFY SUSTAINABILITY TOPICS	ASSESS IMPACT AND FINANCIAL MATERIALITY	VALIDATE MATERIAL TOPICS
Value chain evaluation – assessing definitions and different business models within JDE Peet's **Identified nine key stakeholder groups** across the value chain and classified as affected stakeholder or user of information	> **100 sustainability topics** identified based on reporting standards (GRI, ESRS, SASB), ESG ratings, industry reports, consumer analysis, due diligence outcomes and peer review **23 topics** defined by categorising impacts, risks & opportunities and evaluating their position across the value chain	> **65 external stakeholders and > 700 employees surveyed,** to understand what matters most to different stakeholder groups **20+ interviews** conducted with internal/ external stakeholders and experts to gain insights on impacts and risks & opportunities across the value chain	**Two expert panels** – impact and financial materiality separately – to validate the outcomes and scoring **Board session to approve** the process and outcomes Map material topics, to the Impacts, Risks & Opportunities (IROs) and to **applicable ESRS's**
• Value chain visualisation • Stakeholder groups	• Topic lists	• Stakeholder perspective • Impact and financial score	• Approval • Material topics • Mapping

PURPOSE

The outcomes of our double materiality assessment are used to:

- Determine material sustainability impacts, risks and 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 and test the resilience of the business model against upcoming impacts, risks and opportunities
- Engage with stakeholders to improve our strategy and to help identify and address operational issues
- Enhance transparency in reporting
- Report in compliance with ESRS

METHODOLOGY

MATERIAL TOPICS

Material topics are key topics that significantly influence JDE Peet's ability to create value over the short, medium, and long term. These topics are considered material because they are critical to stakeholders (e.g., consumers, customers, employees, investors) and JDE Peet's itself.

IMPACTS, RISKS AND OPPORTUNITIES (IROs)

To execute our strategy more precisely, the material topics are translated into impacts, risks and opportunities, ensuring a clear, concise and targeted focus. This approach aids stakeholders in understanding how sustainability issues might influence both the external environment and JDE Peet's operations.

Input for the identification of these IROs was obtained, among other sources, through our due diligence processes, as summarised in the Statement of due diligence section.

Impacts are identified through the impact materiality assessment. They can be actual or potential and positive or negative, depending on the nature of the impact.

Risks and opportunities are identified through the financial materiality assessment, stemming either from impacts or from dependencies on natural, human or social resources.

IMPACT MATERIALITY

Impact materiality has been assessed based on severity (scale, scope, and remediability) and likelihood. Topics scoring above 'medium' for severity and 'possible' for likelihood are considered material.
In our assessment, we used the scale/parameters for severity and likelihood as shown in the tables. For severity, the scale, scope and remediability of impacts are embedded. The likelihood criteria aligns with our Enterprise Risk Management process. Severity prevails over likelihood.

FINANCIAL MATERIALITY

We evaluate financial materiality by considering both the magnitude of potential financial effects and the probability of their occurrence. Financial effects may arise from influences on competitive advantage, enhanced customer or consumer value, licence to operate, and/or reputation. The impact is measured as a percentage of revenue or EBIT at risk. The likelihood is assessed in a manner aligned with our approach to impact materiality. In line with impact materiality, topics that register above 'medium' for impact and 'possible' for likelihood are classified as material.

Both impact and financial materiality assessments consider short-, medium-, and long-term horizons as defined in ESRS:

- Short term: 1 year
- Medium term: >1-5 years
- Long term: >5 years.

Severity

Parameter	Description
Significant	Impact is significant, global, and/or non-remediable
High	Impact is high, widespread, and/or very difficult to remedy
Medium	Impact is medium, medium scope, and/or difficult to remedy
Low	Impact is low, concentrated, and/or remediable with effort
Minor	Impact is minor, limited scope, and/or relatively easy to remedy

Likelihood

Parameter	Description	Chance of occurrence
Highly likely	Impacts in the highly likely category are almost certain to occur	>90%
Likely	These impacts need regular attention, as they are bound to reoccur and therefore require a consistent mitigation strategy	>60%-90%
Possible	Possible impacts may occur about half the time and therefore need attention	>40%-60%
Unlikely	Impacts in the unlikely category have a relatively low chance of occurring. However, because they may still affect JDE Peet's business, they need to be monitored and mitigated	>10%-40%
Highly unlikely	Highly unlikely impacts should be recognised, but require little attention	<10%

Impact (potential financial effects)

Parameter	Description	Revenue/EBIT
Maximum	Significant (potential) financial impact	> 5%
High	High (potential) financial impact	>2.5-5%
Medium	Medium (potential) financial impact	>1-2.5%
Low	Low (potential) financial impact	>0.5-1%
Negligible	Negligible (potential) financial impact	< 0.5%

GOVERNANCE AND OVERSIGHT

The Board holds ultimate responsibility for overseeing sustainability impacts, risks and opportunities and has approved our double materiality assessment outcome.

The CSRD Steering Committee, comprising leaders from various departments, including Sustainability, Audit, Legal and Investor Relations, reviews and approves sustainability-related information. The company's governance structure is reflected in the Sustainability governance section of this report, which includes the most important governance policies and regulations at each level, including oversight and management of sustainability impacts, risks and opportunities.

SCOPE AND BOUNDARIES

JDE Peet's materiality assessment extends beyond financial reporting. It identifies and assesses sustainability impacts, risks and opportunities across the entire value chain, from agricultural production to end-of-life. Our assessment incorporates the geographical footprint of our activities, including sales per segment, production locations, affected communities and farmers' locations.

Several information sources were used to identify impacts, risks and opportunities, and to define topics, allocate sub-topics and determine topic boundaries.

RESULTS OF THE 2024 LIGHT REVIEW

Our 2024 light review reflects insights from peer reviews and ESRS requirements:

- Cyber security has been removed from the double materiality list, though it remains part of our Enterprise Risk Management framework
- Following an expert session, we sharpened our focus on deforestation, recognising it as the primary driver of both financial and impact materiality within this area. While deforestation significantly influences biodiversity, quantifying biodiversity loss remains challenging. Sustainable agriculture is the key lever for enhancing biodiversity, similar to its role in improving soil health and sustainable water use across our upstream value chain. Given the interconnected nature of these topics, we maintain a holistic approach, addressing biodiversity, soil and water through our commitment to sustainable agriculture.

OUTCOMES DOUBLE MATERIALITY ASSESSMENT

Our double materiality assessment light review in 2024 identified 11 material topics and their associated IROs across the value chain, as outlined in the infographics on the following pages.

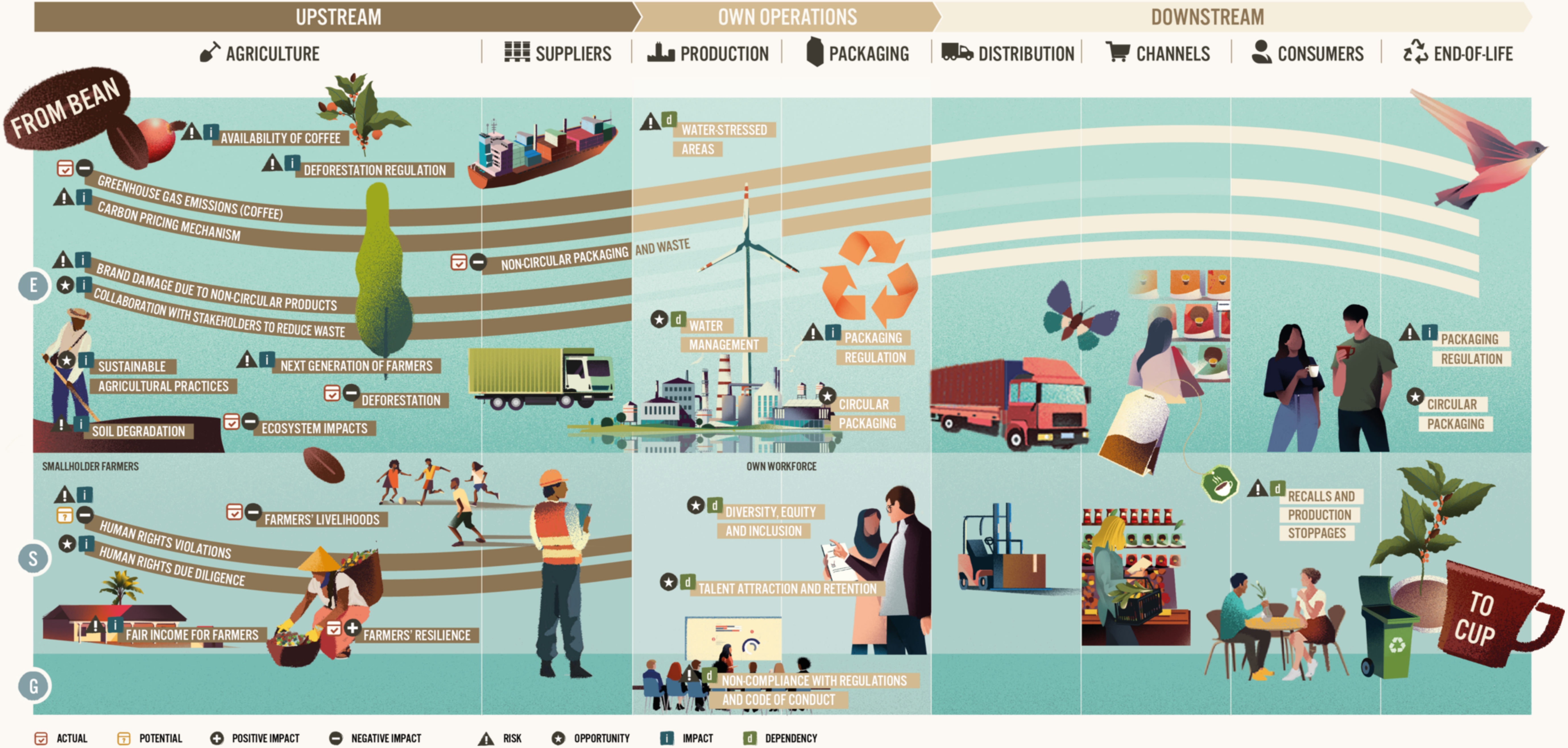
These material topics and IROs are managed through our Common Grounds strategy, aligned with its three pillars and the foundational initiative, Upholding Standards. Each material topic and its related IROs are detailed in the relevant sections of our sustainability statements.

MATERIAL TOPICS AND RELATED IROs

Common Grounds pillar	Material topic	Value chain	Impacts	Risks and opportunities	Impact materiality	Financial materiality	Time horizon	Main SDG for positive impacts	Covered in
Responsible Sourcing	**Deforestation**	Upstream	**Actual negative:** Deforestation	**Risk impact:** Availability of coffee; Deforestation regulation	✓	✓	Medium-term; Long-term	15	ESRS E4 - Biodiversity and ecosystems
	Farmers' livelihoods	Upstream	**Actual negative:** Farmers' livelihoods **Actual positive:** Farmers' resilience	**Risk impact:** Next generation of farmers; Fair income for farmers	✓	✓	Short-term; Medium-term; Long-term	1, 2, 10, 17	ESRS S2 - Workers in the value chain
	Sustainable agriculture	Upstream	**Actual negative:** Ecosystem impacts **Potential positive:** Sustainable agricultural practices	**Risk impact:** Soil degradation; Availability of coffee **Opportunity impact:** Sustainable agricultural practices	✓	✓	Long-term	2	ESRS E4 - Biodiversity and ecosystems
Minimising Footprint	**Climate action**	Upstream; Own operations; Downstream	**Actual negative:** Greenhouse gas emissions; Greenhouse gas emissions coffee	**Risk impact:** Carbon pricing mechanism; availability of coffee	✓	✓	Medium-term; Long-term	2, 7, 13	ESRS E1 - Climate action
	Packaging and circularity	Upstream; Own operations; Downstream	**Actual negative:** Non-circular packaging and waste	**Risk impact:** Packaging regulation; brand damage due to non-circular products **Opportunity impact:** Collaboration with stakeholders to reduce waste, Circular packaging	✓	✓	Long-term	8, 12	ESRS E5 - Resource use and circular economy
	Water and wastewater management	Own operations		**Risk dependency:** Water-stressed areas **Opportunity dependency:** Water management		✓	Medium-term; Long-term	6	ESRS E3 - Water and marine resources
Connecting People	**Human capital management**	Own operations		**Opportunity dependency:** Talent attraction and retention		✓	Short-term; Medium-term	8	ESRS S1 - Own workforce
	Diversity, equity and inclusion	Own operations		**Opportunity dependency:** Diversity, equity and inclusion		✓	Short-term; Medium-term	5	ESRS S1 - Own workforce
Upholding Standards	**Human rights**	Upstream	**Potential negative:** Human rights violations	**Risk impact:** Human rights violations **Opportunity impact:** Human rights due diligence	✓	✓	Short-term; Medium-term	8, 10, 16	ESRS S2 - Workers in the value chain
	Product safety and quality	Downstream		**Risk dependency:** Recalls and production stoppages		✓	Medium-term		ESRS S4 - Consumers and end-users
	Ethics and governance	Own operations		**Risk dependency:** Non-compliance with regulations and code of conduct		✓	Medium-term	12, 16	ESRS G1 - Business conduct

Upstream | Own operations | Downstream | Impact materiality | Financial materiality | Short-term: 1 year | Medium-term: 1-5 years | Long-term: >5 years

IMPACTS, RISKS AND OPPORTUNITIES IN THE VALUE CHAIN



ENGAGING OUR STAKEHOLDERS

In identifying affected stakeholders and users of information, we incorporated insights from JDE Peet's benchmarking against peers, alongside an analysis of the value chain and our stakeholder list. The relevance of each stakeholder group was assessed based on five key attributes of stakeholder identification: dependency, responsibility, tension, influence, and diverse perspectives.

This approach was further complemented by a comprehensive review of JDE Peet's entire value chain, from bean to cup, and its segments. Based on these inputs, we defined i) our stakeholder groups, including whether they are affected stakeholders or users or both, ii) their significance to JDE Peet's, and iii) within each group, additional details of who is actually included in the group.

Stakeholder engagement takes place daily, with the outcomes of these interactions incorporated into the company's decision-making. While the strategy is adjusted in response to stakeholder expectations, no significant changes to the overall strategy or business model are currently planned.

The insights gained from regular stakeholder engagements are also instrumental in shaping and updating policies and targets, reflecting the importance we place on stakeholder interest and perspective.

The stakeholder groups we identified are:

CONSUMERS

What matters to them

While consumers are increasingly focused on the sustainability of their cup of coffee, their primary focus remains on affordability and quality. With the growing transparency of supply chains and scrutiny on greenwashing, it is essential to remain authentic, delivering outcomes that are sustainable across the entire supply chain while keeping coffee accessible for all.

How we engage

Consumers primarily interact with us through our brands. Our omni-channel approach ensures we are present wherever consumers are, tailoring meaningful interactions along their decision journey. Through our consumer carelines, we facilitate approximately 200,000 interactions annually, encompassing a wide range of on- and offline communication. We also actively connect with consumers through our brands' marketing initiatives, fostering awareness of sustainability. Additionally, we draw on valuable insights derived from standard industry research and consumer data to better understand evolving consumer trends. This enables us to unlock the full potential of our consumer base.

CUSTOMERS AND BUSINESS PARTNERS

What matters to them

Customers serve as a key gateway to reaching consumers, striving to offer the best possible assortment of products. Despite trade disruptions in 2024 stemming from pricing disputes, we remain committed to delivering high-quality products at competitive prices. Furthermore, we are intensifying engagement with customers on GHG emissions, acknowledging our pivotal role in helping them to achieve their net-zero targets. Additionally, addressing deforestation and advancing the use of reduced and recyclable packaging remain key priorities, as consumers are increasingly focused on back-of-pack labelling and sustainability credentials.

How we engage

Our sales teams maintain ongoing dialogues with customers to ensure their expectations are met. Annual Customer Planning Days provide a structured forum to align plans for the year ahead, while sustainability topics are increasingly discussed at the corporate level through top-to-top meetings with our customers' sustainability leads. These interactions allow us to collaboratively explore ways to deliver on shared commitments and drive mutual value.

SMALLHOLDER FARMERS

What matters to them

Smallholder farmers are the backbone of global coffee & tea production. These dedicated individuals, comprising millions of small-scale farmers around the world, contribute to over 80% of the world's coffee output. Ensuring their prosperity and safeguarding the future of coffee cultivation are critical objectives for JDE Peet's. Climate change poses a significant threat, with projections indicating that up to half of the world's coffee-growing regions could be lost by 2050 if a net-zero future is not achieved. Today, farmers already face challenges arising from shifting weather patterns, prolonged dry spells, water scarcity, and extreme temperature fluctuations. These issues present a significant threat to crop yields, endangering farmers' livelihoods and incomes, and, without decisive action, have the potential to impact entire communities.

How we engage

Through our Responsible Sourcing pillar, we support smallholder farmers by providing them with tailored training, tools and techniques designed to address their specific local challenges. Partnering with a range of organisations, we develop comprehensive programmes that grant farmers access to essential services and resources.

These include climate-resistant seedlings, the adoption of agroforestry practices, safe and responsible use of agrochemicals, and the implementation of measures to protect human rights. Our farmer training initiatives are co-created with partners to align with local priorities, adopting a structured and action-oriented approach to drive continuous improvement across the supply chain.

SUPPLIERS

What matters to them

Suppliers must balance sustainability, compliance, and profitability to secure their future. Environmental and human rights protection, quality improvements, innovation, and regulatory compliance are key priorities. Amid market volatility, inflation and supply disruptions, strong long-term partnerships, diversified markets, and effective risk management are vital.

How we engage

We actively engage with our suppliers through direct interactions, comprehensive supplier engagement sessions, and collaborative industry forums. We provide them with detailed feedback based on deep-dive sessions on their self-assessment surveys and potential issues in the regions they source from. We have developed long-term strategic partnerships with key suppliers and we co-invest with them and other stakeholders to strengthen supply chains.

As our suppliers are a key part of our Scope 3 emissions, we actively engage through our Supplier Relationship Management process to work towards net zero. We are pleased to report that suppliers accounting for more than 50% of our raw materials (excluding coffee & tea) and packaging footprint are either committed to or in the process of having their targets validated by the Science Based Targets initiative (SBTi).

EMPLOYEES

What matters to them

Employees thrive in an environment of respect, inclusion, and opportunities for growth. 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.

How we engage

We connect with our people daily through interactive platforms like Workplace and Teams, as well as in-person events and casual interactions over a coffee or a tea. Mid-year and year-end reviews align goals while engagement surveys guide improvements. Regular check-ins ensure employee satisfaction and growth.

NATURE & COMMUNITIES (NGOs)

What matters to them

Nature faces significant challenges, with biodiversity loss becoming an ever more pertinent global concern. The preservation and restoration of biodiversity are now priorities not only for non-governmental organisations (NGOs) but also for the private and public sectors. In the wake of the Kunming-Montreal Global Biodiversity Framework, collective action is accelerating, marked by the development of frameworks such as the Taskforce on Nature-related Financial Disclosures (TNFD) and the Science-Based Targets for Nature (SBTN). These initiatives aim to transform the critical issue of biodiversity loss into tangible actions, while identifying measurable risks and opportunities for businesses.

How we engage

Collaborating with NGOs through our Responsible Sourcing programmes, we gain external insights to enhance operational impact. These partnerships address environmental and social issues, align objectives, and define strategies to achieve shared goals. Engagements include participation in benchmarks, surveys and advisory support.

INDUSTRY

What matters to them

The coffee industry focuses on a number of issues, from sustainable agriculture and climate change mitigation, to biodiversity and stopping deforestation. In 2024, the industry's main focus was on deforestation, following the earlier introduction of regulations to combat this key issue. Compliance with new deforestation regulations is critical to maintaining market access.

How we engage

We are an active member of the European Coffee Federation (ECF), the representative organisation for the European coffee trade and industry, covering approximately 31% 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). These bodies address complex challenges across the entire value chain. We also collaborate with industry partners in a pre-competitive way to address challenges such as standardising carbon footprint measurements.

REGULATORS

What matters to them

Regulators committed to the Paris Climate Agreement and the Global Biodiversity Framework are increasingly utilising regulation to drive sector-wide transitions towards climate and nature-positive practices. In the EU, 2024 marked the inaugural compliance phase for companies under the CSRD. Additionally, the Packaging and Packaging Waste Regulation (PPWR) was passed, and while implementation of the EU Deforestation Regulation (EUDR) has been deferred by a year, both are pivotal in fostering a level playing field that prioritises sustainable business practices. We observe a gradual uptake of similar regulatory frameworks in other regions, following the EU's lead.

How we engage

We engage indirectly with governments through industry and trade associations, like the ECF and Food Drink Europe. Additionally, we share insights to ensure regulators are well-informed about the specific realities of the coffee sector.

In the largest coffee producing countries, we engage directly with governments to support their transition to deforestation-free coffee.

SHAREHOLDERS, INVESTORS, FINANCIAL INSTITUTIONS AND TAX AUTHORITIES

What matters to them

In addition to regular interest in our strategy and performance, in 2024 we interacted with (potential) shareholders, debt investors, equity research analysts, debt rating agencies and ESG rating agencies on a wide variety of topics. Key topics included the ongoing inflation and volatility in green coffee prices, along with the additional pricing this required, our long-term growth opportunities in areas such as the US and emerging markets, our sustainability journey, digital commerce, and the successful consolidation of Maratá's coffee & tea business, as well as Caribou's CPG business.

How we engage

Engagement includes the Annual General Meeting of Shareholders, semi-annual earnings calls, investor roadshows, (ESG) investor conferences, and individual investor and analyst calls and meetings. These events are hosted by one or more members of the Executive Committee, the Investor Relations team and/or the Sustainability team. We also develop and foster cooperative relationships with tax authorities.
In the Netherlands, we have quarterly meetings with the tax authorities, and separate meetings and/or calls may be organised to proactively discuss ongoing events relevant for tax purposes, with active participation from Group Tax and, occasionally, the CFO.

GOVERNANCE

Disclosure requirements related to the company's governance around sustainability reporting, as required under ESRS 2 GOV-1, ESRS 2 GOV-2 a, are disclosed as part of the Report of the non-executive Directors and Corporate governance section. See the tables below for the detailed incorporation by reference.

ESRS 2	Paragraph	Refer to section in the Annual Report
GOV-1	21 a	Corporate governance - Composition of the Board
	21 b	Not applicable
	21 c	Corporate governance -Board profile of non-executive Directors
	21 d	Corporate governance statement - Diversity
	21 e	Report of the non-executive Directors - Independence
	22 a - d	Corporate governance - Sustainability Governance & Board Committees
	23 a-b	Report of the non-executive Directors - Board evaluation & Board profile of non-executive Directors
GOV-2	26 a - b	Corporate governance - Sustainability Governance
	26 c	General disclosures - Outcomes Double Materiality Assessment

RISK MANAGEMENT

The disclosure requirements of ESRS 2 GOV-5, related to risk management and internal controls, are integrated in the Risk management section. IRO-1 is disclosed as part of the Our double materiality assessment section. However, some of the IRO-1 disclosure requirements are presented outside the sustainability statements. For these disclosures, an incorporation by reference approach is used. Please refer to the table below for further details.

ESRS 2	Paragraph	Refer to section in the Annual Report
GOV-5	36 a	Risk management - Our approach
	36 b - c	Risk management - Risk assessment
	36 d - e	Risk management - Monitoring activities & Information & Communication
IRO-1	53 c iii 53 e	Risk management - Risk assessment
	53 d	Corporate governance - Sustainability Governance

SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Our sustainability programme, Common Grounds, is integral to our business operations, safeguarding the long-term supply of coffee & tea while ensuring our future. We have made substantial progress in our sustainability journey, and are committed to the future with independently validated net-zero SBTi targets.

The Board firmly believes that sustainability drives long-term value creation, benefiting all stakeholders. As such, sustainability is at the core of our decision-making. Aligning our executive remuneration policies with our sustainability agenda reflects this approach.

- Individual objectives - To maintain focus and accountability, we have embedded sustainability targets in the individual objectives of members of the Executive Committee
- Bonus discretion – The Remuneration Selection & Appointment Committee retains the authority to adjust (up or down) bonus outcomes in specific circumstances, such as reflecting progress against ESG objectives under the Common Grounds programme
- LTI performance metrics - The Performance Share Unit award granted to the CEO includes ESG-specific metrics tied to progress on GHG emission reduction targets, aligned with our SBTi commitments. For further details please refer to the Remuneration Report.
- Executive Ownership Plan – Select Executive Committee members have been offered the opportunity to invest in the company under the Executive Ownership Plan as described in note 7.1 of the Consolidated Financial Statements. For investments since 2023, the investment match is subject to ESG performance conditions aligned with the company's commitments (targets) related to our Responsible Sourcing, Minimising Footprint and Connecting People pillars, and our foundation, Fundamentals for Growth.
- Share-based remuneration - A significant portion of the remuneration for the executive Director and other Executive Committee members is tied to the company's long-term success through participation in the share-based long-term incentive plan. This approach is further reinforced by substantial personal investment in the business.

STATEMENT OF DUE-DILIGENCE

We are committed to responsible business practices, ensuring the proactive identification and management of environmental and human rights impacts across our value chain. This process involves continuous assessment of our business's impacts on the environment and people, integrating findings into our actions, monitoring progress, and transparently communicating how we address these impacts.

For further details on how our due-diligence practices are embedded in our strategy, how our stakeholders are engaged, impacts are identified and assessed, actions are taken and how we track the effectiveness of our actions, is described in the following sections:

- Environmental transition plans in the Climate action and Biodiversity and ecosystems sections.
- Human Rights Due Diligence in the Workers in the value chain section.
- Quality & Safety assessments as part of the Consumers and end-users section.

BASIS FOR PREPARATION

GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENTS

These sustainability statements are in accordance with the ESRS as set out in Annex 1 to the Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council. As per the publication of these sustainability statements, the CSRD has not yet been implemented in the Dutch law. They are prepared on a consolidated basis and are in line with the scope as reported in note 1.1 Reporting entity of the Financial Statements and upstream and downstream elements of the value chain, unless otherwise disclosed.

These consolidated sustainability statements were authorised for issuance on 3 April 2025 by the Board of Directors of the company.

As part of the identification of the impacts, risks and opportunities related to JDE Peet's, the full value chain is taken into account as disclosed in note Impacts, Risks and Opportunities.

The following non-material topics are disclosed in the sustainability statements at the end of the relevant ESG section and are labelled as 'Other sustainability topics':

- Human rights own workforce
- Food safety cafe's and restaurants
- Engaging our communities
- Health and safety manufacturing
- Nutrition
- Product labelling
- Responsible marketing.

These topics are not identified as 'material topics' based on the outcome of our double materiality assessment. However, they are part of our Common Grounds strategy recognising their value to a select group of stakeholders. As a result, we have included them in our sustainability statements.

VALUE CHAIN ESTIMATION AND UNCERTAINTIES

Management is required to make judgements, estimates and assumptions in calculating certain sustainability data. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In case specific estimations are used to calculate a certain metric, this is disclosed as part of the Accounting Policies at the end of each section in the sustainability statements. This mainly impacts the disclosures related to Scope 3, the financial impacts and social metrics of our own workforce.

Entities acquired in the reporting year are included in the metrics, based on the best available data which includes estimates, unless otherwise stated.

As sustainability data quality and availability improve, reliance on estimates will reduce, enhancing accuracy. In the meantime, we remain focused on strengthening non-financial processes and internal controls to ensure data quality and completeness.

No forward-looking information is used in the calculation of the metrics.

JDE Peet's relies on third-party organisations, such as Enveritas, for the certification and validation of, among other topics, our green coffee sourcing and deforestation practices.

We acknowledge that the use of third-party information and the aforementioned techniques of estimations implicitly bear the risk of outcome uncertainty. Given that the CSRD and the ESRS do not provide specific requirements on the validation process of third-party data, our current data validation process is based on high-level assessments and available guidance.

CHANGES IN PREPARATION OF SUSTAINABILITY INFORMATION AND COMPARATIVE FIGURES

JDE Peet’s has adopted the CSRD for the first time. All comparative data in the sustainability statements exclude current-year acquisitions and are as reported in JDE Peet’s 2023 Annual Report unless otherwise stated.

REPORTING ERRORS IN PRIOR PERIODS

As JDE Peet’s has adopted the ESRS for the first time, no prior-period reporting errors affect the preparation of sustainability information. To ensure continuity in tracking progress towards our sustainability targets, any restatements are disclosed in the relevant metrics sections, where applicable.

INCORPORATION BY REFERENCE

ESRS 1 section 9.1 allows for incorporation by reference. Please refer to the IRO-2 LIST OF DISCLOSURE REQUIREMENTS table for an overview of where each ESRS is covered in the Annual Report. The incorporation by reference is mainly used in the Governance and Risk section of the sustainability statements.

KEY FIGURES

Refer to the JDE Peet's at a glance section of this Annual Report for an overview of JDE Peet's revenues, segments, products and employees.

FINANCIAL EFFECTS

The financial effects, as a result of the risks and opportunities identified by the company, are disclosed in the relevant sections.

ENVIRONMENTAL

Minimising Footprint – Common Grounds

CLIMATE CHANGE

DISCLOSURE OF A MATERIAL TOPIC

SETTING THE SCENE

OUR IMPACTS, RISKS AND OPPORTUNITIES

Material topic: Climate action

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
	GHG emissions	Impact on climate change through the emission of greenhouse gases in our own operations (e.g., production facilities and packaging) and along our value chain (e.g., suppliers, transportation).	Suppliers	Production Packaging	Distribution Channels Consumers End-of-life	
	GHG emissions coffee	Impact on climate change through the emission of greenhouse gases during the cultivation of green coffee.	Agriculture			
	Carbon pricing mechanisms	Carbon pricing mechanisms, such as EU ETS, are expected to broaden in scope and reach, and increase in cost.	Agriculture Suppliers	Production Packaging		
	Availability of coffee	Climate change and changing weather patterns drive a decrease in coffee yields due to changing precipitation, and increased pests and diseases. The area of land suitable for coffee production is reduced under current practices, and competition for land would likely increase. Such changes would decrease coffee availability, put upward pressure on the price of green coffee, while also likely increasing market volatility.	Agriculture			

OUR TARGETS AND PROGRESS

Target Reduce absolute Scope 1 & 2 GHG emissions by 43.3% (versus 2020)

Progress

22% (2023) | 31% (2024) | 43.3% (TARGET 2030)

Target Reduce absolute FLAG Scope 3 GHG emissions (coffee) by 30.3% (versus 2020)

Progress

-1.5% (2024) | 30.3 % (TARGET 2030)

Target Reduce absolute non-FLAG Scope 3 GHG emissions (all other materials) by 25% (versus 2020)

Progress

4% (2024) | 25% (TARGET 2030)

OUR POLICIES

- Environmental Policy
- Responsible Coffee Sourcing Principles
- Forest Policy

Positive impact | Negative impact | Actual | Potential | Risk | Opportunity | Impact | Dependency | Short term | Medium term | Long term

DISCLOSURE OF A MATERIAL TOPIC

OUR STRATEGY AND OUTLOOK

STRATEGY

As a pure-play coffee & tea company, building climate resilience across our full value chain is central to our purpose and future value creation. Our approach is unified under the Common Grounds programme, which, in turn, is integrated into how we conduct our business operations and our purpose.

We take an inclusive approach to our value chain, and believe in de-risking the full coffee ecosystem through collaborative engagement. Our Assess, Address, Progress approach drives continuous improvement, empowering all smallholder farmers to adapt and thrive in an evolving landscape. Rather than restricting our value chain to those with the capacity for self-investment, we prioritise supporting resilience across all participants.

Using GHG emissions as an indicator of risk through clear target-setting, we have established a roadmap to fortify our business, working toward a net-zero coffee ecosystem that can withstand both chronic and transitional climate risks. In 2023, our Board formally approved our transition plan and associated net-zero targets for 2050. Our new, near-term 1.5°C-aligned targets have also been validated through the Science Based Targets initiative, underscoring our commitment to a sustainable and resilient future.

Our near-term 2030 targets

Energy & industrial

- Commit to reducing absolute Scope 1 and 2 GHG emissions by 43.3% by 2030 from a 2020 base year[42]
- Commit to reducing absolute Scope 3 (industrial non-FLAG) GHG emissions by 25% by 2030 from a 2020 base year.

Forest, land and agriculture (FLAG):

- Commit to reducing absolute Scope 3 FLAG GHG emissions by 30.3% by 2030 from a 2020 base year[43]
- Commit to no deforestation across our primary deforestation-linked commodities, with a target date of 31 December 2025.

Our net-zero 2050 targets

Energy & industrial

- Commit to reducing absolute Scope 1 and 2 GHG emissions by 90% by 2050 from a 2020 base year[42]
- Commit to reducing absolute Scope 3 (industrial non-FLAG) GHG emissions by 90% by 2050 from a 2020 base year.

FLAG

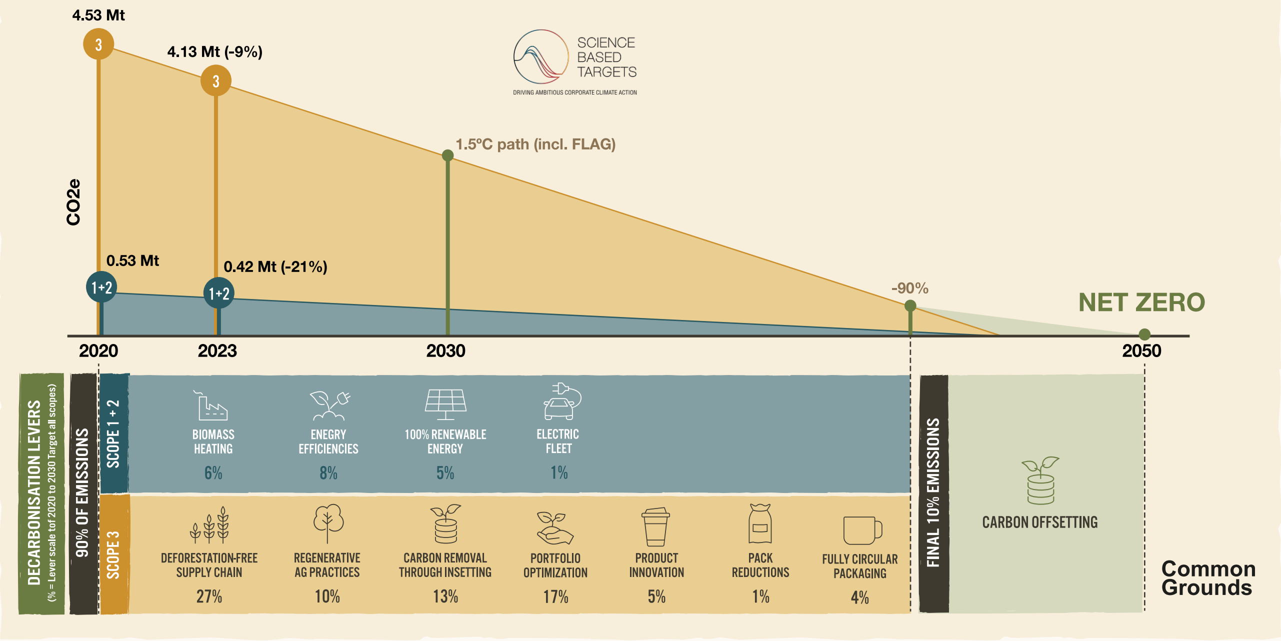
- Commit to reducing absolute Scope 3 FLAG GHG emissions by 90% by 2050 from a 2020 base year.[43]

In line with using target tracking as a guide to resilience building, these targets relate to 100% of the total upstream and downstream value chain under JDE Peet's operational control. Detailed progress is available in the 'Roadmap to net zero including decarbonisation levers' table.

TRANSITION PLAN

Our commitment to building a resilient business for long-term value creation is guided by assessing climate and nature impacts in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. This approach helps us identify climate risks and opportunities, shaping our strategy with governance and risk management. The resilience analysis, including guidance from the Task Force on Nature-related Financial Disclosures (TNFD), was initially carried out in 2022 and uses both 1.5°C and 4°C scenarios to represent the full breadth of possible outcomes, covering accelerated global action through to a delay, or failure to fully implement, current policy pledges linked to Paris agreement commitments since we are not excluded from the EU Paris-aligned benchmarks.

ROADMAP TO NET ZERO INCLUDING DECARBONISATION LEVERS



[42] The target boundary includes land-related emissions and removals from bioenergy feedstocks.
[43] The target includes FLAG emissions and removals. (Details of how these are defined and calculated are available here).

Based on current policies and pledges by countries to address climate change, it is estimated that temperatures will rise by between 1.8-2.7°C by the end of the century.

When assessing climate risks, we took into account the geospatial coordinates of our assets through our insurance assessment. For our value chain, we used Enveritas geospatial data to assess regional climate risk using the footprint as an indicator of likely resilience of farmer groups to potential change.

For the 1.5°C scenario, we used the International Energy Agency's Net Zero Emissions by 2050 (NZE) model and for the 4°C scenario we used the Representative Concentration Pathway 8.5 (RCP 8.5) model. Finally, we map these risks and opportunities to where in the value chain they have the largest impact.

Transition risks
In a 1.5°C scenario, we anticipate that environmental regulations will become more stringent across most regions, commencing with Western nations. This includes sectors such as agriculture, industry and transportation. As a result, the cost of energy from fossil fuels will increase. As actions to limit global warming will be needed in the short term, the impact is expected to become particularly relevant in the run up to 2030, and can already be seen today. This resulted in the following three material transition risks:
- Packaging regulation - see here
- Deforestation regulation - see here
- Carbon pricing mechanisms - see current chapter.

Physical risks
Physical risks could pose a greater threat to the food and beverage industry if the world fails to sufficiently curb GHG emissions. Under such scenario, which focuses on precipitation change and extreme weather events, our agricultural supply chains and infrastructure, including our own operations, could be significantly impacted. In a 4°C scenario – in other words, strong and accelerated climate change – agriculture will increasingly be affected towards 2050. In the absence of any action, coffee yields will decrease due to changing precipitation levels, increased pests, and reduced bean production per tree. Under current practices, the area of land suitable for coffee production would be impacted in many regions and competition for land would likely increase. This resulted in the following two material chronic climate risks:
- Availability of coffee - see current chapter
- Soil health - see here.

Climate risks and opportunities across our supply chain, operations, and downstream activities are reviewed annually, with financial impacts updated to reflect changes in business outlook. These include transition risks (policy, market, technology, and reputation) and physical risks (acute, chronic, general).
No JDE Peet’s assets are currently at risk. For detailed climate scenario analysis and strategic implications, refer to CDP response section C3.

Our transition plan focuses on the following decarbonisation levers:
- Scope 1: Reducing energy use and decarbonising operations through investments in proven technologies and R&D.
- Scope 2: Expanding renewable energy use where feasible.
- Scope 3: Addressing the coffee value chain, which represents 51% of our Scope 3 footprint, through responsible sourcing, farmer projects, and partnerships promoting sustainable agriculture and emissions reduction.

Our transition plans are designed to support growth while building resilience throughout the value chain.

Coffee remains a valued, low-impact product, with consumer demand expected to continue. JDE Peet’s, supported by our diverse portfolio across In-Home and Away-from-Home channels, is well-placed to adapt to evolving preferences. We monitor trends such as sustainability, recycling, and climate impact, aligning our targets to meet these demands and supporting our long-term vision for coffee & tea in a net-zero future.

Our purpose – Unleash the possibilities of coffee & tea to create a better future – guides us in providing net-zero coffee choices. Through solutions like Cafitesse, our low-waste liquid coffee system with a reduced climate footprint, and refurbished coffee machines in our Out-of-Home business, we offer practical, sustainable options to partners. In 2024, demand for these solutions outpaced market growth.

We anticipate no locked-in GHG emissions in our key assets that could jeopardise our net-zero targets. For acquisitions, due diligence ensures potential emissions risks are assessed.

POLICY

To ensure business alignment with JDE Peet's targets and associated transition plans, the following policies are key in transmitting expectations to all entities and employees.

Our Environmental Policy guides efforts to achieve our targets and reduce our footprint, minimise pollution, optimise resources, enhance energy efficiency, support a circular economy, and drive sustainability. Responsibility for implementing product, packaging, sourcing, and environmental programmes lies with our Chief Supply Officer and Chief R&D Officer.

Our Responsible Coffee Sourcing Principles focus on investing in our value chain to build climate resilience for farmers, using regenerative agriculture and agroforestry practices to support farmers and reduce green coffee impact.

Our Forest Policy outlines a pathway to reduce the impact of historical deforestation in key commodities, included within our Scope 3 FLAG emissions, aligning with our target commitments.

While no solutions are mandated under our Environmental Policy, we follow defined roadmaps to manage our energy footprint, combining renewable energy growth with energy efficiency investments, particularly within our manufacturing sites to reduce fossil fuel reliance. Our capital expenditure approval process includes both financial and climate impact metrics to ensure sustainability informs business decisions.

Through our Responsible Coffee Sourcing Principles, we support agroforestry initiatives that enhance farmers' climate resilience and contribute to carbon removals. While these are not yet included in our reporting due to current GHG protocol limitations, they are part of our 2030 roadmap. JDE Peet's actively collaborates with seven other industry players on a LATAM baseline study to standardise reporting, building on prior work done in Vietnam and Indonesia.

INTERNAL CARBON PRICING

Although we do not apply internal carbon pricing schemes to make business decisions or assess portfolios, it does serve as a guidance to make project decisions. Using projected investments needed to achieve our 2030 targets, we apply an internal carbon price of EUR 62 per tonne.

VOLUNTARY CREDITS

We do not use voluntary credit mechanisms nor invest in voluntary mitigation beyond our value chain. Our targets are designed to drive transformative change in coffee cultivation, enhancing resilience within our supply chain. To achieve net zero by 2050, we plan to use permanent carbon removal methods, primarily through biochar derived from coffee agricultural waste.

PROGRESS REPORTING

We regularly report progress on our transition plans and policies, as outlined in the Corporate governance section of this report and through CDP, including specific customer requests. We also address direct customer requests as needed.

ACTIONS

Within Scope 1, we focus on reducing energy consumption and advancing decarbonisation across our facilities, supported by energy audits and investments in proven technologies and R&D. These efforts reinforce our commitment to a net-zero future, including the decarbonisation of fuel use.

For Scope 2, we prioritise energy efficiency and the adoption of renewable and low-carbon energy sources where feasible.

Scope 1 & 2

In 2024, for Scope 1 & 2 we:

Energy efficiency

- Optimised our network to extend the utilisation of lower impact facilities
- Enhanced energy efficiency at our Elmshorn facility in Germany, by investing in reporting tools, providing real-time feedback to optimise energy use
- Invested in advanced heat recovery systems at our Hemelingen facility in Germany, applying new R&D technology to maximise high-grade heat recovery and reduce fossil fuel use.

Renewable electricity

- Expanded the use of on-site photovoltaics to our Wuxi site in China, with more facilities planned for 2025
- Expanded the use of direct-supply low-carbon electricity in St Petersburg where renewable sources were not available.

Biomass heating

- Extended our use of biomass (hazelnut shells) to replace coal in our Turkish facilities.

Electric cars

For instance, 50% of our NL fleet is now electric.

Impact of our 2024 activities

In addition to reducing our Scope 1 & 2 emissions, we maintained our use of renewable electricity at 45% of total electricity consumption in 2024. Overall, 22% of our total energy consumption came from renewable sources, in line with 2023.

We also reduced our absolute energy consumption by 218,979 MWh (-9% versus 2023) and decreased our reliance on fossil fuels by 237,295 MWh (13% versus 2023). These investments continue to generate both environmental and financial benefits (see current and anticipated financial impacts section).

Scope 3

In 2024, for Scope 3 impacts, covering both FLAG and non-FLAG categories, we:

Regenerative agriculture and deforestation

Our coffee value chain represents 51% of Scope 3 emissions, making responsible sourcing and farmer engagement key to our strategy. We invest in sustainable agricultural practices to reduce emissions from green coffee production, recognising that regenerative farming adoption is a gradual process.

In 2024, we reached more than 134,000 farmers through our training programmes targeting emissions reduction and climate resilience. Currently, 50% of farmers in our value chain utilise regenerative agriculture. We remain committed to supporting practices that benefit farmers and the environment and are on track to meet our deforestation-free targets (see E4 - Biodiversity and Ecosystems).

Climate impacts in 2024 affected sourcing regions, notably increasing the cost and availability of Robusta coffee. This required strategic adjustments, including sourcing from higher-impact regions or modifying blends.

While these measures highlighted our sourcing resilience, they temporarily slowed green coffee footprint reductions, underscoring the need to address climate risks.

Portfolio optimisation

Suppliers are integral to our sustainability efforts, with more than 50% of our raw materials and packaging footprint now sourced from suppliers committed to SBTi. Among our Tier 1 suppliers, 62 have set SBTi targets reflecting our climate ambitions.

In logistics, an average of 100 loads per week were transported by rail from our facilities throughout 2024. In the second half of the year, we began trials with electric trucks for export deliveries, routing shipments from our facilities in Bremen to the port of Cuxhaven.

Additionally, we engaged over 400 indirect suppliers, representing more than 60% of indirect spend, to enhance transparency through CDP reporting, with responding suppliers representing 33% of indirect spend and improving data quality.

Product innovation

In 2024, innovation drove significant progress in our sustainability goals. We launched and expanded our market-first paper refill packs, starting in the UK and rolling out to other markets. These fully recyclable, lightweight packs, made with high recycled content, highlight our commitment to reducing our packaging footprint.

We also reduced sugar content in our mixes portfolio, enabling smaller pack sizes while supporting healthier choices and portfolio optimisation. Additionally, our R&D team revamped the Tassimo Hot Chocolate range, redesigning packs to use less raw material while maintaining the same consumer experience.

Across all Scopes, we continue to track progress on our roadmap and review our project portfolio of implemented, planned and active projects. In 2024, this was:

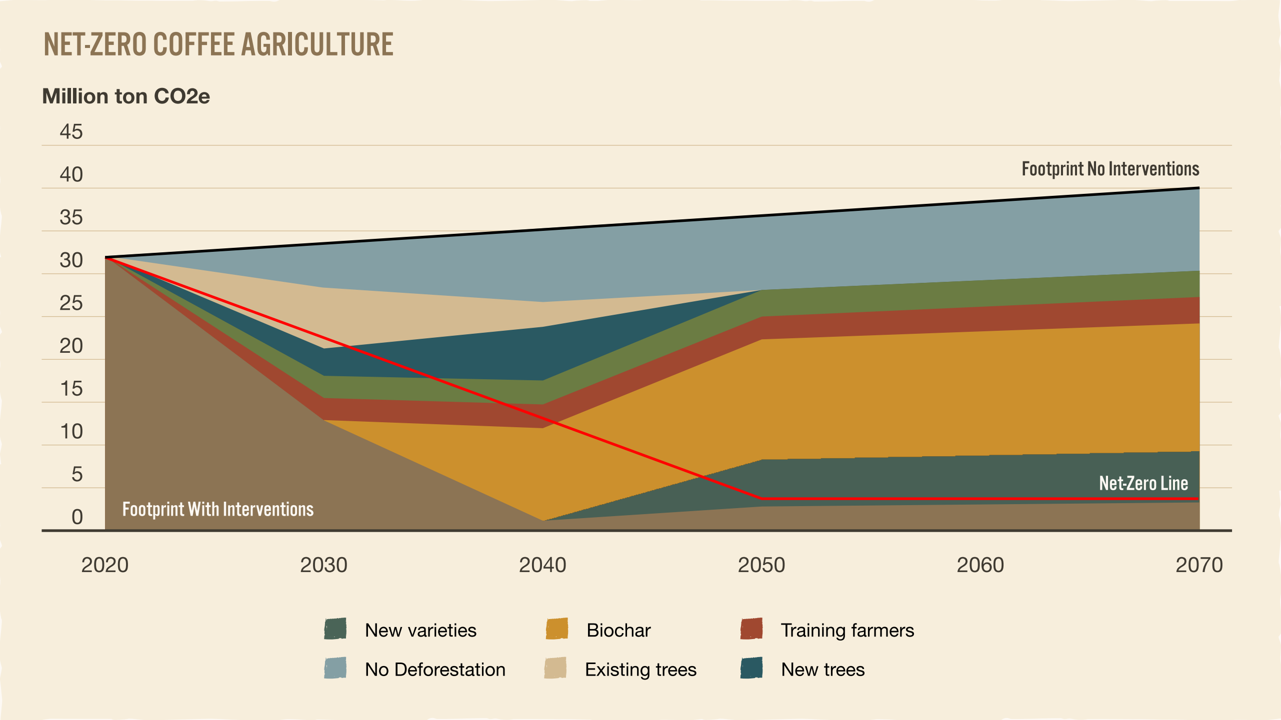
	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e
Being researched	8	808,000
To be implemented	7	86,000
Implementation commenced	4	26,000
Implemented	12	79,000

In addition to active investments, collaboration within the coffee sector is critical to our long-term roadmap to meet both our 2030 and 2050 targets.

In 2024, we conducted trials with a consortium of partners in Brazil on the use of biochar. The University of Lavras is leading the evaluation, and with the support of one of our strategic coffee suppliers, the project aims to generate publicly available data on the benefits of biochar. We are also exploring the potential for direct investment to promote this transition.

We took a leading role within the European Coffee Federation to standardise sector-wide reporting methodologies, enabling consistent measurement of our footprint and risks in line with the European Green Claims Directive. Moreover, we publicly shared our long-term net-zero vision for coffee agriculture, marking the beginning of a unified sector commitment (see figure below).

Delivering coffee in a net-zero future



We continue to invest in collaborative platforms that are shaping the future of coffee, including World Coffee Research, advancing higher-yielding varietals, and the Institute for Scientific Information on Coffee (ISIC), refining methods to monitor changes in soil organic carbon. Through partnerships with GCP, IDH, Nestlé and TechnoServe, we are developing metrics for regenerative agriculture, benefiting farmers and the climate.

Our investments in research and data also support climate risk modelling, ensuring that our projects achieve measurable impact. For more information on the financial impacts of this refer to the section current and anticipated financial impacts.

FUTURE ACTIONS

We remain focused on enhancing resilience and delivering sustainable, long-term value. Our decarbonisation efforts include commissioning a biomass boiler in Malaysia and a new roasting unit in Elmshorn, Germany, alongside continued investments in energy reduction and recovery projects. Government grants will support an ambitious energy-saving initiative, positioning us for future growth.

We are strengthening our value chain through close collaboration with upstream suppliers and targeted investments. Our R&D efforts focus on innovation, improving material recyclability, and expanding sustainable materials and ingredients, reinforcing our commitment to environmental responsibility and business success.

DISCLOSURE OF A MATERIAL TOPIC

CURRENT AND ANTICIPATED FINANCIAL EFFECTS

Risk description		Financial risk			Mitigation strategy		Methodology
Risk / Opportunity	**Input of TCFD risk assessment**	**EUR amount of assets at risk**	**Financial implication (cumulative up to 2030) at risk**	**Liabilities recognised in financial statements**	**Incremental capex / opex investments**	**Mitigation strategy (management of risk/ opportunity)**	**Assumptions used in calculations and linked to the financial statements**
Carbon pricing mechanisms	Transition risk - Carbon pricing mechanisms	0	○●○	0	We plan to invest an average of EUR 10 million annually in assets that are end-of-life, maintain our asset base, deliver emissions reductions, energy and water savings and reduce our reliance on carbon credits. As these investments have multiple objectives of which sustainability is one of them, it would require significant judgement to identify the incremental financial investment associated with the specific sustainability objectives.	We have put in place an SBTi-validated climate target to reduce emissions. We have also created a roadmap to define future options to reduce impacts, including a balance of available technologies and R&D investments.	Management has a detailed plan outlining required capital expenditures within property, plant and equipment to meet emission targets, with estimated costs for each initiative. The amount spent on assets is part of property, plant and equipment on the balance sheet.
Availability of coffee	Physical risk - Chronic climate impact on supply chains	0	Not quantified	0	We have consistently supported farmers in building climate resilience through our engagement programmes. The continuation of this support will not result in incremental costs.	Climate change impacts, while trailing GHG emissions, are already driving our investments today. Our farmer engagement programmes promote climate-smart agriculture, and our support for World Coffee Research advances climate-resilient coffee varieties. By investing in diverse origins, we help ensure coffee farming remains viable across multiple regions. We continue to lead efforts to scale these initiatives into cross-sector collaborations, fostering resilience for farmers worldwide.	The cost of goods sold are based on the actual incurred costs in the current and prior years combined with the planned costs for the coming years. The amount spent on these projects is part of the cost of sales in the income statement.

●○○ 0% to 1% revenue ○●○ >1% to 5% revenue ○○● >5% revenue

DISCLOSURE OF A MATERIAL TOPIC

METRICS

	Retrospective			Milestones and target years			
	2024	2023[44]	2020[45]	2025	2030	2050	Annual % target/ Base year
GHG emissions							
Total GHG emissions (location based, tCO2e)	5,284,792	4,957,147	5,484,796	n/a	n/a	n/a	n/a
Total GHG emissions (market based, tCO2e)	5,245,029	4,919,124	5,480,446	4,684,994	3,889,541	548,045	90 %
Total GHG emissions per net revenue (tCO2eq/mEUR) (location based)	598	n/a	n/a	n/a	n/a	n/a	n/a
Total GHG emissions per net revenue [tCO2eq/mEUR) (market based)	594	n/a	n/a	n/a	n/a	n/a	n/a
Scope 1: Direct emissions (tCO2e)	283,278	317,235	366,560	287,199	207,839	36,656	90 %
Percentage of Scope 1 GHG emissions from regulated emission-trading schemes (%)	14.0 %	n/a	n/a	n/a	n/a	n/a	n/a
Biogenic emissions - not included in Scope 1 - calculated (t CO2e)	107,511	n/a	n/a	n/a	n/a	n/a	n/a
Scope 2: Indirect emissions, purchased energy (tCO2e)				n/a	n/a	n/a	n/a
– Location based	121,441	130,981	166,734	n/a	n/a	n/a	n/a
– Market based	81,679	92,958	162,384	127,228	92,072	16,238	90 %
Scope 3: Indirect emissions, value chain (tCO2e)	4,880,072	4,508,932	4,951,503	4,270,566	3,589,630	495,150	90 %
– Scope 3.1: Purchased goods and services	3,787,073	3,409,516	3,801,404	3,264,230	2,727,056	380,140	90 %
PG&S (FLAG emissions) (t CO2e)	2,373,983	1,909,372	2,339,561	1,985,117	1,630,674	233,956	90 %
PG&S (Non-FLAG emissions) (t CO2e)	1,413,089	1,500,145	1,461,843	1,279,113	1,096,382	146,184	90 %

44 Comparative data of 2023 is restated compared to the 2023 Annual Report to reflect 2024 updated methodology (refer to accounting policy) and acquisitions.
45 Comparative data of 2020 is restated compared to the 2023 Annual Report to reflect 2024 updated methodology (refer to accounting policy) and acquisitions.

ACCOUNTING POLICIES

GHG emissions

All JDE Peet's Scope 1, 2 and 3 greenhouse gas (GHG) emissions as defined by the GHG Protocol Corporate Accounting and Reporting Standard, using the operational control approach. Our targets have been validated by SBTi, using 2020 as the base year. We use the most recent Global Warming Potential (GWP) values where available.

Scope 1 direct emissions

These include purchased fuel used in JDE Peet's facilities, predominantly natural gas, but can include biomass, biogas, and petrol / diesel used in company-provided vehicles.

For activities reporting under the EU ETS, report on Scope 1 emissions following the EU ETS methodology. The EU ETS methodology may also be applied to activities in geographies and sectors that are not covered by the EU ETS.

Scope 2 indirect emissions

This includes energy purchased for use at JDE Peet's facilities. Our Scope 2 levers remain focused on the continued utilisation of renewable electricity sources, whether self-generated or through purchase of unbundled Energy Attribute Certificates (EACs) (100% of our external renewable energy sources). Electricity for target-setting purposes is calculated on a market-based approach.

Scope 1&2 GHG emission data are mainly sourced from suppliers' invoices. When not available, due to, for example, different timing of invoice delivery per country, estimations are used based on consumption over previous periods. The conversion of source usage data to report carbon impact uses external data sources such as GaBi or DEFRA, among others. (In 2024 factors were aligned to EF3.1 incl. restating all prior years).

	Retrospective			Milestones and target years			
	2024	2023 [44]	2020 [45]	2025	2030	(2050)	Annual % target/ Base year
– Scope 3.2: Capital goods	109,204	122,727	127,249	111,343	95,437	12,725	90 %
– Scope 3.3: Fuel and energy-related activities	83,091	90,411	96,204	84,178	72,153	9,620	90 %
– Scope 3.4: Upstream transportation and distribution	208,982	196,711	221,870	194,137	166,403	22,187	90 %
– Scope 3.5: Waste generated in operations	1,455	1,274	2,867	2,508	2,150	287	90 %
– Scope 3.6: Business travel	11,873	13,446	2,544	2,226	1,908	254	90 %
– Scope 3.7: Employee commuting	12,154	9,846	9,044	7,913	6,783	904	90 %
– Scope 3.9: Downstream transportation and distribution	90,999	93,210	101,352	88,683	76,014	10,135	90 %
– Scope 3.11: Use of sold products	22,638	22,863	14,927	13,061	11,195	1,493	90 %
– Scope 3.12: End-of-life treatment of sold products	549,773	546,495	570,514	499,200	427,886	57,051	90 %
– Scope 3.14: Franchises	2,831	2,433	3,528	3,087	2,646	353	90 %
Total GHG removals	—	n/a	n/a	n/a	n/a	n/a	n/a
Share of total GHG emissions covered by internal pricing scheme (%)	— %	n/a	n/a	n/a	n/a	n/a	n/a
Percentage of GHG Scope 3 calculated using primary data (%)	54 %	n/a	n/a	n/a	n/a	n/a	n/a

ACCOUNTING POLICIES

For market-based Scope 2 impacts of non-renewable electricity, supplier origin certificates are used, including nuclear-only contracts. When not available, residual mix factors are used; if these are not available, location-based factors are used. GHG emissions from refrigerants are excluded from the reporting. The emission sources have been assessed and deemed immaterial.

Scope 3 indirect emissions

These include all direct emissions from our entire value chain. Relevant 'activity data' are listed on the Metrics table. For methods to calculate Scope 3 data, refer to the 'Methods to calculate Scope 3 data' table, at the end of this section (E1).

FLAG emissions are a subset of Scope 3 emissions specifically related to forest, land use and agriculture.

High climate impact sector

All activities and revenue of JDE Peet's relate to the high climate impact sector C10.83 - Processing of Tea and Coffee.

Energy intensity ratio

This is calculated based on the total energy consumption within the organisation (MWh) divided by net revenue (million €).

Revenue

The revenue reconciles to the net revenue as presented in the income statement of the financial statements.

	2024	2023 [44]	2020 [45]
Energy			
Total energy consumption within the organisation (in MWh)	**2,203,268**	**2,422,247**	**2,616,148**
Total energy consumption per net revenue (MWh/mEUR)	249	n/a	n/a
Total energy consumption per net revenue - high climate impact sectors (MWh/mEUR)	249		
Total fossil energy consumption	1,660,467	1,897,762	2,335,546
(1) Fuel consumption from coal and coal products (MWh)	37,909	36,529	93,560
(2) Fuel consumption from crude oil and petroleum products (MWh)	93,303	102,068	89,796
(3) Fuel consumption from natural gas (MWh)	1,328,829	1,499,942	1,670,176
(4) Fuel consumption from other fossil sources (MWh)	—	0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	200,427	259,224	482,014
Consumption from nuclear sources	61,882		
Total renewable energy consumption (MWh)	480,919	524,485	280,602
(1) Fuel consumption for renewable sources, incl. biomass (MWh)	310,137	359,302	277,052
(2) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	167,872	163,373	3,550
(3) Consumption of self-generated non-fuel renewable energy (MWh)	2,909	1,810	
Renewable Energy Percentage (%)	21.8 %		
Total non-renewable energy production (MWh)	1,375,724		
Total renewable energy production (MWh)	313,047		

DISCLOSURE OF A MATERIAL TOPIC

ACCOUNTING POLICIES (CONTINUATION)

Methods to calculate Scope 3 data

Scope 3 Reporting	Calculation Methodology	Explanation
Scope 3.1: Purchased goods and services	Supplier specific Hybrid Spend based	Green coffee purchases are assessed across the full farm-to-port value chain using third-party verification by Enveritas, with emissions calculated through a standardised methodology encompassing land management and post-harvest activities. Land use change is accounted for via FAO country-level commodity data. Laminate packaging relies on supplier-specific data. Emissions for raw materials such as tea, dairy, sugar, and oils, as well as packaging materials, are based on Sphera MLC average emissions data unless supplier-specific information is provided. (updated in 2024 to EF3.1) Other goods and services apply a spend-based methodology using DEFRA emission factors (using 2021 new DEFRA Updated data set) all prior years restated.
Scope 3.2: Capital goods	Spend based	Spend-based methodology, capex spend linked by standard industry codes to spend-based emission reporting factors from DEFRA.
Scope 3.3: Fuel and energy-related activities	Fuel based	Energy usage as per Scope 1 & 2 linked to Sphera MLC country average transmission losses.
Scope 3.4: Upstream transportation and distribution	Distance based	GLEC (Global Logistics Emissions Council) data linked to individual route distance and mode from supplier to JDE Peet's and JDE Peet's to customer distribution.
Scope 3.5: Waste generated in operations	Waste-type specific	Based on waste type and disposal route linked to DEFRA emissions data.
Scope 3.6: Business travel	Spend based Distance based	Use distance / mode data linked to Sphera MLC data sets for when data is available from central travel agent (majority of data). Use fuel-based spend for rental cars from expense system. Use spend based for other travel from expense data.
Scope 3.7: Employee commuting	Average data	Based on average DE public commuting data linked to average emissions per transport type and distance Data adapted by employees in operations (no work from home (WFH)) and those in wider business (hybrid working but working to WFH Policy).
Scope 3.8 : Upstream leased assets	Not applicable	No leased assets.
Scope 3.9: Downstream transportation and distribution	Average data	Estimated impact per pallet based on customer public report, and retail store impact from retailer Scope 1 & 2 reported data, converted to tonnes of delivered volume.
Scope 3.10: Processing sold products	Not applicable	JDE Peet's sells finished products for consumption, not for downstream processing by others.
Scope 3.11: Use of sold products	Average product	Account as per the SBTi target for direct energy use of machines sold / leased through JDE Peet's under our operational control. This does not include generic equipment used by our consumers to prepare our products Use servings sold by the Out-of-Home business within both the Beans and Liquid categories, as proxies for the servings prepared in JDE Peet's equipment, and apply regional location-based data to these servings to the average energy use per serving type. For other vending machines use average energy / machine. For e-commerce machine sales - take sales and apply average energy use in the lifetime of that machine, in the year of sale, based on region of sale and regional average location-based electricity data.
Scope 3.12: End-of-life treatment of sold products	Average product	Assume average domestic disposal routes per region (Europe/LARMEA/APAC/USA) for our products. Using average EOL life data from our products by product category, apply to all servings sold in each product category per region. Prior years restated using regional emissions data versus previous use of EU average data.
Scope 3.13: Downstream leased assets	Not applicable	No downstream leased assets.
Scope 3.14: Franchises	Average data	Utilise JDE Peet's Scope 1 & 2 average café data. Apply this to franchise coffee stores where possible by known square footage, or by average coffee store. Note: all coffee sold through franchises is included in Scope 3.1 reporting as it is provided by JDE Peet's, as is any equipment provided by JDE Peet's to the coffee store. In a franchise, this is all that JDE Peet's has operational control of.
Scope 3.15: Investments	Not applicable	No investments.

Minimising Footprint · Common Grounds

WATER AND MARINE RESOURCES

DISCLOSURE OF A MATERIAL TOPIC

SETTING THE SCENE

OUR IMPACTS, RISKS AND OPPORTUNITIES

Material topic: Water and wastewater

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
Risk, Dependency	**Water-stressed areas**	Manufacturing facilities in water-stressed areas face the potential risk of losing their social licence to operate due to non-compliance.		Production		Short term, Long term
Opportunity, Dependency	**Water management**	Improved water management, including greater water efficiency, recycling initiatives, and responsible discharge, particularly in areas experiencing high or extremely high baseline water stress, present opportunities to reduce operational costs and mitigate associated risks.		Production		Short term, Long term

OUR TARGETS AND PROGRESS

Target Reduce our absolute water withdrawal across our manufacturing operations by 18% by 2030 (versus 2020)

Progress

15% 2024 · 18% TARGET 2030

Target Treat all of our wastewater before being discharged by 2030

Progress

93% 2023 · 99% 2024 · 100% TARGET 2030

Target All manufacturing sites with access to safely managed water, sanitation and hygiene (WASH) by 2030

Progress

71% 2024 · 88% 2023 · 100% TARGET 2030

OUR POLICIES

- Water Stewardship Policy

Positive impact · Negative impact · Actual · Potential · Risk · Opportunity · Impact · Dependency · Short term · Medium term · Long term

OUR STRATEGY AND OUTLOOK

STRATEGY

Freshwater is essential to life on earth, yet the UN predicts a global water shortfall of 40% by 2030. Currently, up to 80% of discharged water worldwide is inadequately treated, and 1 in 4 people lack access to sufficient water infrastructure. Climate change is exacerbating these challenges, making it imperative to ensure water availability, quality and access across our value chain, from the farmer to our operations and, ultimately, to consumers.

Water is a fundamental resource for life, ecosystems, and human development:

1. Vital for life: Water is a critical component of all living organisms

2. Agriculture and food security: Water is key to agriculture, which relies on irrigation to grow crops

3. Economic development: Our manufacturing processes require water, and inadequate supplies can disrupt operations and economic growth

4. Ecosystem health: Water supports biodiversity, providing habitats for aquatic life. Healthy ecosystems rely on a balanced water cycle to function properly and maintain natural services, such as oxygen production and carbon storage

5. Human health: Access to clean water is crucial to human health, preventing diseases like cholera, dysentery, and typhoid

6. Climate regulation: Water plays a crucial role in regulating earth's climate. Oceans, for example, absorb heat and carbon dioxide, acting as a buffer against global warming.

Given water's critical role in food and agricultural businesses, and its status as a fundamental human right, we have developed a comprehensive strategy to minimise our impact and effectively manage water resources with increasing water stress and climate change risks.

Our strategy consists of actions, policies and targets which involves three main pillars; socially equitable, environmentally sustainable, and economically beneficial water usage.

POLICY

Our commitment to water security, both now and in the future, is outlined in our Water Stewardship Policy.

The policy focuses on three key priorities:

- Water conservation through improved efficiency, particularly at our instant coffee sites and those in water-stressed areas
- Preventing, minimising and controlling water-related pollution as well as the use of hazardous substances
- Access to clean water, sanitation and hygiene (WASH) facilities in the workplace, simultaneously supporting communities in need by enhancing access to safe and clean water sources.

The scope of our Water Stewardship Policy and corresponding actions apply to our direct manufacturing operations as the risks and opportunities related to water and wastewater management are material for our operations. As a pure-play coffee & tea company, we are less exposed to water risks than other beverage companies, due to the nature of our products.

Coffee is grown in origins that are primarily rain-fed, while more than 90% of the water used in our operations is to produce instant coffee. Water is added during coffee preparation by the consumer, while our operations mostly deliver dry products. These factors highlight both the materiality and the manageable sphere of influence of our company regarding water resources.

To track progress, we have defined targets related to water availability, quality and access. Our targets align with international frameworks, standards and widely recognised water initiatives, considering local contexts, particularly in water-stressed areas. Collaborating with local stakeholders in integral to our approach.

LEADERSHIP COMMITMENT: DRIVING CHANGE FROM THE TOP

Our leadership team is deeply committed to advancing water stewardship initiatives. On World Environment Day, senior management reaffirmed their dedication by supporting water reduction targets and taking tangible actions to support and advance our initiatives.

Leading by example, they inspire employees at all levels to adopt water-saving practices, fostering a culture of sustainability. Initiatives such as a poster campaign, were launched, further reinforced by the active involvement of senior leaders.

UPDATE OF OUR WATER STEWARDSHIP POLICY

We have updated our Water Stewardship Policy to better align with our sustainability goals. To further minimise our impact, we have made a significant change to our water withdrawal target, transitioning from an intensity-based target to an absolute target.

The rationale behind this shift is clear:

Greater transparency: Intensity-based targets can create a misleading impression of progress, as reductions may appear to result from increased production of low water-use products, rather than actual improvements in water efficiency. Absolute targets eliminate this ambiguity, providing a more accurate representation of our water consumption.

Focused and strategic: Absolute targets offer a clear, specific direction. They allow us to design targeted water reduction initiatives and adhere to a well-defined roadmap, particularly for our instant coffee sites, which account for the majority of our water usage.

ESRS compliance: Absolute, voluntary, targets align with ESRS, ensuring a more transparent and reliable reporting to intensity-based metrics.

When setting these targets, we considered establishing separate targets for water withdrawal in water-stressed areas, as this is where reduction is most needed. However, due to the closure of the Banbury instant processing plant, our water withdrawal in these areas remains very limited compared to our total water withdrawal.

By adopting this approach, we believe we can more effectively achieve our sustainability objectives while enhancing transparency and accountability.

Our revised targets for water stewardship include:

- **Absolute water withdrawal reduction**: Reduce absolute water withdrawal across all manufacturing operations by 18% by 2030, compared to the 2020 baseline
- **Wastewater treatment**: Towards 100% of wastewater treated prior to discharge by 2030
- **WASH certification:** Certify all manufacturing plants under the WASH pledge by 2030.

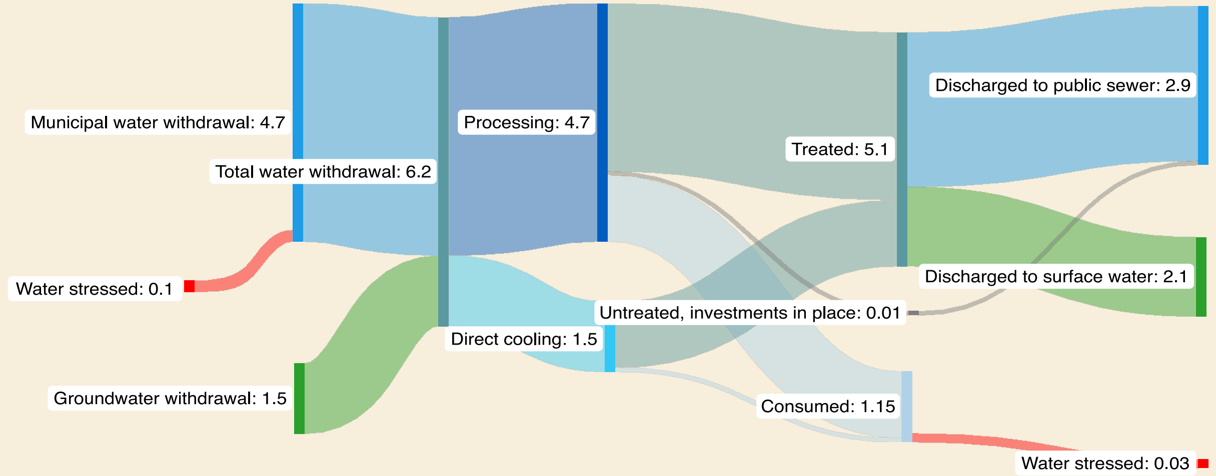
These updated targets reflect extensive conversations with both internal and external stakeholders, including investors, ESG raters, manufacturing plant leads, the sustainability team and safety, health and environment experts. The collaborative nature of these discussions ensures that the targets are widely supported, driving greater engagement and providing a roadmap for achieving our 2030 targets.

To achieve these ambitious targets, we are committed to a dual approach:

1. Direct investment: Prioritising water reduction and treatment improvements across our own operations
2. Collaborative action: Engaging in collective partnerships and basin-level initiatives. We will work closely with key stakeholders, including industry peers, governments, and NGOs, to address shared challenges and drive systemic change.

This approach not only aligns with our sustainability targets and commitments but also ensures compliance with evolving environmental standards.

WATER FLOWS IN MEGALITER



ACTIONS

Aligned with our Instant Water Reduction Roadmap and the closure of the Banbury instant processing plant, we have made strong progress through targeted actions. For example, advanced monitoring systems now track usage in real time, helping us quickly address inefficiencies, minimise losses, and improve overall efficiency.

In our Sulaszewo site in Poland, wastewater is effectively managed via a biofilter system, operational for several years, exemplifying our commitment to improved water stewardship. Integrating WASH principles into quality assessments has enhanced access to clean water, sanitation, and hygiene across our operations. At our Johor site in Malaysia, a seal water reduction project significantly lowered total water withdrawal, reinforcing our dedication to sustainable practices.

In Joure, the Netherlands, we implemented a condensate reuse system to support ongoing water reduction efforts. In coffee extraction, fresh water is used to make extract. At the final stage of the process, when water is needed to empty the equipment, fresh cold water has been replaced with hot water reused from the process. This initiative saves 40,000 m3 of water annually, equivalent to 16 olympic-sized swimming pools.

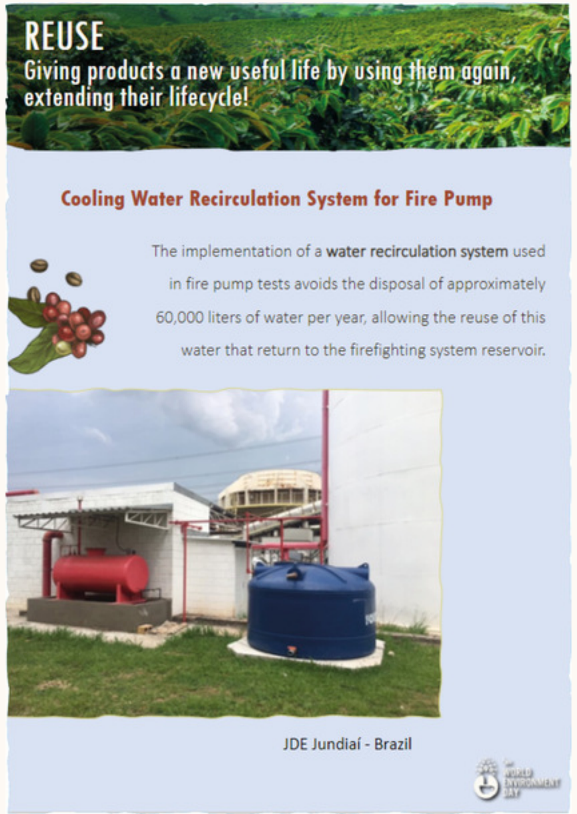
In 2024, we reduced our absolute water withdrawal by 15%, with municipal water consumption decreasing by 17%% and groundwater usage by 7% versus base year 2020.

At our Salvador site in Brazil, we implemented a rainwater harvesting system to capture and store rainwater for non-portable uses such as cleaning and gardening. This initiative reduces dependence on municipal water supplies and positively contributes to local water resources.

At our Johor site, we use groundwater for cooling purposes, helping to reduce city water consumption by 24.7% versus 2020.

Our water reductions are reviewed and actioned monthly via the Global Environmental report, with a particular focus on our instant operations.

To drive behavioural change, we introduced the 5R Principles: Refuse, Reduce, Reuse, Recycle, and Rethink. Monthly reminders reinforce these principles, guiding individual and operational water-saving efforts.



COLLABORATING IN WATER-STRESSED AREAS

Following site-specific risk assessments, sites in water-stressed areas implement local action plans, working closely with local authorities and stakeholders to manage sustainable water use:

- At our Mollet site in Spain, we proactively responded to a municipal request to cut tap water use by 15%, delivering early progress through an action plan.
- At our Andrézieux site in France, a request from the local authorities to halve water withdrawal led to the development of a comprehensive reduction action plan. This plan was created in collaboration with our engineering and maintenance teams and subsequently approved by the local authorities.

Through ongoing dialogue and cooperation, we align our efforts with regional water management strategies to support long-term sustainability.

REDUCING WATER USE

Since establishing our 2030 target, we have significantly reduced dependence on municipal and groundwater sources by optimising water use in production processes. This has shrunk our water footprint and supported the preservation of vital local resources. Innovations in 2024:

- Closed-loop water systems: Cooling towers in several facilities now operate using closed systems, substantially reducing fresh water demand.
- Upgraded equipment: Process refinements have reduced water losses and improved overall efficiency.

WASTEWATER TREATMENT IMPROVEMENTS

We have enhanced wastewater treatment across our operations through:

- On-site visits and SHE assessments to understand wastewater management practices.
- Detailed tracking of treatment levels, enabling us to quantify wastewater volumes processed at first- and second-level treatment stages.

By the end of 2024, 99% of our total wastewater was treated before final discharge. We are continuing our efforts by implementing a treatment installation for Arhavi, which is already included in our capex plans. No major water-related incidents were reported in 2024.

ENSURING SAFE WATER ACCESS

To address challenges in water access, we maintain full compliance with WASH standards across all our facilities. The inclusion of new sites within our scope, alongside the closure of one location, has led to a temporary decline in WASH performance figures. However, we remain firmly committed to achieving our 2030 objectives. Progress will be validated through biennial self-assessments, with the next review scheduled for 2025.

FUTURE ACTIONS

As we advance towards our 2030 water reduction goal, we prioritise water stewardship through innovation, collaboration, and leadership. Efforts include investing in reuse technologies, embedding environmental commitments, and quantifying stored water sources.

DISCLOSURE OF A MATERIAL TOPIC

CURRENT AND ANTICIPATED FINANCIAL EFFECTS

Risk description	Financial risk			Mitigation strategy		Methodology
Risk / Opportunity	**EUR amount of assets at risk**	**Financial implication (cumulative up to 2030) of revenue at risk**	**Liabilities recognised in financial statements**	**Incremental capex / opex investments**	**Mitigation strategy (management of risk/ opportunity)**	**Assumptions used in calculations and linked to the financial statements**
Water stressed areas	0	●○○	0	We plan to invest a cumulative EUR 10 million by 2030 to enhance water availability in water-stressed areas. As these investments serve multiple objectives, including sustainability, determining the incremental financial investment specifically attributable to sustainability requires significant judgement.	Recognising water availability as a key business risk, we prioritise stakeholder engagement, targeted investments and network optimisation to ensure sustainable, resilient operations. Integrated water management enhances water availability, quality and access, leading to cost savings and mitigating future water-related risks.	Capital expenditure (within Property, plant and equipment on the balance sheet) is planned for one manufacturing site to support these efforts.
Water management	0	●○○	0	These investments, alongside GHG reduction initiatives, will lower water consumption across manufacturing sites.		

●○○ 0% to 1% Revenue ○●○ >1% to 5% Revenue ○○● >5% Revenue

METRICS

	2024	2023[46]	2020[47]
Water and marine resources			
Total water consumption (cubic metres)	1,162,072	1,358,491	1,912,720
Total water withdrawals (cubic metres)	6,226,761	6,651,900	7,316,607
Total water discharges (cubic metres)	5,064,689	5,293,410	5,403,888
Total water intensity (m^3/mEUR)	132		
Total water consumption in areas at material water risk, including areas of high-water stress (cubic metres)	38,333	250,716	n/a
Total water recycled and reused (cubic metres)	0		
Total water withdrawal reduction (%)	15 %		
Wastewater being treated before being discharged (%)	99 %		
Percentage of Manufacturing sites with WASH facilities (%)	71 %	88 %	

[46] Comparative data of 2023 is restated compared to the 2023 Annual Report to reflect 2024 acquisitions.
[47] Comparative data of 2020 is restated compared to the 2023 Annual Report to reflect 2024 acquisitions.

ACCOUNTING POLICIES

Water consumption
Water consumption refers to the total volume of water withdrawn and incorporated into products, used in crop production, generated as waste, evaporated, transpired, consumed by humans or livestock, or polluted to the extent that it becomes unusable by others. As a result, this water is not returned to surface water, groundwater, seawater, or a third party during the reporting period. (GRI 303)

Water withdrawal
Water withdrawal includes all water sources entering the site, whether for processing or sanitary purposes. This encompasses water used for dilution, moistening, casing and flavouring, steam production, quenching, cleaning, and cooling.

Water discharge
Water discharge refers to the total volume of effluents, used water, and unused water released to surface water, groundwater, seawater, or third parties, for which the organisation no longer has use during the reporting period. (GRI 303)

The data is primarily sourced from supplier invoices, which are reported internally on a monthly basis. In cases where invoices are unavailable—due to varying invoicing schedules across countries—consumption is estimated based on historical data from previous reporting periods.

Water-stressed
For areas classified as ‘water-stressed’, we adhere to the definitions provided by the World Resources Institute, focusing on areas rated as ‘high’ or ‘extremely high’ risk according to the Water Risk Atlas.

Revenue
The revenue reconciles to the net revenue as presented in the income statement of the financial statements.

BIODIVERSITY AND ECOSYSTEMS

SETTING THE SCENE

OUR IMPACTS, RISKS AND OPPORTUNITIES

Material topic: Deforestation

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
	Deforestation	Globally, deforestation accounts for 12-20% of carbon emissions. Continued deforestation depletes carbon sinks and destroys natural habitats impacting biodiversity.	Agriculture			
	Deforestation regulation	Increase in compliance costs due to our dependency on forest-risk commodities exposed to jurisdictions with regulatory restrictions.	Agriculture			
	Availability of coffee	Refer to the IRO described in the climate action section	Agriculture			

OUR TARGETS AND PROGRESS

Target — **Deforestation-free green coffee by 2025**

2024: 99.9%
TARGET 2025: 100%

Target — **Deforestation-free virgin paper and pulp by 2025**

39% 2024 — 100% TARGET 2025

Target — **Deforestation-free palm oil by 2025**

2024: 98.6%
TARGET 2025: 100%

Target — **Deforestation-free cocoa by 2025**

2024: 89%
TARGET 2025: 100%

Target — **Deforestation-free wood (pallets) by 2025**

85% 2024 — 100% TARGET 2025

OUR POLICIES

- Forest Policy
- Responsible Sourcing Principles Coffee and Palm Oil
- Supplier Code of Conduct

Positive impact | Negative impact | Actual | Potential | Risk | Opportunity | Impact | Dependency | Short term | Medium term | Long term

DISCLOSURE OF A MATERIAL TOPIC

Material topic: Sustainable agriculture

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
Positive impact, Potential	**Sustainable agricultural practices**	Farmers currently lack access to training, services, and higher-value markets, while climate change worsens coffee growing conditions. JDE Peet's supports farmers by promoting sustainable and regenerative farming practices, such as climate-smart agriculture, crop quality improvement, soil management, and biodiversity.	Agriculture			Long term
Opportunity, Impact	**Sustainable agricultural practices**	Reduction in input costs as a result of investment into good agricultural practices.	Agriculture			Long term
Risk, Impact	**Soil degradation**	Soil health degradation reduces land productivity and climate resilience, causing yield losses and profit declines for farmers, and supply chain disruptions for downstream businesses.	Agriculture			Short term, Medium term, Long term
Negative impact, Actual	**Ecosystem impacts**	Agricultural inputs, such as pesticides and herbicides, affect ecosystem integrity and biodiversity.	Agriculture			Short term, Medium term
Risk, Impact	**Availability of coffee**	Refer to E1 - Climate change for description of risk.	Agriculture			Short term, Medium term

OUR TARGETS AND PROGRESS

Target Working towards 100% responsibly sourced green coffee by 2025

Progress

Target Working towards 100% responsibly sourced tea by 2025

Progress

Target Working towards 100% responsibly sourced palm oil by 2025

Progress

OUR POLICIES

- Responsible Sourcing Principles Coffee and Palm Oil

Positive impact | Negative impact | Actual | Potential | Risk | Opportunity | Impact | Dependency | Short term | Medium term | Long term

OUR STRATEGY

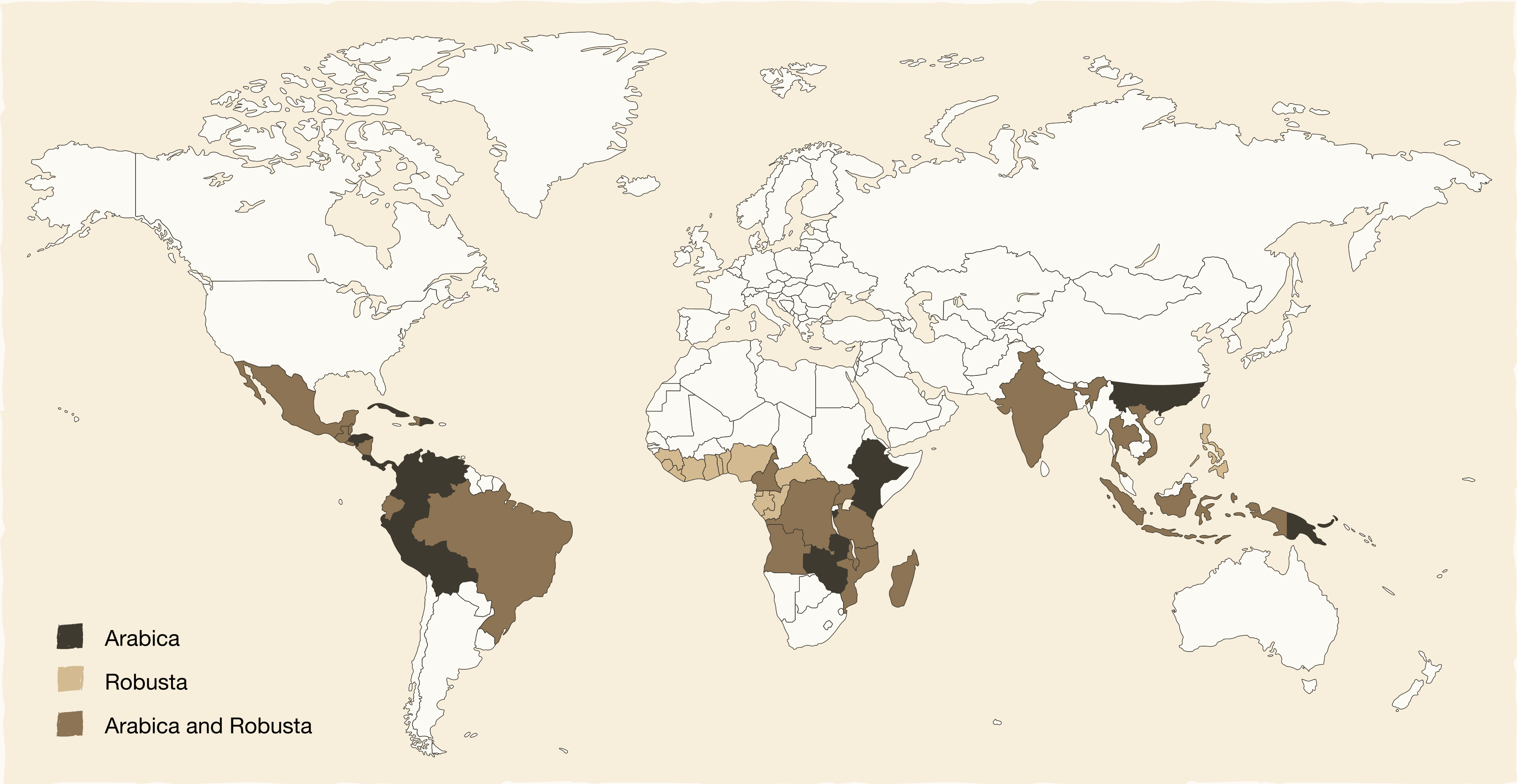
TRANSITION PLAN

As an SBTN Corporate Engagement member and a TNFD Early Adopter, we contribute to shaping a science-based nature strategy. Our efforts follow the **LEAP** framework, structured into four stages:

- **L**ocate: Identify the company's interface with nature across geographies and the value chain
- **E**valuate: Assess dependencies and impacts on nature
- **A**ssess: Analyse nature-related risks and opportunities
- **P**repare: Develop responses to these risks and opportunities, and report on material nature-related issues.

LOCATE

As a company sourcing approximately 8% of the world's coffee, we operate across the coffee belt, sourcing from over 30 countries annually. With a non-vertical integration model, our sourcing varies year-to-year, requiring engagement with different farmers. This dynamic shapes our sustainability transition plans, focusing on the entire coffee value chain.



DISCLOSURE OF A MATERIAL TOPIC

To build resilience, we invest in farming communities at origin, including regions we may not source from annually, aiming for scalable global impacts.

Direct interactions with nature in our operations are relatively limited but managed proactively. Using our biodiversity playbook, we focus on reducing our environmental footprint across all our manufacturing sites, with a specific focus on six sites near biodiversity hotspots. These sites cover an estimated operational area of 17.42 km^2 in various locations in France, Turkey, and Germany. All operations comply with environmental consents, and no site expansions have occurred in these areas. Given our exposure, this section focuses on the upstream coffee value chain, where coffee remains our primary focus.

EVALUATE

The following table highlights the key environmental pressures and dependencies associated with coffee production, based on IPBES[48] pressure categories and ecosystem services using the ENCORE tool.

Coffee is grown mainly in tropical and sub-tropical forests, which provide critical ecosystem services such as biomass provisioning and soil-quality regulation. The health of these ecosystems is essential to coffee production, as nutrient-rich soil ensures plant growth.

Because coffee is predominantly rain-fed, reliable and predictable precipitation patterns are vital for farming. Biodiversity plays a critical role in disease prevention, while intact ecosystems, tree cover, and a diversity of tree species indicate ecosystem health. Additionally, the right temperature creates the ideal climate for coffee cultivation.

We acknowledge the close interconnection between coffee supply chains and natural habitats that host diverse flora and fauna. Unaddressed, nature-related risks could compromise business continuity and growth.

To build farmer resilience, we collaborate with partners, civil society, and governments on projects that reduce fertiliser needs, increase yields, and enhance coffee-plant resilience. These initiatives also aim to improve and protect soil health and, where appropriate, incorporate agroforestry practices to support ecosystem services and help mitigate future temperature changes.

IPBES Pressure category	SBTN Pressure category	Pressure materiality assessment
Ecosystem use and use change	Terrestrial ecosystem use and use change	Deforestation due to farmers encroaching on forested land to expand their farms.
	Freshwater ecosystem use and use change	Extraction of ground and surface water, increasing water stress to water basins for irrigation.
	Marine ecosystem use and use change	n/a
Resource exploitation	Water use	Water use for washed arabica and irrigation.
	Other resource use	n/a
Climate change	GHG emissions	Mainly fertiliser application either through emissions on farms (ammonia, NOx, phosphorus) or fertiliser production.
Pollution	Water pollutants	Inadequate water treatment of after-processing washed arabicas.
	Soil pollutants	Soil degradation due to impact of fertilisers and application of pesticides.
Invasive alien species	Invasive alien species	n/a

Ecosystem service type	Ecosystem service	Dependency materiality assessment
Provisioning services	Biomass provisioning services; genetic material services	Very high materiality rating
	Water supply	High materiality rating
	Other provisioning services - Animal-based energy	Medium materiality rating
Regulating and maintenance services	Global climate regulation services; rainfall pattern regulation services; local (micro and meso) climate regulation services; soil quality regulation services; soil and sediment retention services; water purification services; pollination services	Very high materiality rating
	Water flow regulation services; flood mitigation services; storm mitigation services; biological control services	High materiality rating
	Air filtration services; solid waste remediation; other regulating and maintenance service - dilution by atmosphere and ecosystems	Medium materiality rating

48 The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)

DISCLOSURE OF A MATERIAL TOPIC

ASSESS

A nature risk workshop, facilitated by expert consultants, was conducted with the sustainability team and local agronomists from key coffee-growing regions, including Brazil, Latin America, Asia, and Africa. Insights provided by these agronomists proved invaluable in identifying risks and opportunities specific to coffee cultivation in these regions.

Following the TNFD guidance on scenario analysis and sector-specific recommendations, a comprehensive list of nature-related risks was compiled. This list included acute, chronic, and systemic risks. After a pressure assessment and alignment with our business model, this list was narrowed to 26 key risks and opportunities. These were further evaluated based on likelihood and severity, resulting in a shortlist of seven risks.

Each risk was assessed regionally across two scenarios influenced by critical uncertainties: ecosystem service degradation (linked to physical risks, such as climate change) and the evolution of policy and regulation (linked to transition risks, particularly in relation to policy responses to nature and climate-related risks).

This process produced four scenarios, with the two most extreme cases prioritised for in-depth analysis.

SCENARIO 1: BUSINESS-AS-USUAL

This scenario projects a continued deterioration of global ecosystem health, compounded by the increasingly visible impacts of climate change. While isolated local successes occur, the overall policy and regulatory framework remains largely ineffective in addressing these challenges.

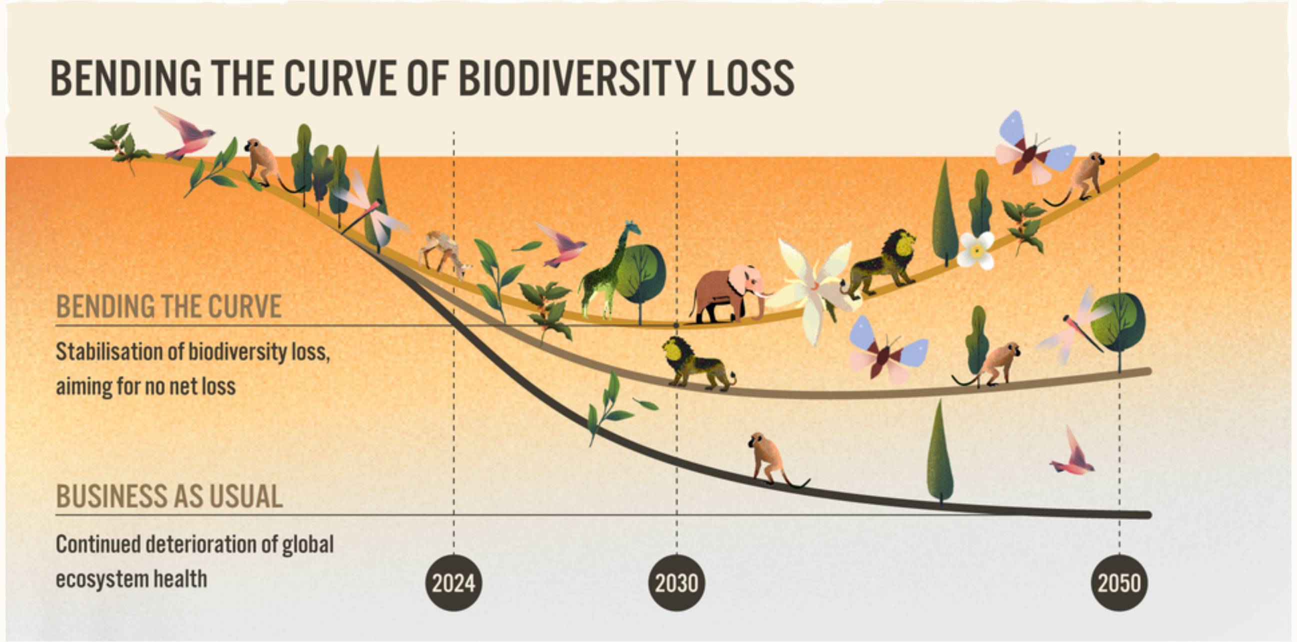
SCENARIO 2: BENDING THE CURVE

This scenario envisions the stabilisation of biodiversity loss, aiming for no net loss, while acknowledging the continued, but less severe, impacts of climate change. A globally coherent policy and regulatory framework emerges, offering a unified and effective response.

Two timeframes are considered in this scenario:

- The TNFD recommends a 2030 timeframe, aligned with the Global Biodiversity Framework (GBF) target for halting and reversing nature loss
- A longer-term horizon of 2050, in line with the GBF's vision of 'living in harmony with nature,' serves as a second reference point for transition planning.

Following this, a scoring process was created. Risks were assessed on a scale ranging from 'much worse' to 'much better', while opportunities were evaluated from 'not relevant' to 'very relevant'. This process resulted in a final list of six key risks and opportunities, summarised in the table below.



DISCLOSURE OF A MATERIAL TOPIC

PREPARE

Physical / transition / systemic / opportunity	Type of risk / opportunity	Description	Value chain	Region[49]	Scenario 1: Business-as-usual		Scenario 2: Bending the curve		Strategy chapter
					2030	2050	2030	2050	
Physical risk	Acute	Revenue reduction due to increase in crop pests and disease.	Upstream	Global	Worse	Much worse	Worse	Better	E4 - Sustainable Agriculture
Physical risk	Acute	Increase in production and sourcing costs due to high or extremely high baseline water stress.	Upstream	Global	Worse	Much worse	Worse	Better	E4 - Sustainable Agriculture
Physical risk	Chronic	Decreasing land productivity and climate hazard regulation services as a result of soil health degradation leads to profit loss for farmers, due to yield losses, and to downstream corporations due to supply chain disruptions.	Upstream	Global	Worse	Worse	Similar to current	Better	E4 - Sustainable Agriculture
Physical risk	Chronic	Costs associated with the relocation of agricultural operations and agricultural product suppliers due to lost productivity of agricultural land.	Upstream	Africa / LATAM / Asia	Similar to current	Much worse	Similar to current	Worse	E4 - Sustainable Agriculture
Transition risk	Policy and legal	Increase in compliance costs due to dependency on forest risk commodities exposed to jurisdictions with regulatory restrictions.	Upstream, Own operations	Global	Similar to current	Worse	Similar to current	Better	E4 - Deforestation
Opportunity	Resource efficiency	Reduction in input costs as a result of investment into good agricultural practices.	Upstream	Global	Better	Better	Better	Much better	S2 - Workers in the Value Chain

Upstream | Own operations | Downstream

The risks and opportunities highlighted in the TNFD table are reflected in the overall IROs, with mitigation strategies described in the subsequent chapters.

[49] Applicable regions are: Africa, Asia, Brazil and Latin America ('LATAM'). When all regions are applicable it is referred to as 'Global'.

DISCLOSURE OF A MATERIAL TOPIC

NATURE TRANSITION PLAN

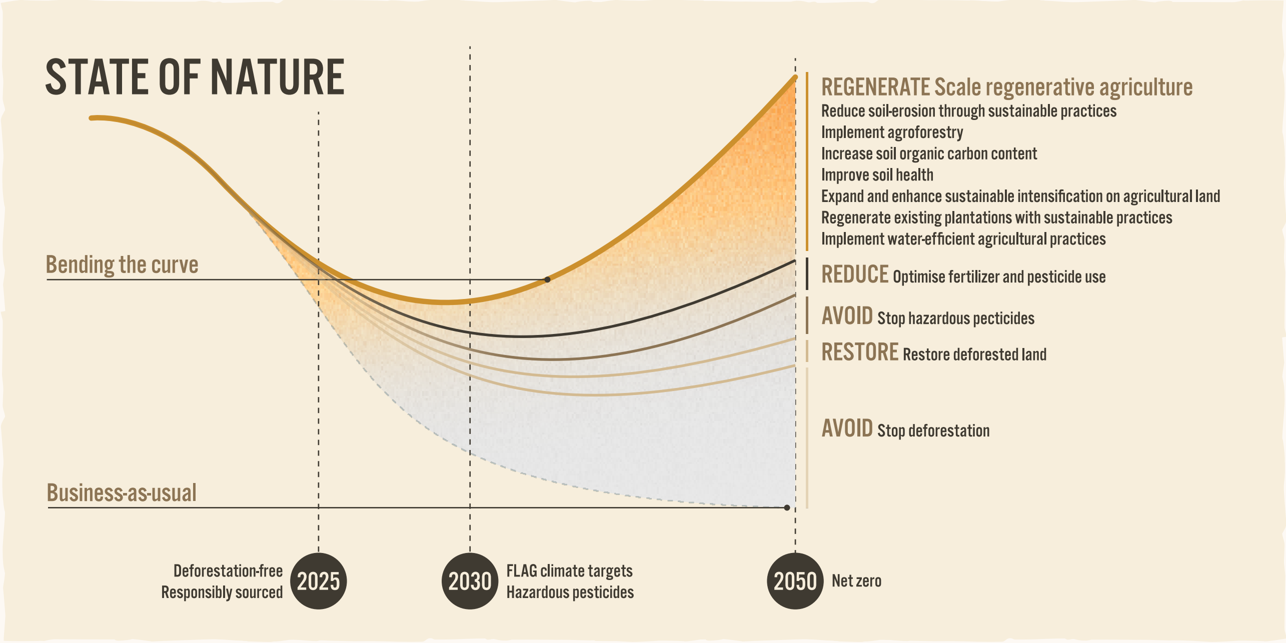
When addressing risks and opportunities, businesses should prioritise actions that prevent or reduce negative impacts on nature over efforts to restore or mitigate existing damage through reconstructive or compensatory measures. This approach aligns with the mitigation hierarchy principles, such as the Science Based Targets for Nature (SBTN) AR3T framework, which outlines four types of actions to be followed in sequence. AR3T is aligned with JDE Peet's due diligence framework, emphasising proactive solutions and engagement rather than using traceability as a tool for exclusion.

The AR3T framework includes:

- **Avoid:** Prevent negative impacts from occurring in the first place; eliminate negative impacts entirely
- **Reduce:** Minimise negative impacts that cannot be fully eliminated
- **Regenerate:** Enhance biophysical functions and ecological productivity within existing land, ocean, or freshwater use, prioritising key ecosystem services
- **Restore:** Initiate or accelerate the recovery of ecosystems in terms of health, integrity and sustainability, with a focus on achieving permanent positive changes.

Additionally, the framework incorporates transformative action, which focuses on how organisations can drive systemic change both within and beyond their value chains.

JDE Peet's nature transition plan aligns with the mitigation hierarchy, focusing on mitigating deforestation and advancing sustainable agriculture. This approach aims to shift from business-as-usual toward a more nature-positive future. With global agreement on how to measure the state of nature expected in 2025, we aim to deploy scalable solutions to measure these indicators and measure the impact of our actions.



Full alignment across the coffee sector is essential for all associated actions. Through platforms and frameworks like the ICO, ECF, SCC and GCP[50], we drive scalable, globally adoptable solutions, detailed in subsequent chapters.

Biodiversity offsets are not part of our strategy, as green coffee production inherently supports biodiversity. Instead, we focus on supply chain investments to reduce our footprint and reverse nature loss.

50 ICO (International Coffee Organisation); ECF (European Coffee Federation); EUDR (EU Deforestation Regulation); SCC (Sustainable Coffee Challenge); GCP (Global Coffee Platform).

DISCLOSURE OF A MATERIAL TOPIC

DEFORESTATION

OUR APPROACH AND OUTLOOK

STRATEGY

Avoiding deforestation is central to our nature transition strategy, ensuring forests are safeguarded. We are committed to deforestation-free supply chains for green coffee, palm oil, cocoa, and paper and pulp by 2025, aligned with the Global Biodiversity Framework and the EU Biodiversity Strategy.

Forests are critical for carbon storage, climate regulation, and biodiversity, providing nature-based solutions for climate adaptation and mitigation. Forest conservation is essential to achieving our net-zero target, with historical deforestation making up 8% of our total carbon footprint today. Preventing any new forest loss will in time eliminate this impact.

Deforestation risks stem from farmers expanding arable land to meet production demands and climate change driving shifts to higher-altitude regions.

The EU Deforestation Regulation (EUDR), effective end-2025 following a one-year delay, strengthens global efforts to combat deforestation by setting stricter rules for commodities linked to deforestation on the EU market. While the EUDR aligns with our Forest Policy, JDE Peet's Deforestation-Free programme exceeds EUDR requirements, advancing global deforestation-free supply chains and supporting our FLAG targets to address climate risks.

As coffee is our principal product, our holistic approach extends beyond regulatory compliance to deliver lasting impact. We are committed to eliminating deforestation in coffee cultivation through spatial mapping, remediation, and targeted support for farmers in high-risk regions, working with local authorities and governments to drive progress.

In cocoa and palm oil, where we source relatively small volumes, we prioritise collaboration across the supply chain. Supplier selection focuses on forest policies, grievance mechanisms, industry engagement, responsible sourcing, and effective farmer support programmes.

For paper and pulp, we maximise recycled content and use certified virgin materials where necessary to ensure quality. All wood used is sourced from managed plantations, supported by industry-recognised assurance and certifications such as FSC and PEFC.

OUR FOREST POLICY

Our Forest Policy underscores our commitment to protecting forests through our Responsible Sourcing Principles, setting clear and documented expectations of our suppliers.

We target no-deforestation across our primary deforestation-linked commodities—coffee, pulp and paper, palm oil and cocoa—by 31 December 2025 or earlier, where applicable laws and regulations so require. The list is based on our exposure to commodities that have high carbon footprints and deforestation regulation exposure.

JDE Peet's engages with suppliers regarding their adherence to our Responsible Sourcing Principles and Supplier Code of Conduct which outline our expectations around deforestation-free commodities.

We collaborate with communities, industry partners, governments, and non-governmental organisations to understand and address deforestation risks and drive local improvements.

Our farmer programmes promote sustainable livelihoods and regenerative agriculture practices in our supply chains. This approach reduces pressures leading to further land conversion, builds climate change resilience, fosters healthy and vibrant agricultural communities, and supports the long-term protection of forests within our area of influence.

We contribute to the remediation and conservation of degraded landscapes in our supply chain through direct intervention, multi-stakeholder collaboration and participation in landscape programmes so that the free, prior and informed consent (FPIC) of indigenous peoples and local communities is respected. Forest restoration is critical to ensure inclusive sourcing, providing smallholder farmers with opportunities to regain market access.

Our Forest Policy is drafted in alignment with the Accountability Framework Initiative and meets the expectations set by the Science Based Targets initiative's net-zero trajectory.

OUR PALM OIL POLICY

We are committed to sourcing 100% responsibly produced palm oil by 2025, certified under RSPO or equivalent standards. Our policy includes:

- Compliance with local laws and regulations
- No deforestation or development on peatlands after 31 December 2020
- No exploitation of workers or communities, and adherence to human rights, specifically local and indigenous communities' rights.

OUR SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct builds on our own Codes of Conduct to promote responsible and sustainable sourcing. It is based on internationally recognised standards, including the UN Universal Declaration of Human Rights and the ILO Declaration on Fundamental Rights and Principles at Work. This includes:

- Commitment to sustainability: We aim to minimise adverse environmental and social impacts through responsible business practices.
- Supplier expectations: Suppliers must adhere to the Code and international standards, covering all workers, including temporary and migrant workers.

ACTIONS

COFFEE

As an importer of coffee into the EU, JDE Peet's conducts thorough due diligence to meet EUDR requirements. We ensure compliance through enhanced legal provisions, supplier commitments, extensive supplier engagement, and detailed supply chain mapping and risk assessments.

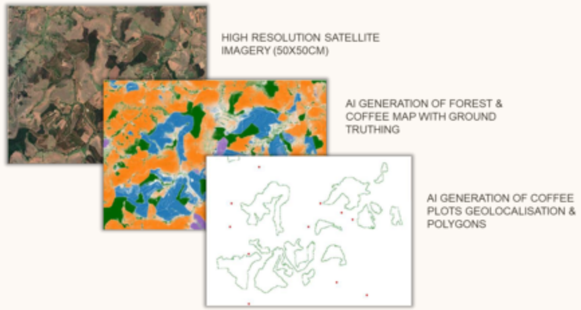
To further mitigate risks, we have established a grievance mechanism to remove non-compliant products and suppliers from our supply chain. All data must be processed through the EU TRACES system. We will continue to perform product and supplier audits to ensure deforestation risk across our supply chain remains negligible.

SATELLITE MAPPING AND GROUND TRUTHING

Effectively addressing deforestation requires precise identification of risk areas to target mitigation efforts. We work with a third party who supports this through advanced machine-learning technology, analysing high-resolution satellite imagery and ground truthing to map forests and coffee production areas.

Mapping coffee is particularly complex, as it is often grown in agroforestry systems where low-resolution imagery can misclassify it as forest, overstating deforestation risks. Using imagery with 50x50 cm granularity, and an algorithm to assess this data, enables us to accurately distinguish coffee plots from forests. By the end of 2024, this technology had mapped over 9 million hectares of coffee plots globally.

Ground truthing complements this process, with a third party conducting on-the-ground verification where satellite imagery flags potential deforestation, ensuring accurate assessments.



RESTORATION - GOING BEYOND COMPLIANCE

We work closely with coffee-producing origins to combat deforestation, achieving measurable progress. Through memoranda of understanding (MoUs), the governments in key regions support remediation and restoration efforts to maintain EU market access. By the end of 2024, seven countries—Papua New Guinea, Uganda, Rwanda, Burundi, Tanzania, Kenya and Ethiopia—were verified as deforestation-free for coffee.

COCOA AND PALM OIL

While we are well-positioned to lead by example in coffee, we rely on our suppliers to drive progress within the cocoa and palm oil industries. Given the relatively small number of suppliers in these sectors, we are able to select best-in-class partners to deliver our products. In 2024, we refined our deforestation strategy further, aligning it with our Forest Policy. We now require our cocoa and palm oil suppliers to adopt a similar approach to the one we use for coffee, ensuring:

- SBTi approved targets, or targets in the process of being validated
- A deforestation-free policy
- High levels of traceability
- Grievance mechanisms
- Responsibly sourced commodities
- Farmer support programmes.

This approach led us to discontinue relationships with some suppliers, while intensifying collaboration with key partners.

PAPER AND PULP

In 2024, we continued our journey and conducted a review of our data sources for reporting on paper and pulp, establishing a system to track and report progress accurately. This data cleansing process led to an improvement from 34.4% to 39%. Additionally, our progress in 2024 reflects a broader scope compared to 2023, incorporating newly added non-integrated entities such as Maratá. With key suppliers transitioning to certified volumes, we remain confident in making progress towards our commitment.

WOOD

Within our supply chain, wood is primarily used for pallets. Due to their weight, pallets represent a significant portion of the forest-linked commodities in our footprint. As many pallets are reused and managed through leasing programmes to maintain quality, our primary objective is to ensure that suppliers source wood responsibly, verifying that it does not originate from deforested areas.

FUTURE ACTIONS

As we near our goal of deforestation-free supply chains by the end of 2025, we remain committed to maintaining deforestation-free sourcing for coffee, cocoa, and palm oil, while advancing the transition of our non-certified virgin paper and pulp portfolio. The extension of the EUDR deadline to the end of 2025 provides additional time to deepen engagement with producing countries, supporting them in achieving deforestation-free status. This extension also allows smallholder farmers critical preparation time to ensure full compliance with the regulation upon its implementation.

We anticipate challenges in sourcing deforestation-free paper, pulp, and wood for our local operations in Russia, as no established certification bodies or solutions currently align with our policy. We will closely monitor developments and explore viable options to uphold our commitments, including for Russian volumes.

ACTIVE PROJECT

Addressing deforestation and livelihoods through inclusive coffee supply chains

COMMODITY: Coffee
TIME FRAME: 2024-2026
LOCATION: Aceh and Lampung, Indonesia
SMALLHOLDER FARMERS TO BE REACHED: 5,000
PARTNERS: RVO (Netherlands Enterprise Agency); Rainforest Alliance, ECOM, Asia Makmur

Climate change has driven coffee production into forested areas in search of more suitable growing conditions, raising the risk of converting land with high conservation value to other uses. The EUDR poses a challenge to coffee production in Sumatra, where this project aims to identify farms that can meet compliance standards. To tackle deforestation, we are gathering geodata to expedite the approval of social forestry licences and ensure alignment with EUDR requirements. We are also monitoring forest activity to track deforestation trends and prevent further encroachment, addressing legal issues related to settlements within forest areas, and fast-tracking social forestry approvals for coffee farmers. In addition, this project supports replanting and rejuvenation efforts, offers training in good agricultural practices, and monitors carbon emissions to enhance productivity and yields, thereby reducing the incentive for further encroachment. To safeguard these supply chains from regulatory pressures, we are also developing a due diligence mechanism for our upstream value chain partners. In collaboration with Asia Makmur, we are integrating environmental due diligence into company processes, establishing risk assessments, and implementing a risk management plan.

ACTIVE PROJECT

Sustainable coffee production with reduced emissions and compliance with the EUDR in Dak Nong

COMMODITY: Coffee
TIME FRAME: 2024-2029
LOCATION: Krong No and Dak Lap in Dak Nong, Vietnam
SMALLHOLDER FARMERS TO BE REACHED: 10,000
PARTNERS: Intimex Dak Nong

Vietnam is a key strategic origin for JDE Peet's. Investing in capacity building and supply chain enhancement is critical to ensuring continued access to Vietnamese coffee that aligns with our climate commitments and evolving regulatory landscapes. In partnership with Intimex Dak Nong, this project aims to strengthen farmers' knowledge and awareness of sustainable farming practices, improve access to supply chains and extension services, and onboard 10,000 farmers from seven communes (with at least 40% being women) onto a database to meet traceability requirements in line with the EUDR.

By promoting the adoption of sustainable farming techniques and ensuring the availability of high-quality seedlings, we aim to improve both coffee productivity and product quality, while adhering to EU regulations and safeguarding farmers' market access. This, in turn, reduces the pressure on forest encroachment. Additionally, by developing agroforestry systems, the project seeks to employ nature-based solutions to restore soil and plant health, contributing to the long-term sustainability of coffee farming in Vietnam.

DISCLOSURE OF A MATERIAL TOPIC

SUSTAINABLE AGRICULTURE

OUR STRATEGY AND OUTLOOK

STRATEGY

SECURING THE FUTURE OF COFFEE & TEA

As a coffee & tea company, our business depends on sustainable agriculture and healthy ecosystems. Coffee relies on finite environmental assets, requiring careful stewardship. Soil health provides vital nutrients for growth, while consistent rainfall supports rain-fed farms in many regions. Biodiversity enhances resilience through ecosystem services such as disease prevention, pest control, and pollination. Shade trees protect crops from extreme weather, and surrounding vegetation preserves water resources, ensuring long-term sustainability.

Coffee supply chains are closely linked to natural habitats, rich in biodiversity. Unaddressed nature-related risks threaten business continuity. Aligned with the Global Biodiversity Framework, SBTN and TNFD, we assess impacts, risks, and opportunities.

Farmers face declining productivity from infertile soil and overuse of fertilisers, harming soil invertebrates and the birds that feed on them. Without action, ecosystem decline risks disrupting the systems coffee relies upon, leading to lower yields, an increase in pests and diseases, and rising costs. These systemic risks could reduce supply, limit coffee variety, and impact long-term availability.

INTERRELATIONSHIP BETWEEN NATURE AND LIVELIHOODS

Sustainable agriculture is central to protecting ecosystems, enhancing productivity, and improving farmers' livelihoods. Environmentally friendly practices, help coffee plots reach their full potential, reducing the need to expand into native vegetation while boosting land productivity and farmer resilience.

Our Responsible Sourcing Principles focus on agroforestry, cover cropping, intercropping, and soil management. Insights from third-party data and supplier assessments highlight challenges like poor soil health and excessive fertiliser use, particularly in hilly agroforestry systems common to coffee farming. Without investment, declining yields risk undermining both ecosystems and coffee availability.

Regenerative practices, including shade management, soil conservation and cover cropping, and integrated weed, pest, disease and nutrient management, are central to our net-zero goals, supporting biodiversity, and climate resilience.

COLLABORATION IS KEY TO UNLOCKING VALUE

Through our Responsible Sourcing pillar, we empower smallholder farmers with training, tools and resources, including climate-resistant seedlings, agroforestry practices, cover cropping, and safe agrochemical use. By collaborating with farming communities, suppliers, NGOs and local governments, we promote sustainable practices that improve soil health, optimise fertiliser use, and support regenerative farming to enhance productivity and sustainability.

NGOs, civil society and local governments are key to our materiality assessments and project design. We collaborate regularly on environmental and social topics, participate in benchmarks and surveys, and collaborate on Common Grounds projects through discussions and steering committees.

To meet evolving consumer preferences for regeneratively produced goods, we work with the Global Coffee Platform and industry members to define and measure coffee grown under sustainable conditions. Reflecting these values, we introduced the Common Grounds on-pack label, a responsible sourcing seal that assures consumers of our commitment to environmental and social responsibility.

DISCLOSURE OF A MATERIAL TOPIC

POLICY

Our Responsible Coffee Sourcing Principles set best practices for sustainable sourcing, focusing on climate resilience and regenerative agriculture to reduce negative impacts of green coffee cultivation. Built around sustainability of land, equality of people, and farmer prosperity, they address key topics such as soil fertility, water efficiency, GHG reduction, biodiversity, agrochemical use, and climate-smart agriculture.

These principles promote regenerative practices, guiding suppliers and empowering smallholder farmers to implement best practices that nourish soil and water, minimise waste, use agrochemicals responsibly, capture carbon, and protect and regenerate farming environments. The adoption of these practices across our supply chain helps us progress towards reducing GHG emissions, increasing biodiversity, and safeguarding natural resources, with deforestation and banned pesticide use critical focus areas.

Our Palm Oil Responsible Sourcing Principles ensure sustainable sourcing, a goal achieved in 2022 with rigorous ongoing monitoring. Covering palm oil, palm kernel oil, and their derivatives sourced directly by JDE Peet's, they are designed to protect forests and peatlands, uphold workers' rights, and detail our expectations for suppliers. Through stakeholder engagement, we drive sustainable practices across the palm oil sector.

ACTIONS

Sustainable agriculture remains central to JDE Peet's. Grounded in our Responsible Sourcing Principles, soil and fertility management underpins our Common Grounds programme, which promotes best agricultural practices. Our principles address key topics such as deforestation and banned pesticides to drive targeted and effective action.

Through close collaboration with suppliers in coffee-growing regions, we deliver impactful community training via our Common Grounds programme, which runs for at least four years, and can be extended as needed. In 2024, we supported 73 active farmer projects across 23 countries, each guided by monitoring frameworks, co-created with local partners to ensure meaningful outcomes.

These projects align closely with the mitigation hierarchy.

- Forest conservation initiatives work to prevent deforestation by promoting coffee cultivation within previously cleared areas
- Water conservation projects reduce water pollution through sustainable farming practices that limit the use of harmful pesticides and fertilisers
- Preservation of ecosystems and biodiversity: Training in shade-grown coffee techniques helps protect local ecosystems and reduce environmental impact. In Honduras, we are working with local communities, benefiting from the knowledge that the farmers have used for generations passed on to them from family to family. The farmers collect beneficial fungi, known as mountain micro-organisms, from the forest. They process these fungi to create organic fertiliser, which they apply either as a foliar spray or as a compost additive to enrich the soil.
- Resource efficiency: Water-saving irrigation and energy-efficient processing reduce resource consumption
- Ecological restoration: We contribute to habitat restoration by planting native trees in degraded areas conducting targeted soil rehabilitation to enhance biodiversity and restore land resilience.

SECTOR ENGAGEMENT

We aim to inspire change across the coffee sector. Collaborating with the Global Coffee Platform (GCP), we co-fund work to set the regenerative agriculture standard for the coffee sector, applicable to its unique needs. In partnership with TechnoServe and a leading F&B multinational, we are building the investment case for regenerative coffee, showcasing its long-term value to drive widespread adoption and accelerate transformation.

We collaborate with farmers, suppliers, NGOs, and local governments to co-develop initiatives that promote sustainable and regenerative farming practices, enhance climate resilience, improve crop quality, protect biodiversity, and strengthen livelihoods. By integrating local and indigenous knowledge—such as that of Vietnam's ethnic minority communities—we help build resilient environmental and socioeconomic systems essential to the future of coffee.

To track progress and refine practices, we collect and share data on key indicators, including soil organic carbon levels and the adoption of soil fertility management techniques. In partnership with the GCP, we are working to establish a sector-wide understanding of the metrics required to demonstrate progress, ensuring that ecological thresholds are clearly defined and widely adopted across the industry.

Supplier assessments support collaboration on time-bound improvement plans, addressing gaps and driving progress towards shared sustainability goals.

SOIL

Through the GCP's Pesticides Action Group, we collaborate to phase out hazardous pesticides, supporting farmers in adopting safer solutions. In 2024, we contributed to identifying and sharing best practices and exploring alternative models to drive this transition via national platforms.

We conducted a pressures assessment and state-of-nature review across our coffee sourcing regions, classifying farm types and soil conditions to pinpoint high- and low-risk areas. This helps develop targeted action plans to support the adoption of regenerative practices.

FUTURE ACTIONS

We are developing a five-year country plan for all sourcing regions to address key priorities, foster collaboration, and drive targetted interventions.

Aligned with our commitment to sector-wide regenerative coffee practices, we aim to begin reporting on the percentage of regenerative practices adopted and explore strategies to increase uptake.

Additionally, ground-level activities under the GCP Country Platforms will launch in 2025, supported by a baseline study to assess current conditions and establish a foundation for measuring long-term impact.

DISCLOSURE OF A MATERIAL TOPIC

CURRENT AND ANTICIPATED FINANCIAL EFFECTS

Risk description		Financial risk			Mitigation strategy		Methodology
Risk / Opportunity	**Input of TNFD risk assessment**	**EUR amount of assets at risk**	**Financial implication (cumulative up to 2030) of revenue at risk**	**Liabilities recognised in financial statements**	**Incremental capex / opex investments**	**Mitigation strategy (management of risk/ opportunity)**	**Assumptions used in calculations and linked to the financial statements**
Risk: Deforestation regulation	• **Transition risk - Policy and legal** Increase in compliance costs due to dependency on forest risk commodities exposed to jurisdictions with regulatory restrictions.	0		0	We estimate that the related annual increase in cost of raw materials will be in the range of 1% to 1.5% as of 2026.	Our sourcing flexibility allows us to leverage strategic relationships with suppliers, and continue to develop supply options. More information can be found in the Deforestation-free supply chains: Protecting local environments section of this report.	We estimate the additional cost of goods sold necessary to conduct due diligence, required resources, tools and coffee sourcing based on recent industry engagements. These additional costs will be part of the Cost of sales in the income statement.
Opportunity: Sustainable agricultural practices	• **Opportunity - resource efficiency** Reduction in input costs as a result of investment in good agricultural practices.	n/a	Not quantified	n/a	n/a	Our farmer programmes aim to lower input costs, improve incomes and build resilience. Through our brands and our Common Grounds programme, we drive sustainable sourcing and strength our competitive edge. By offering coffee & tea grown with sustainable and regenerative agricultural practices, we also align with evolving consumer preferences.	n/a

DISCLOSURE OF A MATERIAL TOPIC

Risk description		Financial risk			Mitigation strategy		Methodology
Risk / Opportunity	**Input of TNFD risk assessment**	**EUR amount of assets at risk**	**Financial implication (cumulative up to 2030) of revenue at risk**	**Liabilities recognised in financial statements**	**Incremental capex / opex investments**	**Mitigation strategy (management of risk/ opportunity)**	**Assumptions used in calculations and linked to the financial statements**
Risk: **Soil degradation**	• **Physical chronic risk:** Declining soil health reduces land productivity and climate resilience, driving yield losses for farmers and supply chain disruptions for downstream businesses, ultimately impacting profitability.	0	Not quantified	0	The implementation costs to improve soil health are part of our total approach to responsible sourcing, and are already included as part of the deforestation mitigation costs.	Our Responsible Sourcing pillar works to provide farmers with the knowledge and skills to improve soil management practices, such as cover crops, mulching and trenches. By educating farmers to use soil analysis tooling to find nutrient deficiencies, we aim to improve fertility. By investing on the ground, we are able to foster the right behaviour to protect nature while improving farmer outcomes. We have also set this expectation among our suppliers through our Supplier Self-Assessment Forms – suppliers are then required to put in place action plans to improve soil management.	Not applicable
Risk: **Availability of coffee**	• **Acute physical risk:** Increase in production and sourcing costs due to high or extremely high baseline water stress. • **Acute physical risk:** Revenue reduction due to increase in crop pests and disease. • **Chronic physical risk:** Costs associated with the relocation of agricultural operations and agricultural product suppliers due to lost productivity of agricultural land.	0	Not quantified	0	Detailed in E1- Climate Change - Anticipated financial effects	Detailed in E1- Climate Change - Anticipated financial effects	Detailed in E1- Climate Change - Anticipated financial effects

0% to 1% Revenue   >1% to 5% Revenue   >5% Revenue

DISCLOSURE OF A MATERIAL TOPIC

METRICS

	2024	2023	2020
Deforestation-free commodities			
Deforestation-free coffee	99.9 %	99.9 %	n/a
Deforestation-free virgin paper and pulp	39 %	34.4 %	n/a
Deforestation-free palm oil	98.6 %	n/a	n/a
Deforestation-free cocoa	89 %	n/a	n/a
Deforestation-free wood	85 %	n/a	n/a

Additional information on setting targets for biodiversity and ecosystems

Deforestation-free targets were set together with our FLAG climate targets, aimed at reducing global warming to 1.5C. These targets were validated by SBTi in 2024. In response to expectations from both internal and external stakeholders, we set more stringent targets that align with the highest standards. All SBTi-approved climate targets need to be on a 1.5C pathway and companies in the food sector need to set separate FLAG and deforestation-free targets. These targets encompass all legal entities and reporting companies within our organisation.

Deforestation-free practices are an integral component of the 'avoidance' phase in our mitigation hierarchy. Our strategy to achieve these targets is outlined in the previous chapter.

Our target to no-deforestation is aligned with the Kunming-Montreal Global Biodiversity Framework, particularly supporting Target 1: Planning and Managing All Areas to Reduce Biodiversity Loss. This approach considers ecological thresholds in the context of deforestation, recognising critical tipping points beyond which the loss of forest cover results in substantial, and often irreversible, impacts on ecosystem functions and biodiversity.

We adopt the Accountability Framework’s definition of a forest, as land covering more than 0.5 hectares with trees exceeding 5 metres in height and a canopy cover above 10 percent, or trees capable of achieving these thresholds in situ. This classification excludes land primarily dedicated to agriculture or other uses, and includes both natural forests and tree plantations. Our no-deforestation targets specifically aim to prevent the conversion of natural forests. Responsibility for monitoring and ensuring compliance with these ecological thresholds rests with our Global Sustainability team.

ACCOUNTING POLICIES

Deforestation-free key commodities (including green coffee, pulp and paper, palm oil, cocoa and wood (pallets).

Deforestation
This is the loss of natural forest after 31 December 2020 as a result of: i) conversion to agriculture or other non-forest land use; ii) conversion to a tree plantation; or iii) severe and sustained degradation.

Percentage of deforestation-free green coffee
This is calculated based on territorial approach conducted by an external party, mapping JDE’s supply by origin, identifying coffee plots that are deforestation-free within each country, divided by all coffee producing land in each country.

Deforestation mapping
This is provided by satellite imagery and ground truthing from third parties.

Percentage of deforestation-free palm oil and cocoa
This is calculated based on a supplier approach, including volume of palm oil and cocoa purchased compliant with the policy divided by total volume of palm oil and cocoa purchased.

Methodology
The following metrics are used as estimations to calculate deforestation-free palm oil and cocoa:
Palm oil: supplier reported level of traceability. Traceability is defined as the primary processor percentage and scores based on the total number of mills provided by suppliers on an annual basis.
For cocoa: Supplier reported level of free from deforestation cocoa.
Both referring to previous calendar year/previous crop year.

Percentage of deforestation-free virgin pulp and paper
This is calculated based on the total purchased volumes of deforestation-free virgin pulp and paper (with FSC, PEFC, SFI or an equivalent that ensures low risk of deforestation, e.g. FSC Controlled Wood) divided by the total volume of virgin pulp and paper purchased. When purchased volumes are not available, estimations are made based on sales data. This also includes point-of-sale materials and paper cups. JDE Peet's continues to collaborate with our suppliers to enhance information flows concerning FSC and PEFC certification. While we can confirm that relevant suppliers hold FSC and PEFC certifications, we rely on these suppliers to verify that individual materials supplied fall under these certification schemes.

DISCLOSURE OF A MATERIAL TOPIC

METRICS

	2024	2023	2020
Responsibly sourced commodities			
Responsibly sourced green coffee	83.2 %	83.8 %	21 %
Responsibly sourced green coffee Europe	100 %		
Responsibly sourced tea	80 %	40 %	100 %
Responsibly sourced palm oil	100 %	100 %	100 %

Additional information on setting targets for biodiversity and ecosystems

Responsible sourcing is typically defined as a set of principles that must be adhered to, and practices that need to be applied. While these thresholds are typically not always fully science-based, substantial research supports the practices and principles required to build a sustainable supply chain.

The definition of responsibly sourced is defined in collaboration with the respective sector through stakeholder engagement with all relevant parties. For coffee and palm oil, these are the Global Coffee Platform (GCP) or the Roundtable for Sustainable Palm Oil (RSPO), and for tea, third-party certification such as Rainforest Alliance.

For key commodities with high social and environmental exposure where standards are established, responsible sourcing targets are set accordingly. For commodities lacking such standards, we actively work to develop these standards, for instance, through initiatives like the Coconut Partnership for coconut oil.

All responsible sourcing commitments are limited in scope to directly sourced commodities.

Sustainable agriculture is integral to our Responsible Sourcing Principles and aligns with different phases of the mitigation hierarchy:

- Avoidance: For example, stopping the use of banned pesticides
- Minimisation: Optimising inorganic fertiliser use to reduce environmental impact
- Restoration/regeneration: Protecting natural vegetation and enhancing on-farm biodiversity.

Our targets align with the Kunming-Montreal Global Biodiversity Framework, specifically Target 7: Reduce Pollution to Levels That Are Not Harmful to Biodiversity and Target 10: Enhance Biodiversity and Sustainability in Agriculture, Aquaculture, Fisheries, and Forestry.

While ecological thresholds were not used in setting current targets, we recognise the opportunity to integrate these thresholds in the update of the Global Coffee Platform Coffee Sustainability Reference code in 2025.

ACCOUNTING POLICIES

Percentage of deforestation-free wood (primarily covering wooden pallets, our main use of wood)
This metric is calculated by dividing the total purchase and rental volumes of deforestation-free wooden pallets by the total purchased and rented volumes of wooden pallets (in tonnes). Pallets used exclusively for transportation are not included. For purchased volumes, deforestation-free status is verified through FSC, PEFC, or an equivalent certification. Reused or rented pallets are inherently circular in nature.

Responsibly sourced* key commodities
Responsibly sourced green coffee
This is defined as JDE Peet's green coffee deliveries covered by an independent sustainability scheme. This includes, but is not limited to, Enveritas, Rainforest Alliance, 4C, Fairtrade, or any other scheme recognised by the coffee industry, such as the GCP Equivalence Mechanism.

Percentage of responsibly sourced green coffee
This is calculated based on volume of responsibly sourced green coffee divided by total volume of green coffee (weight in MT).

Responsibly sourced tea

Camellia (sinensis) and rooibos (Aspalathus linearis) refer to the tea (processed tea from sensitive origin) and rooibos purchased or manufactured by JDE Peet's for which the supplier has been recognised by a third party as meeting sustainability or verification.

Percentage of responsibly sourced tea
This is calculated by dividing the volume of responsibly sourced green leaf or processed tea or rooibos by the total volume of green leaf or processed tea or rooibos, measured in metric tonnes (MT).

Responsibly sourced palm oil
This refers to palm oil purchased directly from the RSPO. Responsibly sourced confirmation is provided by third parties.

Percentage of responsibly sourced palm oil

This is calculated by dividing the verified or certified volume of delivered palm oil during the reporting period by the total volume of delivered palm oil in the same period.

* In line with the responsible sourcing definitions outlined in this accounting policy, a product or material classified as "responsibly sourced" does not guarantee the absence of human rights violations or other supply chain risks associated with its production or supply.

ACTIVE PROJECT

Coffee: Regenerative agriculture in Burundi

COMMODITY: Coffee
TIME FRAME: 2024-2028
LOCATION: Ngozi, Kayanza, Muyinga, Gitega
SMALLHOLDER FARMERS TO BE REACHED: 20,000
PARTNERS: Sucafina

Coffee is Burundi's leading export product, representing 60% of the country's export revenues. Despite its significance, the coffee sector continues to grapple with challenges such as poor soil health, ageing coffee trees, inadequate farming practices and a lack of effective farm management. Limited adoption of good agricultural practices, such as pruning, mulching, disease treatment, shade control, drainage, and soil erosion management, has resulted in low and inconsistent yields, adversely impacting farmers' livelihoods. To address these challenges, we are partnering with Sucafina across Burundi's Ngozi, Kayanza, Muyinga, and Gitega regions through this initiative. The project aims to boost farm productivity, improve coffee quality, increase household incomes, and strengthen the resilience of coffee-growing communities through the Farm College programme. Key initiatives include the creation of 220 demonstration plots and nurseries to produce 825,000 seedlings annually, coupled with a stumping programme to rejuvenate ageing farms. The initiative also promotes agribusiness development and livestock rearing to diversify farmers' income streams.

COMPLETED PROJECT

Sustaining the unique biodiversity of the Kodagu coffee landscape

COMMODITY: Coffee
TIME FRAME: 2020-2024
LOCATION: Kodagu, India
SMALLHOLDER FARMERS REACHED: 2,500
PARTNERS: Sucden

To address the intertwined challenges of climate change and deforestation in India's Kodagu region, which impact coffee yield and quality, we have partnered with Sucden Coffee and IDH, The Sustainable Trade Initiative. This collaboration aims to enhance the resilience of both the landscape and livelihoods by promoting regenerative agriculture, agroforestry, and tree production systems.

Key components of the project include rejuvenating existing agroforestry systems, developing nurseries to support the availability of high-quality planting material, and promoting the cultivation of native tree species with greater carbon sequestration potential. Additionally, the initiative seeks to diversify farmer incomes through alternative coffee varieties and other commodities, strengthen market access through carbon financing linkages, and measure the carbon footprint of sourced coffee to drive sustainable practices across the value chain.

ACTIVE PROJECT

Strengthening the regenerative capacity of coffee farmers in Ethiopia

COMMODITY: Coffee
TIME FRAME: 2024-2027
LOCATION: Jimma, Ethiopia
SMALLHOLDER FARMERS TO BE REACHED: 3,000
PARTNERS: Louis Dreyfus Company

The Ethiopian coffee industry faces significant challenges, including outdated farming practices, crop diseases, climate-change impacts, and poor post-harvest handling practices. In the Jimma zone, where LDC operates, farmers struggle with low productivity, rising living costs, inadequate access to basic necessities like water and electricity, and widespread malnutrition. Education levels are low, particularly in farming techniques and basic literacy, while gender inequalities persist in household responsibilities and resource allocation. Addressing these challenges requires interventions in sustainable farming practices, infrastructure development, education, and gender equality. The proposed project seeks to improve the technical services provided to coffee producers, including coffee farm renovation, improved farm management practices, and better harvest and post-harvest techniques. By emphasising regenerative agriculture, the initiative aims to equip farmers with tools to achieve higher productivity, improved coffee quality and resilience, and higher net income. Key targets include the planting of 600,000 coffee trees and 120,000 shade and fruit trees, fostering both agricultural sustainability and environmental regeneration.

ACTIVE PROJECT

Regenerative agriculture in coffee landscapes

COMMODITY: Coffee
TIME FRAME: 2018-2025
LOCATION: Lac Duong, Di Linh in Lam Dong, Vietnam
SMALLHOLDER FARMERS TO BE REACHED: 10,000
PARTNERS: IDH, ACOM

We are partnering with IDH,The Sustainable Trade Initiative, and Atlantic Commodities Vietnam Ltd (ACOM) in the Lac Duong and Di Linh districts of Lam Dong province to improve sustainable farming practices aimed at reducing GHG emissions in robusta and arabica coffee cultivation.

Building on the successful completion of phase 1 in 2022, the project has been extended to support an additional 8,000 farmers in the target areas. Additionally, it will provide updated technical assistance to approximately 2,000 farmers who previously participated in initiatives funded by JDE Peet's, IDH, and ACOM across all districts of Lam Dong province. This extension underscores our commitment to driving environmental sustainability while enhancing farmer resilience and productivity.

Minimising Footprint – Common Grounds | Responsible Sourcing – Common Grounds

RESOURCE USE AND CIRCULAR ECONOMY

DISCLOSURE OF A MATERIAL TOPIC

SETTING THE SCENE

OUR IMPACTS, RISKS AND OPPORTUNITIES

Material topic: Packaging and circularity

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
Negative impact, Actual	**Non-circular packaging and waste**	Impact on the availability of resources and the environment through the use of virgin materials, and pollution at end-of-use/life of our packaging. Food and beverages packaging is a significant contributor to municipal waste and can end up in waterways.	Suppliers	Packaging	Consumer End-of-life	Medium term
Risk, Impact	**Packaging regulation**	The EU Packaging and Packaging Waste Regulation (PPWR) requires all packaging to be recyclable by 2030 and limit access to the market for non-recyclable or compostable products. Growing pressure from consumers, investors and banks around this topic, as packaging is visible, will demand action. It may have cost and capex implications.		Packaging	End-of-life	Short term Medium term
Opportunity, Impact	**Circular packaging**	We have the opportunity to reduce packaging plastics across our product portfolio by designing for reuse, recycling, or composting. This not only cuts costs through resource efficiency but also boosts revenues by fostering innovation, developing new business models, and gaining market share.		Packaging	End-of-life	Long term

OUR TARGETS AND PROGRESS

Target Towards 100% of our packaging components designed to be reusable, recyclable, or compostable by 2030

Progress

79% (2023 - 2024) | 100% (TARGET 2030)

Target Halve our total operational waste (versus 2020) by 2030

Progress

31% (2024) | 36% (2023) | 50% (TARGET 2030)

Target Maintain operational waste-to-landfill under 1% by 2030

Progress

<1% (TARGET 2025) | 1.3% (2023) | 1.8% (2024)

OUR POLICIES

- Environmental Policy
- Forest Policy
- Responsible Sourcing Principles Coffee

Positive impact | Negative impact | Actual | Potential | Risk | Opportunity | Impact | Dependency | Short term | Medium term | Long term

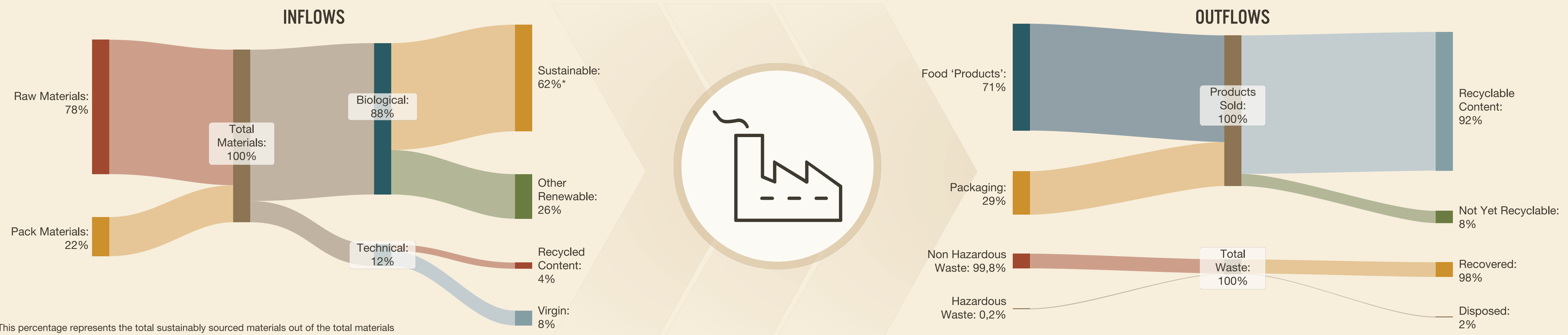
DISCLOSURE OF A MATERIAL TOPIC

Material topic: Packaging and circularity (continued)

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
Risk, Impact	**Brand damage due to non-circular products**	Expectation from stakeholders to take responsibility across the value chain which could lead to loss of customers and/or consumers (brand damage).	Farming Suppliers		Transport Retail Consumers End-of-life	Short term Medium term
Opportunity, Impact	**Collaboration with stakeholders to reduce waste**	Opportunity to collaborate with stakeholders and business partners across the value chain to build new business models, reducing waste across the value chain.	Farming Suppliers		Transport Retail Consumers End-of-life	Medium term

Positive impact | Negative impact | Actual | Potential | Risk | Opportunity | Impact | Dependency | Short term | Medium term | Long term

OVERVIEW OF IN AND OUTFLOWS



* This percentage represents the total sustainably sourced materials out of the total materials sourced, different than the 70% reported in the 'metrics' table out of biological materials.

DISCLOSURE OF A MATERIAL TOPIC

OUR STRATEGY AND OUTLOOK

STRATEGY

At JDE Peet's, we are reliant on over 1.4 million tonnes of key materials[51] to deliver quality and value to our consumers. This encompasses the full spectrum of inbound raw ingredients and packaging materials across our business, governed by our operational control principles.

The risks associated with these materials are largely addressed through our established climate and biodiversity strategies. Additionally, we mitigate these risks by designing products that align with circularity principles, minimising waste and optimising material usage to help secure future material availability.

As a producer of food and beverage products, we prioritise the use of renewable materials, ensuring many are recyclable—whether through reuse, recycling, or composting. Consumer safety remains paramount, with strict adherence to food safety standards for contact materials.

Over 87% of the 1.4 million tonnes of key materials we source are renewable, and more than 90% of more than 1 million tonnes of products we sell are recyclable, with 79% of our packaging components designed to be fully reusable, recyclable and compostable by consumers. Building on this solid foundation, we are committed to continuous improvement aligned with our material risk targets.

To deliver on this approach, we use the following key levers:

- Innovation in material design: We strive to transition technical materials[52] to biological[53] alternatives wherever possible (such as paper-pack refill options)
- Supplier collaboration and R&D: Partnering with suppliers and investing in R&D, we work to reduce the use of virgin materials by increasing recycled and reused content, where feasible
- Internal performance reporting: We track packaging intensity per serving and apply hurdle rates for new innovations to reduce pack intensity
- Responsible sourcing: Working closely with suppliers, we aim to source renewable materials responsibly and sustainably (see the Biodiversity section in this chapter for more information)
- Increased recycled content: We engage with suppliers to elevate levels of recycled and reused materials as sources for sustainable biological packaging materials
- Manufacturing waste reduction: We set internal targets and routinely report on manufacturing waste, striving for material efficiency
- Enhanced waste segregation: In our manufacturing processes, we establish clear objectives to improve waste segregation and recycling rates
- Design for recyclability: We are committed to ensuring that 100% of our products are designed for recyclability, prioritising mono-material formats where possible through material innovation.
- Collaboration with waste processors: We partner with waste processors and make investments, as needed, to advance the recycling of challenging materials, such as small plastic or metal food containers.

By adapting our packaging solutions, we consistently emphasise the critical role of packaging in preventing product wastage while maintaining product quality. This dual focus allows us to deliver sustainable packaging that upholds the high standards our consumers expect.

CIRCULARITY

POLICY

Our approach to circularity and resource use is embedded in our Environmental Policy.
This policy sets out JDE Peet's commitment on reducing its environmental footprint, reducing pollution, optimising resource use, moving towards a circular economy, and promoting sustainability.

In addition to the Environmental Policy, our Forest Policy and the Responsible Sourcing Principles are key to helping us achieve our objectives.

We report progress across all strategic levers within our disclosures. The voluntary targets that shape our external commitments in this area are:

- By 2030, we aim for 100% of our packaging components to be designed for reuse, recycling, or composting, ensuring proper end-of-life disposal through established systems. This goal supports circularity, reduces dependence on finite virgin resources, and is measured by the weight of packaging sold.

51 Key materials excludes pass-through products that JDE Peet's sells, such as coffee machines, bakery goods in cafés, and cross-sell items, including sugar sticks.
52 Long-term sustainable source definition depends on sourcing risk. For example, virgin wood/pulp deforestation is a key risk; for coffee, see Responsible Sourcing Principles. For some materials, risk and sustainable status has not yet been defined. These include sugar and dairy (which are shown as not sustainably sourced). The use of recycled materials is considered a sustainable source.
53 Technical materials = materials made from mineral sources. Biological materials = materials from a plant source.

- Innovations and material efficiency such as the reduction of our packaging weight, the use of more renewable materials, and/or with recycled content in packaging, while still ensuring our packaging has a circular end-of-life disposal option, contribute to our target to reduce our Scope 3 non-FLAG emissions by 25% (from a 2020 baseline) by 2030.
- Halve our total operational waste by 2030 (from a 2020 baseline)
- Maintain operational waste-to landfill under 1% by 2030.

With direct connections to our climate targets, investment decisions are guided by a business-wide marginal abatement cost curve and a solid carbon pricing model. This approach enables informed prioritisation of projects across a variety of work streams and resource types, ensuring optimal impact. Both capital and operational resources dedicated to these objectives are incorporated into our businesses as can be seen in the Current and anticipated financial effects section and fully integrated into our ongoing business management and investment planning.

ACTIONS

To communicate progress on circularity, reporting is segmented as follows:
- Packaging
- Operational waste

Details for both can be found in this section.

Each segment outlines our commitment to sustainable practices and transparent reporting on key areas of impact.

FUTURE ACTIONS

As we work towards achieving our targets through the above-mentioned strategic levers, we are also committed to implementing a comprehensive circularity strategy across our entire value chain. This involves deepening partnerships with suppliers to identify and scale sustainable practices, with a key focus on utilising agricultural waste. By using the waste as a valuable nutrient source or converting it into biochar—a stable carbon form that enhances soil health, improves water retention, and sequesters carbon—we support regenerative agriculture. This approach helps restore ecosystems, boosts agricultural productivity, and integrates sustainability into our operations, driving circularity and resilience across our value stream.

Enabling consumers to access efficient biological food waste collection systems is key to extracting value from organic waste, reducing landfill and advancing our climate targets. Educating consumers on recycling our packaging will further support our broader sustainability ambitions.

DISCLOSURE OF A MATERIAL TOPIC

PACKAGING

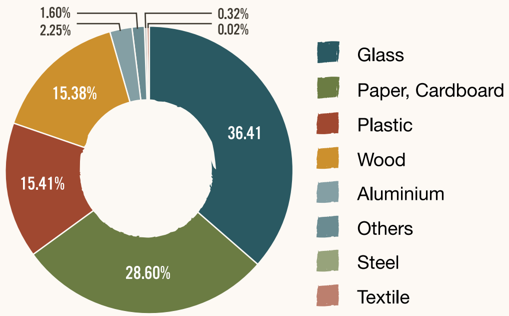
ACTIONS

The year 2024 was a pivotal year for the packaging industry with the introduction of Europe's pioneering Packaging & Packaging Waste Regulation (PPWR). JDE Peet's is well-prepared to meet these new requirements, which impact all packaging sold in Europe. Our global goals and environmental policies align closely with PPWR's core focus on reducing waste, improving high-quality recycling, and driving growth in secondary materials.

This landmark regulation has fostered collaboration across the packaging ecosystem, setting a new standard and creating opportunities for competitive advantage. Around 65% of our R&D Packaging team is engaged in PPWR-related initiatives, with nearly half of our R&D budget allocated to this transition.

Progress continues toward our 2030 packaging goals, driven by considerable innovation and collaboration throughout the business and across our supplier network and the broader packaging ecosystem. Our innovation roadmap for our packaging portfolio is well-defined, with a strong focus on enhancing brand equity and consumer satisfaction. We recognise that substantial investments in resources, equipment, and development will be essential to fulfil these commitments (more information on the current and anticipated financial impacts is available here).

GLOBAL PACKAGING CONSUMPTION OF SOLD PRODUCTS



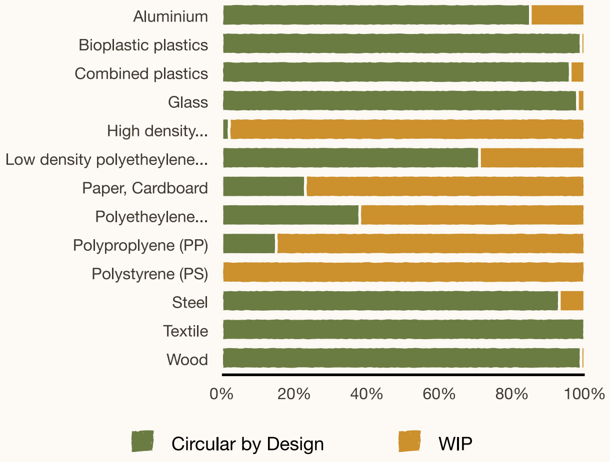
CIRCULAR PACKAGING

In 2024, we enhanced the circularity of our packaging, achieving 79% of our portfolio designed for circularity (reusable, recyclable or compostable), with 33% of materials sourced from recycled content. This was driven by transitioning non-recyclable plastic laminates to the first recyclable paper alternatives for the pure instant category and introducing tea products without plastic overwrap in Europe (see case highlight), amongst other initiatives.

In 2023, we strengthened our packaging innovation due diligence by incorporating sustainability checks, including the assessment of potentially disruptive packaging elements to end-of-life processing, be it reuse, recyclability, or composting. This increased scrutiny lead us to miss our internal target of 84% circular packaging in 2024.

We continuously reassess our packaging design and innovation programmes as our knowledge and expertise evolve in the area of packaging recyclability requirements.

PROPORTION OF CIRCULAR-BY-DESIGN PACKAGING BY WEIGHT PER MATERIAL FRACTION



At the end of 2023, we chose to streamline our recyclable flexible plastics programme, focusing on simpler material compositions to enhance recycling quality. This transition, set to begin in 2025, reflects our commitment to collaboration with consortia to advance design standards, sorting methods, and investment in high-quality, end-of-life solutions for packaging waste. These efforts aim to boost recycling rates for materials in our portfolio while driving industry-wide progress, including improvements in public waste disposal infrastructure.

Our roadmap for transitioning to fully circular packaging remains on track, with phased milestones guiding us towards 100% circularity by 2030.

PACKAGING FOOTPRINT REDUCTION

In 2024, we advanced the digitalisation of our global packaging data, enhancing specifications to support Extended Producer Responsibility (EPR) declarations and material impact simulations. These improvements standardised our EPR methodology across markets, aligning with national requirements and streamlining financial contributions. As part of our responsibility towards end-of-life packaging management, we contributed over EUR 10 million to EPR schemes globally.

Additionally, we continue to reduce our use of virgin plastic in packaging, reporting a reduction of 0.15% compared to 2020, while the proportion of renewable resources in our packaging has increased by 5% compared to 2020 (see table on the left). A key example of this progress can be seen in our Spanish local hero brand, Marcilla, where the ClickPaq format has replaced fossil-based rigid plastics entirely with bio-based renewable polymers (see case highlight).

Packaging intensity has decreased across some of our categories including, capsules and pure instant and mixes, averaging -0.02 g/cup compared to 2023. Increases were seen in discs and roast and ground categories due to quality and product optimisation measures.

DISCLOSURE OF A MATERIAL TOPIC

We have taken the decision to include pallets as part of the total packaging intensity measurement, although the majority of the pallets we use are rented and reusable, leading to an artificially inflated figure. Packaging intensity for 2024 was 2.18 g/cup for all packaging levels and 1.39 g/cup for consumer unit levels (including consumption unit).

Finally, packaging footprint reduction contributions are factored into our total Scope 3 GHG emissions reduction of 25% (more information can be found in the Climate change section). Our Scope 3 targets are directly aligned to level 1 of the waste hierarchy, while our packaging designed for circularity targets are aligned to levels 3 and 4.

FUTURE ACTIONS

While new legislative requirements in Europe added complexity to our packaging roadmap, the vast majority of programmes and projects within our innovation pipeline are actively aligning with both upcoming compliance standards and our established packaging targets.

We measure the success of our internal initiatives through tangible progress towards our targets, which remain within our direct control. Nevertheless, addressing packaging is a systemic challenge requiring significant collaboration and advancements across the entire value chain, extending well beyond 2030. While quantifying progress is complex, we assess success through targeted partnerships and initiatives in key markets, tracking improvements in recycling rates across packaging materials, including biological recycling such as industrial composting.

Our commitment to circularity remains strong, as we work closely with partners and suppliers to minimise environmental impact. At the same time, we continue to enhance brand equity and elevate the consumer experience.

ACTIVE PROJECT

Tea overwrap removal

PRODUCT: Tea
TIME FRAME: 2023-2025
MARKET: Europe

The new tea boxes produced at our Joure facility are now available across markets without plastic overwrap, while upholding our high standards for product quality and freshness. T his milestone represents the culmination of our journey to make our tea products fully circular by design. Our tea bags are now industrially compostable, the boxes are recyclable, trade-level packaging is recyclable, and transport packaging is both reusable and recyclable. This innovation allows consumers to enjoy the same high-quality tea with reduced waste and lower carbon-equivalent emissions. Following the initial product launch in 2024, we are on track to achieve full portfolio conversion by mid-2025.

Achievements include:
- *2.54 g per tea box (4%) of packaging reduction versus previous format*
- *16% less CO_2e versus previous format*
- *55.7 million pieces of non-recyclable plastics avoided in 2024*

COMPLETED PROJECT

Renewable bio-based alternative material in Marcilla ClickPaq

PRODUCT: R&G Coffee
TIME FRAME: 2023
MARKET: Spain

The redesigned top lid of the ClickPaq now transitions from virgin polypropylene to bio-polypropylene derived from secondary materials, helping safeguard agricultural land from displacement. This innovative material carries ISCC+ certification, ensuring sustainable sourcing. Meeting all resin quality specifications, this transition maintains the original packaging weight and remains fully compatible with current sorting and reprocessing systems. Consequently, Marcilla consumers can continue to enjoy their iconic product, now with a reduced environmental footprint.

Achievements include:
- *10 g per pack of fossil-derived materials replaced by renewable resources versus previous format*
- *A 335-tonne reduction in virgin fossil-based plastics in 2024*

DISCLOSURE OF A MATERIAL TOPIC

WASTE IN OUR OWN OPERATIONS

POLICY

Our Waste Policy is integral to our overarching Environmental Policy, incorporating dedicated provisions focused on waste management. We are committed to aligning our waste and packaging design with the waste hierarchy, optimising solutions in accordance with end-of-life designations and local waste management capabilities, in line with circular economy principles. Additionally, our environmental management system ensures a sustained focus on waste reduction across all areas of operation.

PROGRESS AND ACTIONS

Aligned with the 5R principles—Refuse, Reduce, Reuse, Recycle, and Rethink—our priority is to prevent waste and minimise disposal. Recognising the significant environmental, social, and health impacts of landfill, we focus on recycling, composting, waste-to-energy, and fostering a circular economy. However, local infrastructure limitations in some regions present challenges.

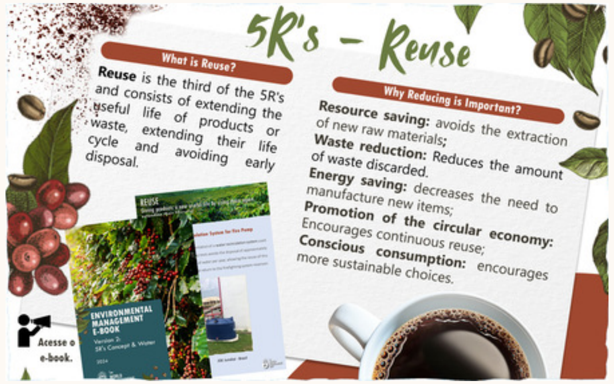
In 2024, our landfill rate was 1.79%, above our global target of under 1%, with 28 of our 45 JDE Peet's sites achieving zero landfill. This equated to 94,399 tonnes of waste diverted from disposal and 1,723 tonnes sent to disposal.

Since 2020, we have reduced total waste by 31% and landfill waste by 59%, with a goal to halve total waste by 2030 (with 2020 as our baseline) and achieve zero landfill by 2050.

Daily and weekly waste KPI reviews through our Management Operating System, supported by plant Autonomous Maintenance teams, and monthly reports from waste contractors, ensure ongoing optimisation of waste streams, further enhancing our reduction and reuse efforts.

Since January 2024, our Johor site—previously our largest waste contributor in Asia—has achieved zero landfill status. This milestone was reached through collaboration with suppliers, implementing waste segregation with colour-coded bins, engaging waste contractors for recycling opportunities, and enhancing awareness through OPS 1,2 monitoring.

To extend these best practices globally, our Global SHE launched an e-book detailing simple waste reduction and reuse strategies, shared during Earth Environment Day on June 5th. Additionally, the first quarter of 2024 saw the release of our Global Sustainability Roadmap, introducing the Green Office concept and fostering active stakeholder engagement towards a zero-waste vision.



At our Andrezieux plant, the switch from 400,000 single-use paper cups annually to reusable alternatives has eliminated single-use cup waste, significantly cutting CO_2 emissions and water consumption. Similar initiatives at our Amsterdam and Utrecht head offices reflect a company-wide commitment to reducing waste.

In Brazil, collaboration with local authorities has established waste collection points to promote community recycling and improve waste sorting practices. Long-term waste reduction projects in the region are progressing in line with planned investments.

At our Joure site in the Netherlands, spent coffee grounds are being repurposed as carbon-neutral fuel for steam boilers. This ongoing project, set to conclude in 2025, has already diverted waste equivalent to 103 fewer containers per year.

Continuous focus on maintaining our spent ground boilers will help us to further generate energy from our spent grounds and reduce waste generation.

Additionally, hazardous waste is responsibly managed to protect human health and the environment, with rigorous identification, segregation, and tracking to minimise impact.

FUTURE ACTIONS

Looking ahead, we are committed to intensifying our efforts to minimise waste generation and disposal, with the following specific objectives:

- Deliver against our targets to halve our total waste by 2030 (baseline 2020) and maintain waste-to-landfill below 1%, with a zero waste-to-landfill goal by 2050
- Move towards Factory of the Future with a clear vision of zero waste within the MOS framework
- Further roll-out the Green Office concept across our workplace to spread the zero-waste mindset.

We expect waste volumes to decrease as more spent grounds are diverted to our biomass burners, though stricter legal requirements in ash may present challenges.

Our Operations, R&D, and Procurement teams remain committed to innovative waste reduction. Going forward, we will prioritise recycling efforts to increase the share of recycled waste across our operations.

CURRENT AND ANTICIPATED FINANCIAL EFFECTS

Risk description		Financial risk			Mitigation strategy		Methodology
Risk / Opportunity	**Input of TCFD risk assessment**	**EUR amount of assets at risk**	**Financial implication (cumulative up to 2030) at risk**	**Liabilities recognised in financial statements**	**Capex / Opex investments**	**Mitigation strategy (management of risk/ opportunity)**	**Assumptions used in calculations and linked to the financial statements**
Risk: Packaging regulation	**Transition risk - Packaging regulation**	0	○○●	0	Through to 2030, we plan to invest an average of EUR 50 million annually in capital expenditures to transition to fully recyclable materials. These investments have multiple objectives of which sustainability is one of them. It would require significant judgement to identify the incremental financial investment associated with the specific sustainability objectives.	Our packaging roadmap is in place to transform all materials towards recyclable materials. This will be delivered in a sequential approach, leading to annual investments in new production lines and trials to validate material changes. More information can be found in the Packaging section of this report.	Management has outlined a comprehensive plan detailing the required capital expenditures for the transformation. Estimated amounts have been determined for each initiative under Property, Plant and Equipment. R&D costs within SG&A are calculated based on the number of FTEs and average remuneration packages. These capital expenditures are part of Property, plant and equipment in the balance sheet.
Risk: Brand damage due to non-circular products	n/a				Not quantified		
Opportunity: Circular packaging					n/a		
Opportunity: Collaboration with stakeholders to reduce waste					n/a		

●○○ 0% to 1% Revenue ○●○ >1% to 5% Revenue ○○● >5% Revenue

DISCLOSURE OF A MATERIAL TOPIC

METRICS

	2024	2023	2020
Resource inflows			
Total weight: biological / technical / water (t)	**7,573,813**		
Weight of biological materials (t)	1,186,928		
Weight of technical materials (t)	167,734		
Weight of water (t)	6,219,151		
Total weight sustainably sourced (t)	834,798		
% Biological Materials Sustainably Sourced (%)	70 %		
Weight of secondary reused or recycled components, secondary intermediary products and secondary materials in packaging materials (t).	140,109		
% of secondary reused or recycled components, secondary intermediary products and secondary materials in packaging material.	33 %		

ACCOUNTING POLICIES

Key resource inflow materials
They include biological materials such as product ingredients (coffee, green leaf tea, sugar, palm and other vegetable oils, etc.) and technical materials such as packaging (combined plastic, glass, paper, etc.) and water.

Virgin material
This is defined as unused raw materials that have never been subject to any processing apart from production.

Biological material
Refers to renewable materials derived from plant or animal sources. For JDE Peet's, this means all raw materials from a biological source.

Technical material
This refers to any material processed from a mineral source.

Recycled content
This is defined as packaging materials that have been recovered from previous life cycles to be used as input for new packaging production. It includes supplier's verified data.

Percentage of recycled content
This is calculated based on total packing classified as recycled content divided by total weight of packaging sold (weight in metric tonnes).

Designed for reuse
Packaging designed to be reusable, specifically to be reusable for the same intended purpose.

Designed for recycling
Packaging designed to be recyclable shall be compliant to guidelines for acceptance into recycling waste streams in the end market of sale in its post-consumer discarded state. If no guidelines are present, we classify designed for recycling as packaging made from a minimum of 95% of primary material in its discarded state.

	2024	2023[54]	2020[55]
Resource outflows			
Total outflow (t)	1,029,215		
Amount of recyclable content in products (t)	949,744		
The rates of recyclable content in products (%)	92 %		
Packaging (t)	303,057		
Amount of recyclable content in products packaging (t)	238,357		
The rates of recyclable content in products packaging (%)	79 %	79 %	
Manufacturing waste			
Total waste generated (t)	**96,122**	**89,416**	**139,020**
Non-hazardous waste in tonnes	95,931	88,522	138,697
Non-hazardous Waste Disposal	1,702	1,033	4,094
– Incineration	32	13	42
– Landfill	1,670	1,020	2,302
– Other disposal			1,750
Non-Hazardous Waste Recovered	94,230	87,488	134,604
– Reuse	0	0	0
– Recycling	85,445	77,776	119,956
– Other recovery	8,785	9,712	14,648
Hazardous waste in tonnes	191	895	322
Hazardous Waste Disposal	21	90	150
– Incineration	11	53	0
– Landfill	10	37	23
– Other disposal	0		127
Hazardous Waste Recovered	170	805	172
– Reuse	0	0	0
– Recycling	78	658	125
– Other recovery	92	147	47
Nuclear Waste	0		
Waste-to-landfill (%)	1.8 %	1.3 %	3.1 %

54 Comparative data of 2023 is restated compared to the 2023 Annual Report to reflect 2024 acquisitions.
55 Comparative data of 2020 is restated compared to the 2023 Annual Report to reflect 2024 acquisitions.

ACCOUNTING POLICIES

Designed to be compostable
Packaging meeting the EN 13432 standard is suitable for processing in industrial organic waste streams.

Percentage of packaging components designed to be reusable, recyclable or compostable
Calculated as the total weight of packaging designed for reuse, recycling, or composting divided by total packaging weight sold (in metric tonnes). Cross-qualified packaging is uniquely counted to avoid duplication.

Where product specifications or sales data are unavailable, estimations are done based on historic volumes, impacting only the denominator. Calculations for Peet's entities are performed by a third party, reviewed internally, and consolidated centrally.

Responsibly sourced volumes
Please refer to Accounting Policies in E4 section for responsibly sourced definitions and methodology. Same volumes are applicable to this standard.

Operational waste
The primary waste streams are bio-waste (biomass) and packaging waste. The composition of our waste includes recycled waste materials (e.g: biomass composted, paper, metals, oils and glasses) and non-recycled waste materials (e.g: mixed plastics, construction waste).

Total waste (tonnes)
This includes waste from our manufacturing sites and includes production waste, as well as waste from wastewater treatment stations, offices, and plant-owned warehouses.Total waste is the sum of all hazardous and non-hazardous waste streams.

Waste-to-landfill
This is where waste (kg/tonnes) is disposed of, with less than 1% of waste to landfill (kg/tonnes). (Waste incineration without energy recovery is also considered waste in the landfill category).

DISCLOSURE OF A MATERIAL TOPIC

	2024	2023[54]	2020[55]
Waste diverted from landfill (%)	98.2 %	98.7 %	96.9 %
Total non-recycled waste in tonnes	10,600		
% of non-recycled waste	11.0 %		
Halve total operational waste (base year 2020)	31 %	36 %	
Maintain operational waste-to-landfill under 1%	1.8 %	1.3 %	

Waste to landfill under 1%

This is calculated based on landfill (kg/tonnes) plus waste incineration without energy recovery generation (kg/tonnes) divided by total waste (kg/tonnes) multiplied by 100.

DISCLOSURE OF A MATERIAL TOPIC

EU TAXONOMY

INTRODUCTION TO EU TAXONOMY

The EU Green Deal was launched in 2019, which committed the European Union to becoming carbon neutral by 2050.

One of the key components of the EU Green Deal is a classification system called EU Taxonomy. The EU Taxonomy has the objective of financing the transition and redirecting capital flows towards a more sustainable economy. The current regulation prioritises activities with a large share of overall emissions and reduction potential, focusing on the energy, transportation, buildings and selected manufacturing sectors.

Within the EU Taxonomy, the following six environmental objectives are identified:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Pollution prevention and control
- The transition to a circular economy
- The protection and restoration of biodiversity and ecosystems.

The EU Taxonomy requires EU companies to assess if their economic activities are eligible and/or aligned with the activities described in the regulation. The statistical classification of economic activities established in Regulation (EC) No 1893/2006 (also known as the NACE classification) provides guidance for companies to determine if a company's economic activities are eligible. To determine eligibility, a company is required to analyse whether the descriptions of the activity, as included in the Taxonomy, matches with its own economic activity.

Once the economic activity is determined to be eligible, companies should assess the proportion of their economic activities that are aligned with the requirements linked to this activity. Alignment can be achieved if the economic activities meet the predefined Technical Screening Criteria (TSC). These TSC are defined per activity and consist of substantial contribution criteria (SC), Do No Significant Harm (DNSH) principles and should comply with the Minimum Safeguards requirements as set out in the EU Taxonomy.

Based on this assessment, companies should report the following specific KPIs on their eligibility and alignment:

- Turnover
- Capex
- Opex.

ELIGIBILITY AND ALIGNMENT OF ECONOMIC ACTIVITIES OF JDE PEET'S AS DEFINED IN THE EU TAXONOMY

As described in note 1 of the Consolidated Financial Statements of this report, JDE Peet's is the world's leading pure-play coffee & tea company, serving approximately 4,392 cups of coffee or tea per second. JDE Peet's unleashes the possibilities of coffee & tea in more than 100 markets with a portfolio of over 50 brands.

In 2024, JDE Peet's assessed the eligibility for all six objectives and identified four economic activities as being eligible for the Taxonomy, namely:

- Product-as-a-service and other circular use and result-oriented service models
- Installation, maintenance and repair of renewable energy technologies, and electricity generation using solar photovoltaic technology, as JDE Peet's constructs and operates solar panels on-site in Bulgaria, China and Malaysia
- Renovation of of new buildings and acquisition and ownership of buildings, as JDE Peet's extends and renovates offices, factories and is involved in the acquisition of new premises, for example in France
- Transport by motorbikes, passenger cars and light commercial vehicles, as JDE Peet's leases passenger cars for their employees at Out-of-home and Retail businesses.

Based on these activities, JDE Peet's contributes to two of the environmental objectives of the EU Taxonomy: The transition to a circular economy and climate change mitigation.

Following an assessment of alignment for the main economic activity, Product-as-a-Service and other circular use, JDE Peet's concluded there is insufficient evidence to meet the DNSH criteria for the Climate Change Adaptation (CCA) and Water and Marine Resources (WTR) objectives.As JDE Peet's only sells and leases coffee machines to customers, we consider the screening for CCA physical climate hazards in the work environment not applicable. Consequently, we are unable to conduct the Climate Risk and Vulnerability or Environmental Impact assessments. Similarly, the Water Quality and Stress assessments required under the WTR objective to demonstrate alignment are also not applicable.

Given that the DNSH criteria for Climate Change Adaptation and Water and Marine Resources extend to all eligible activities under the Climate Change Mitigation objective, JDE Peet's will not report any Taxonomy-aligned turnover, capex, or opex for the reporting year.

JDE Peet's will assess how to move towards greater alignment of its activities in the future.

DESCRIPTION OF KPIs

JDE Peet's defines its key performance indicators (KPIs) as determined in accordance with Annex I of the Disclosures Delegated Act supplementing Article 8 of the EU Taxonomy Regulation, as follows:

Turnover KPI

Accounting policy: The turnover KPI as implemented by JDE Peet's in the EU Taxonomy is in line with the definition of Revenue in note 2.2 of the Consolidated Financial Statements. The revenue allocated to services in this note, being 2%, represents the revenue eligible for the activity Product-as-a-Service.

Definition of turnover KPI: The turnover KPI is defined as the proportion of Taxonomy-eligible economic activities in JDE Peet's total turnover (numerator) divided by the net turnover (denominator). The denominator of the turnover KPI is based on JDE Peet's consolidated revenue in accordance with IAS® 1.82(a), included in JDE Peet's Consolidated Income Statement.

Capex KPI

Accounting policy: Capex as reported in the EU Taxonomy is in line with capex as reported under EU IFRS (IAS 16, 38 and IFRS 16) in notes 3.2 and 3.4 of the Consolidated Financial Statements for both tangible and intangible assets. Capex can be reconciled as the acquisition of businesses, capital expenditure and initial lease recognition lines in the tables included in the notes to the Consolidated Financial Statements. Goodwill is not included in Capex as it is not defined as an intangible asset in accordance with IAS 38.

Definition of capex KPI: The capex KPI is defined as Taxonomy-eligible capex (numerator) divided by JDE Peet's total capex (denominator). Taxonomy-eligible capex (numerator) is defined as all capex related to the Taxonomy-eligible economic activities of JDE Peet's.

Opex KPI

Accounting policy: Costs with respect to Opex are recognised in line with IFRS and are reported as part of the Selling, General and Administrative expenses in note 2.3.
The opex allocated to this KPI includes all costs related to maintenance and repair, research and development expenses, short-term leases, building renovation measures and any other direct expense (excluding overheads, raw materials, cost of employee operating the machine, cost of managing research and development projects, electricity, fluids and reagents) relating to the day-to-day servicing assets of property, plant and equipment that are necessary to ensure the continued and effective functioning of such assets.
Definition of opex KPI: The opex KPI is defined as the proportion of Taxonomy-eligible economic activities in JDE Peet's total opex (numerator) divided by the opex (denominator).

Development in performance of the KPIs

The turnover, capex and opex related to the activity Product-as-a-Service is stable compared to 2023, refer to the tables below. For other eligible activities, JDE Peet's only reports on these KPIs for the first year so no comparative figures are available.

More information on the analysis of developments in turnover, capex and opex in 2024 can be found in the Financial Performance section of this report.

DISCLOSURE OF A MATERIAL TOPIC

Reporting on KPIs

An overview of the KPIs is reported below (in EUR million where applicable):

Turnover				Substantial Contribution Criteria						DNSH (Do No Significant Harm) Criteria									
Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)*	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year N-1(18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		Millions, local CCY	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)*																			
			0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%	0%
Of which is enabling		0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%	0%
Of which is transitional		0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%	0%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Product-as-a-Service	CE 2.13	180	2 %	N/EL	N/EL	N/EL	N/EL	EL	N/EL								2%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																			
Total (A.1+A.2)		**180**	**2%**														2%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		8,657	98%														99%		
Total (A+B)		**8,837**	**100%**														**100%**		

Not applicable

Capex				**Substantial Contribution Criteria**						**DNSH (Do No Significant Harm) Criteria**									
Economic activities (1)	Code (2)	Capex (3)	Proportion of capex (4)	Climate change mitigation (5)*	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) capex, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		Millions, local CCY	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Capex of environmentally sustainable activities (Taxonomy-aligned)*																			
			0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%		
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%	0%
Of which is enabling		0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%	0%
Of which is transitional		0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%	0%

Capex				**Substantial Contribution Criteria**						**DNSH (Do No Significant Harm) Criteria**									
Economic activities (1)	Code (2)	Capex (3)	Proportion of capex (4)	Climate change mitigation (5)*	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) capex, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Product-as-a-Service	CE 2.13	59.74	9.2 %	N/EL	N/EL	N/EL	N/EL	EL	N/EL								15%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.67	0.1 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Acquisition and ownership of buildings	CCM 7.7	2.49	0.4 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																			
Total (A.1+A.2)		**63**	**9.7 %**														15%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		585	90.3%														89%		
Total (A+B)		**648**	**100%**														**100%**		

Not applicable

Disclosure of a material topic

Opex — Substantial Contribution Criteria — DNSH (Do No Significant Harm) Criteria

Economic activities (1)	Code (2)	Opex (3)	Proportion of opex (4)	Climate change mitigation (5)*	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) opex, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		Millions, local CCY	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Opex of environmentally sustainable activities (Taxonomy-aligned)*																			
			0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%		
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%	0%
Of which is enabling		0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%	0%
Of which is transitional		0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%	0%	0%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Product-as-a-Service	CE 2.13	15	10 %	N/EL	N/EL	N/EL	N/EL	EL	N/EL								30%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	4	3 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																			
Total (A.1+A.2)		**4**	**13%**														30%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non-eligible activities		128	87%														70%		
Total (A+B)		**147**	**100%**														**100%**		

Not applicable

* Alignment only mandatory to disclose on climate change mitigation and adaptation, for which JDE Peet's has no eligibility.

Common disclosures on nuclear and fossil gas-related activities

Row	Nuclear energy-related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds, or has exposure to the construction and safe operation of new nuclear installations for electricity generation or process heat production, including district heating and industrial applications such as hydrogen production. It also supports safety upgrades using the best available technologies.	No
3	The undertaking carries out, funds, or has exposure to the safe operation of existing nuclear installations for electricity generation or process heat production, including district heating and industrial applications such as hydrogen production from nuclear energy. It also supports safety upgrades to enhance operational standards.	No
	Fossil gas-related activities	
4	The undertaking carries out, funds or has exposure to the construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Assessment of compliance with Regulation (EU) 2020/852.

A precise definition is provided for each activity included in the annexes of the Climate Delegated Act and Environmental Delegated Act, which describes the economic activities falling under the scope of the EU Taxonomy. The eligible activities reported in these disclosures adhere strictly to the definitions specified in the delegated acts and recommendations issued by the Platform on Sustainable Finance. In assessing the eligibility of our business activities, we relied on the following key references applicable to companies reporting under the NFRD for 2022:

- The Disclosures Delegated Act, published on 10 December 2021, and amended on 21 November 2023
- The Environmental Delegated Act, including the amendments to the Climate Delegated Act and the Disclosures Delegated Act, also published on 21 November 2023.

In addition, we referenced the most recent FAQ documents issued by the EU Commission:

- The FAQ on the EU Taxonomy Regulation for reporting eligible economic activities and assets published in February 2022, December 2022, June 2023 and October 2023.
- The FAQ on technical screening criteria for activities contributing substantially to climate change mitigation or adaptation, published in October 2023.

We have rigorously adhered to these definitions and resources, ensuring that no activities outside their scope were included as eligible. Where there was uncertainty about the inclusion of an activity, we have excluded it from eligibility. Future updates or clarifications to EU Taxonomy criteria will be reflected in our reporting as they arise.

SOCIAL

OWN WORKFORCE

SETTING THE SCENE

OUR IMPACTS, RISKS AND OPPORTUNITIES

Material topic: Human capital management

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
d	**Talent attraction, retention, and training**	We focus on attracting and retaining talent while promoting internal mobility and valuing professional growth. By investing in skill development and enhancement, as well as succession planning, we strive to strengthen our leadership to ensure future readiness. This approach boosts productivity, supports revenue growth, and provides a competitive edge with a skilled and engaged workforce.		Production Packaging		

Material topic: Diversity, equity and inclusion

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
d	**DE&I**	Having a diverse and inclusive workforce, which also reflects an increasingly diverse consumer base and therefore helps execute on the strategy effectively, could result in a competitive advantage by attracting and retaining key talent.		Production Packaging		

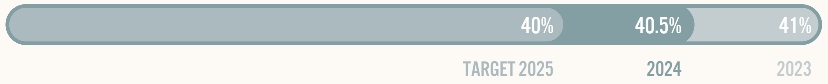
OUR TARGETS AND PROGRESS

Target Maintain the voluntary turnover in leadership positions below 9%

Progress

Target 40% women in leadership positions by 2025

Progress



OUR POLICIES

- Human Capital Playbooks
- DE&I Policy
- Director's Remuneration Policy

OUR ENGAGEMENT WITH STAKEHOLDERS

Engaging our stakeholders

Positive impact | Negative impact | Actual | Potential | Risk | Opportunity | Impact | Dependency | Short term | Medium term | Long term

DISCLOSURE OF A MATERIAL TOPIC

HUMAN CAPITAL MANAGEMENT

OUR APPROACH AND OUTLOOK

STRATEGY

Developing a high-performance culture means empowering our employees, whose growth drives our success. Our strategy is centred around being an employer of choice by attracting and retaining top talent, fostering engagement and personal development, enabling adaptability, and rewarding performance. Our data-driven approach ensures people initiatives evolve with business needs to drive overall performance.

INTEGRATED TALENT MANAGEMENT FOR EMPLOYEE GROWTH AND SUCCESS

Our integrated talent management approach connects talent acquisition, personal development, performance, career growth, and employee engagement. By aligning these areas, we ensure effective recruitment, continuous development, and support throughout each employee's career, fostering both individual growth and organisational success.

BUILDING OUR FUTURE: INCLUSIVE TALENT ACQUISITION AND EMPLOYER BRANDING

Our Talent Acquisition (TA) playbook establishes a standardised recruitment process, employing consistent methodologies to streamline candidate selection and assessment. It outlines the criteria for identifying the best fit within our organisation through interviews and the use of assessment tools, ensuring alignment with our goals and values.

We are committed to fostering an inclusive and diverse workforce, embedding diversity, equity, and inclusion (DE&I) principles into our talent acquisition process. Our playbook ensures equitable practices, including balanced shortlists for gender and nationality, supported by multiple interviewers, advanced applicant tracking systems, and online assessments to minimise bias.

We take a connected approach to our employer brand and candidate experience strategy. Our well-known consumer brands support our commitment to enhancing our reputation as an employer of choice, which helps us attract and retain a diverse and talented workforce.

Our efforts focus on two key areas:

- Increasing employer brand awareness and engagement on LinkedIn
- Ensuring a positive and seamless candidate experience.

Guided by our core message, "Unleash Your Possibility", the employee journey at JDE Peet's is defined by meaningful actions and opportunities for personal and professional growth, united by our shared purpose of enhancing the global coffee & tea landscape while making a positive impact.

FOSTERING TALENT DEVELOPMENT: OUR COMMITMENT TO LEADERSHIP AND GROWTH

Our Performance Management approach emphasises both the 'what' and the 'how' of achieving success focusing on key objectives and responsibilities, while aligning with our company values. This approach balances the conversations between employees and managers, supported by a mid-year review and ongoing development throughout the year.

Each year, we conduct talent review discussions within the Leadership Teams to ensure we drive the following outcomes:

- Ensure we have the right leaders to deliver the business agenda
- Strengthen the leadership pipeline for the future
- Foster talent movement across the company
- Agree how we can best support the development of our talent.

The Talent Review & Succession Planning playbook outlines global principles, roles, and tools to guide a consistent process.

We prioritise identifying and developing successors for mission-critical roles, with reviews conducted locally, regionally, and globally, culminating in an Executive Committee evaluation of the company's top talent, and development and succession plans.

Development plans for top talent are personalised and may include leadership programmes such as Elevate and RISE, senior leadership exposure to broaden their perspective, strategic project involvement, or role changes to enhance experience.

In 2024, JDE Peet's senior leadership selected 50 senior managers and 15 directors to participate in our two signature global leadership programmes, Elevate and RISE.

DISCLOSURE OF A MATERIAL TOPIC

Elevate is our flagship senior leadership programme for top talent, annually selecting 15 directors for an 8-month iterative learning journey. The programme builds on established leadership frameworks and incorporates psychometrics evaluations, 360-degree assessments, business simulations, group projects, ongoing stakeholder feedback, and professional coaching. The goal is to strengthen leaders' strategic thinking, enhance self-awareness of strengths and areas for improvement, and develop key attributes such as adaptability, influence, and executive presence. The programme also emphasises delivering high-impact feedback, fostering collaboration across JDE Peet's, and aligning team and organisational objectives.

RISE, JDE Peet's flagship leadership programme for future executive leaders, is designed to systematically cultivate leadership skills for senior managers preparing for director roles. Each year, two cohorts of 25 managers participate in the programme, which features two intensive three-day in-person training events hosted in various European countries, mentoring by members of the Global Leadership Team, one-on-one professional coaching, group assignments, and career guidance from senior managers.

In 2024, we also redesigned the Lead programme to equip all people managers with foundational leadership skills and a shared understanding of key leadership frameworks aligned with JDE Peet's leadership capabilities. This leadership development initiative was piloted with managers across seven countries and will be rolled out to people managers in 2025.

At JDE Peet's, we develop specialised programmes, tailored by region or function, to meet regional or functional learning needs. For example, Peet's US offers the Emergent Leader programme for new managers, a six-session series over 12 weeks that teaches leadership fundamentals and effective team management. Another example is the Europe Leadership Academy, attended by 40 managers in 2024, receiving an average satisfaction rating of 4/5. Additionally, the Sustainability Academy addresses specific functional needs, exemplifying our commitment to addressing specific learning needs across our global operations.

POLICY

he governance of our employees is anchored in centralised HR processes designed to foster consistency, best practices, and collaboration. These are supported by comprehensive process playbooks on the HR Hub, an online platform governed by the Global Centres of Expertise (Rewards, Technology & Analytics, Talent).

Our talent playbooks encompass essential areas such as talent acquisition, employer branding, onboarding, performance management, learning and career development, talent review and succession planning, and our employee engagement and listening strategies.

Designed for both local subject matter experts and generalists within HR teams, these playbooks are key resources for onboarding new team members and driving HR excellence. Balancing global design with local execution, the HR Hub ensures process consistency, while the Visier analytics platform provides actionable insights to drive data-informed decisions. As part of our digital transformation, we will continue to onboard additional data from operating companies across JDE Peet's to enhance our analytics capabilities further.

ENGAGING OUR EMPLOYEES

Our employee listening strategy is a key tool for understanding and improving the employee experience at JDE Peet's. It also supports our retention goals and reinforces our DE&I initiatives.

We listen to our people:

1. To understand employees' perspectives on various critical topics
2. To adapt our strategies and initiatives based on their feedback
3. To involve employees in the decision-making process, demonstrating that their opinions matter and that we care.

To better understand our employees, and help improve the organisation, we carry out a range of surveys. Using insights from our surveys, we:

- Share and discuss: Insights are shared with local HR teams for in-depth discussions
- Compare and contrast: Data is benchmarked against industry standards and existing information
- Identify and prioritise: We pinpoint areas for improvement and prioritise actions accordingly.

ENGAGEMENT SURVEY

At JDE Peet's, we prioritise a culture of open feedback, giving all employees a voice. Each year, we run a global engagement survey to gather insights on daily work experiences, well-being, inclusion, and sustainability, as well as leadership effectiveness. The results guide discussions and actions to improve our workplace. Leaders receive feedback from their teams, fostering dialogue and enabling focus on key areas. This approach also allows us to recognise and celebrate shared successes across the organisation. In particular, people leaders are held accountable through an annual objective that sets a target of achieving an accountability index of 4 or higher.

DISCLOSURE OF A MATERIAL TOPIC

ONBOARDING SURVEY

Our onboarding survey aims to achieve three main objectives:

1. A great onboarding experience: Ensure the onboarding process meets or exceeds new hires' expectations
2. Ramped up to productivity: Enable new employees to complete work tasks independently
3. Engaged and committed at JDE Peet's: Foster a sense of belonging and commitment, with new hires recommending JDE Peet's and intending to stay for 3+ years.

To ensure a positive onboarding experience, we collect feedback at critical milestones:

- Introductions: End of the first week
- Settling in: End of the first month
- Fully ramped up: End of the first three months.

EXIT SURVEY

The exit survey is designed to understand why employees leave and how we can prevent future turnover. Our goal is for departing employees to leave as advocates of JDE Peet's and our employer brand. This survey focuses on permanent employees who leave the company voluntarily.

By leveraging these insights, we continuously refine our employee experience, making JDE Peet's a great place to work and grow.

ACTIONS

TALENT ACQUISITION

- Delivered social media training for the HR function
- Launched the "A Cup of Amazing" employer branding campaign on LinkedIn to highlight employee impact
- Shared over 100 employee stories on LinkedIn to showcase the pride of being part of JDE Peet's
- We launched the LinkedIn Life Tab, featuring three sections: Life at JDE Peet's, Diversity, Equity, and Inclusion, and Sustainability
- Launched the Applicant Tracking System KeyUser programme to enhance the candidate experience through data-driven decision-making
- Focused on reducing time to fill positions and ensuring efficient processing by utilising guidebooks and dashboards to monitor recruitment stages and address stagnant applicants monthly.

ENGAGEMENT SURVEY

- We introduced two new ESG questions to understand the impact of our ESG initiatives on our employees and to benchmark ourselves against the ESG index from Gallup.

ONBOARDING AND EXIT SURVEY

- Introduced additional listening tools, including onboarding and exit surveys, to assess employee support and understand reasons for voluntary departures
- Cascaded regional reports and provided access to local results to enable action at the local level.

PERFORMANCE MANAGEMENT, CAREER GROWTH AND TALENT DEVELOPMENT

- We developed a foundational leadership development programme to upskill all people leaders on JDE Peet's Leadership Capabilities (LEAD), set to launch in 2025. To ensure its relevance and impact, we conducted eight successful pilots across eight countries, achieving an average satisfaction score of 4.7. To engage and energise our HR community, the Global L&D team hosted a 12-hour live event, connecting over 100 HR employees worldwide, fostering a stronger talent community and shared commitment to leadership development.

OUTCOMES

TALENT ACQUISITION

- As a result of the Employer Brand campaign, combined with our participation in the Hiring Enterprise programme:
  - LinkedIn awareness actions increased twofold
  - Jobs & Life tab views rose by a factor of 2.5.

ENGAGEMENT SURVEY

- Achieved an 89.7% participation rate in 2024, with participation of nearly 15,000 employees
- 40% of employees reported that their engagement needs are consistently met, strengthening connections, ownership, and commitment across the organisation
- Overall engagement score for the year was 4.09/5, aligned with our benchmarking database average
- Strong performance areas: employee recognition, opportunity for input, and fostering trust within teams
- Improvement areas: cross-departmental collaboration and aligning tasks with the broader company purpose.

PERFORMANCE MANAGEMENT, CAREER GROWTH AND TALENT DEVELOPMENT

- In 2024, Elevate received a 4.4/5 satisfaction score and its highest recommendation rating (NPS) of 8.9/10
- Highly rated by participants (4.6/5), we are continually updating Rise to align with internal needs and external trends. This programme aims to invest in high-potential senior managers, supporting their career growth and long-term retention. Notably, 75% of promotions to director level in 2023 and 2024 were Rise alumni

RESOURCES ALLOCATED TO MANAGE IMPACT AND OPPORTUNITIES OF OUR EMPLOYEES

To implement our employee strategy effectively, we allocate resources through various teams and initiatives:

- **Global talent team:** This team leads our efforts to attract and retain top talent, focusing on standardisation of processes and tools to ensure alignment with our organisational goals
- **Global and regional centre of expertise teams:** These teams provide specialised knowledge and support to enhance our talent management practices across different regions
- **Talent networks:** We invest in talent networks that facilitate collaboration and knowledge sharing among employees, fostering a culture of continuous improvement
- **HR directors and extended talent team:** Our HR directors oversee these initiatives, working closely with the extended talent team to equip and mobilise our workforce, ensuring best practices are shared and implemented.

These resources and collaborative efforts enable us to enhance our capacity to manage the impact and opportunities of our people effectively.

FUTURE ACTIONS

Our strategic focus remains on enhancing people leadership capabilities and employee development, supported by robust processes and advanced technology. A key milestone is the launch of our foundational leadership programme, LEAD, in 2025, equipping all people leaders with the skills to inspire, guide, and nurture their teams.

To attract and retain top talent, we prioritise strengthening our employer brand. In 2024, we launched a LinkedIn campaign to enhance visibility and align our employer brand with the reputation of our product brands. We will expand this in 2025 through a phased approach using LinkedIn and local channels to highlight our culture, opportunities, and employee experience.

In parallel, we are optimising core processes and refining talent and leadership programmes to meet evolving business needs. We are also streamlining learning initiatives to provide simpler, more effective development opportunities for our employees.

By investing in leadership, strengthening our talent pipeline, and positioning JDE Peet's as a top employer, we will remain agile and competitive in a rapidly changing global market.

VOLUNTARY TURNOVER IN LEADERSHIP POSITIONS

At JDE Peet's, we prioritise leadership retention to ensure organisational stability, strategic continuity, and the preservation of critical knowledge. Our experienced leaders play a vital role in guiding teams and driving sustainable growth, leveraging their deep understanding of our business and culture.

To maintain stability, we are committed to maintaining voluntary turnover within in leadership roles below 9%, a benchmark based on industry standards. At the end of 2024, voluntary turnover in leadership positions stood at 5.2%, aligning well with our target.

This KPI is reviewed quarterly by the Global HR Leadership Team during Connecting People discussions, ensuring sustained focus and timely actions. Progress is shared across the organisation in our annual report, ensuring transparency and alignment.

DISCLOSURE OF A MATERIAL TOPIC

METRICS

As at 31 December	2024
Total number of employees by gender	**21,689**
Total number of employees: female	8,839
Total number of employees: male	12,635
Total number of employees: other	86
Total number of employees: not reported	129
Employee turnover	
Employee turnover headcount	5,200
Employee turnover rate (%)	24 %
Voluntary turnover in leadership positions (%)	5.2 %
Employee headcount in countries with at least 50 employees representing at least 10% total employees	
Brazil	2,319
China	2,894
USA	4,777

2024 Total number of employees by contract type

	Female	Male	Others	Not disclosed	Total
Number of permanent employees (head count/ FTE)	8,467	12,146	85	122	20,820
Number of temporary employees (head count/ FTE)	351	477	1	2	831
Number of non-guaranteed employees (head count/ FTE)	21	12	0	5	38
Number of employees (head count/ FTE)	8,839	12,635	86	129	21,689

ACCOUNTING POLICIES

Employee characteristics
Total number of employees is presented in headcount per year-end, with the exception of turnover rates. In the financial statements we refer to FTEs which is disclosed here: 1.1 Reporting entity

Headcount
Represents an employee with employment status active or in leave.

Methodology
Employee information is taken from our internal systems. Where data is not available due to non-integrated entities, estimations are based on the closest resembling JDE Peet's business segment for each entity and applied with a factor relative to size.

Percentage of voluntary turnover in leadership positions
This is calculated as the proportion of employees in leadership positions who voluntarily leave the organisation, divided by the average total number of employees in leadership roles during the reporting period.

Gender
Gender refers to the social, cultural, and personal identities that individuals hold regarding their sense of being male, female, both, neither, or other. Gender is distinct from biological sex, which is assigned at birth based on physical characteristics. Our reporting aims to be inclusive of all gender identities, acknowledging that some employees may identify outside traditional categories of male and female. Each employee's gender is declared (or not) and maintained by them in our HR systems.

Leadership positions
This refers to employees who are part of the Executive Committee and the Global Leadership Team of JDE Peet's. This latter group comprises directors and general managers with roles classified as grades A to D for JDE and vice presidents, senior directors (grade 26), and directors (grade 25) for Peet's.

Permanent employees
This includes employees with a permanent employment contract for full-time or part-time work for an indeterminate period.

Temporary employees
Includes employees with a fixed-term employment contract that ends when a specific time period expires or when a specific task is completed.

Non-guaranteed hours
Includes employees without a guarantee of a minimum or fixed number of working hours.

Methodology
Employee information is taken from our internal systems. Where data is not available due to non-integrated entities, estimations (representing 19% of our employees) are based on the closest resembling JDE Peet's business segment for each entity and applied with a factor relative to size.

DISCLOSURE OF A MATERIAL TOPIC

METRICS

As at 31 December	2024
Incidents, complaints and severe human rights impacts	
Total number of reported discrimination incidents	30
Total number of complaints filed	118
Total amount of material fines, penalties, and compensation for damages: work-related grievances (EUR)	0

ACCOUNTING POLICIES

Severe human rights

Refer to Accounting Policies 'Severe human rights incidents and issues' for definitions and methodology.

Incidents of discrimination or harassment

Incident is defined as a complaint that comes in via the Speak Up line and has been vetted by the company through established procedures and registered with the company or competent authorities through a formal process. JDE Peet's does not file complaints to third parties.

Fines and penalties

This includes fines and penalties tied to the closed incidents and closed complaints (and thus not the reported filed incidents or open complaints). Total amount of fines is recognised in the Financial statements under Selling, general and administrative expenses, with further details provided in section 2.3 Expense by nature, if deemed material.

More information on our Speak Up line can be found in the Ethics and Compliance section.

DIVERSITY, EQUITY AND INCLUSION

OUR APPROACH AND OUTLOOK

STRATEGY

At JDE Peet's, we believe in fostering a more diverse, equitable and inclusive organisation where everyone feels comfortable to truly be who they are and unleash their full potential.

By reflecting the world we live in, we are better able to serve our increasingly diverse consumer base and deliver on our vision "A coffee & tea for every cup".

And by living our values, we make sure that we are an organisation free of potential barriers, where each employee takes responsibility to progress our commitments and where we stand together in our differences.

We view diversity, equity and inclusion (DE&I) as a key business enabler, and one of our most material topics as it contributes to each pillar of our strategy:

- Serve more cups, by increasing our ability to reflect our consumers so we can attract and retain them, and capture new markets
- Master execution, by leveraging diversity of thought to further improve our decision-making and problem solving
- Grow together, by attracting, engaging and retaining the best talents, regardless of who they are.

To embed DE&I across the organisation, our strategic framework focuses on:

- Workforce: We level the playing field to achieve a workforce that reflects the world we live in and to enable all our employees to unleash their possibilities
- Workplace: We all play a role in fostering an inclusive culture where everyone feels like they belong and can be who they truly are
- Marketplace: We serve the needs of all consumers, fostering connections with every cup and bringing communities together
- Supply chain: We play our part in creating an equitable ecosystem along our supply chain.

To ensure we are on a journey towards a common goal globally, while acknowledging local differences, we have selected two global priorities:

- Break down potential barriers to women's empowerment
- Value differences to ensure our employees can be who they truly are.

We bring awareness on these priorities to all our employees globally, in part through our three global activation moments:

- Gender Balance Month in March: This is when we recognise the importance of achieving gender balance and equity and use International Women's Day as a 'kick off' for these discussions
- Pride Month in June: Here we recognise LGBTQ+ people globally by amplifying their voices, supporting their rights, and celebrating their culture
- TrueYOU Week in October: At this time, we actively advance the awareness of DE&I across JDE Peet's globally, with an intersectional lens and a focus on inclusion.

We also believe that for DE&I there is no one size fits all, which is why, locally, every market is empowered to define their own priorities by understanding the local social and legal context and identifying the needs of employees, gathered through surveys and focus groups to refine efforts.

POLICY

Our Global DE&I Policy reaffirms our commitment to employees, offers clear guidance to DE&I Champions, and meets the growing expectations from our external stakeholders. It defines DE&I within JDE Peet's, outlines our strategic framework, and specifies how we track and report progress.

Aligned with the United Nations Sustainable Development Goal #5 on Gender Equality, the policy addresses gender representation across the Board, Executive Committee, and leadership roles, reinforced by our 2023 commitment to the UN Women's Empowerment Principles. It also underscores our stance against discrimination, of any kind, supporting our Codes of Conduct and Speak Up Policy.

We are committed to equal pay for equal work, and we partner with Mercer, a leading external HR consultancy, to conduct periodic gender pay equity analyses, ensuring best practices and independent quality assurance.

Governance structures hold us accountable, while DE&I activation toolkits empower teams to tailor local initiatives aligned with global objectives and regional contexts.

Progress, including any defined ambitions and their implementation (for instance on gender representation across different levels), is reported in our annual reports, with data gathered from annual self-assessments in each market.

DISCLOSURE OF A MATERIAL TOPIC

The Remuneration, Selection, and Appointment Committee periodically reviews the Policy's effectiveness and proposes revisions to the Board for approval, ensuring alignment with the Dutch Corporate Governance Code.

This policy reflects our commitment to fostering a diverse and inclusive workforce, enabling employees to access equal opportunities and express their authentic selves. It also supports our broader business strategy, with DE&I serving as a key driver across all pillars.

Our four-stage maturity model supports DE&I integration through structured resources, enabling continuous improvement and embedding DE&I into our culture and processes.

In Stage 1, the focus is on raising awareness, building the case for change, and demonstrating commitment through training and leadership. This stage aims to cultivate a broad understanding of diversity, with particular emphasis on recognising and addressing the challenges faced by the most vulnerable groups.

Stage 2 focuses on embedding change, aligning the DE&I strategy with data, and ensuring accountability through KPIs. Markets identify long-term priorities based on local surveys, with progress tracked through data, KPIs, and leadership engagement.

Stage 3 aims to establish structural changes in processes and policies, with a deeper focus on workplace equity. We also expand efforts to the marketplace and supply chain, impacting consumers, communities, and the wider ecosystem.

Stage 4 ensures sustained efforts and cutting-edge practices, influencing the industry and maintaining long-term impact across all four pillars of our strategic framework.

ENGAGING OUR EMPLOYEES

Our DE&I agenda is shaped by employee feedback to ensure actions taken align with their best interests.

Through our employee engagement survey, we measure workplace inclusion, enabling markets to analyse results by demographics, such as gender, and address specific needs. Managers are encouraged to discuss the outcomes with their teams to develop targeted action plans.

Aligned with our DE&I maturity model, local teams gather feedback through surveys and focus groups in Stage 2, helping define priorities and actions that address employee needs. insights from markets guide our global strategy, fostering a bottom-up approach. In 2024, for example, Generations emerged as a key priority reflecting the value of our multigenerational workforce, in driving innovation and growth.

We also conduct annual surveys with DE&I Champions and Employee Resource Groups (ERGs), supplemented by ongoing feedback opportunities. This helps identify gaps in capabilities or tools, ensuring our DE&I Champions and ERGs are equipped to succeed.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS TO RAISE CONCERNS

As stated in our Codes of Conduct, at JDE Peet's 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.

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, we are committed to promoting a speak up culture. We do so by fostering an open and trusting dialogue with employees, customers, business partners, suppliers, investors and other stakeholders.

Our Speak Up Policy (which can be found in the Ethics and Compliance section) is available to anyone who wishes to raise a concern about suspected misconduct. 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.

DISCLOSURE OF A MATERIAL TOPIC

ACTIONS

- Globally activated initiatives for Gender Balance and Women's History Month, Pride Month, and TrueYOU Week, with participation across more than 30 markets and global live events engaging approximately 800 employees worldwide.
- Successfully completed inclusive leadership training for the management teams of our European plants.
- Launched a pilot reverse-mentoring programme in Europe, connecting senior leaders and Gen Z employees to foster cross-generational exchange of perspectives.
- Introduced a pilot development programme for DE&I Champion Leads and ERG Leads, and hosted our first-ever DE&I Champions Summit
- Established bi-monthly Gender/Women & Pride/ LGBTQ+ ERG Connect meetings, enhancing community building and sharing of best practices among ERGs across JDE Peet's.

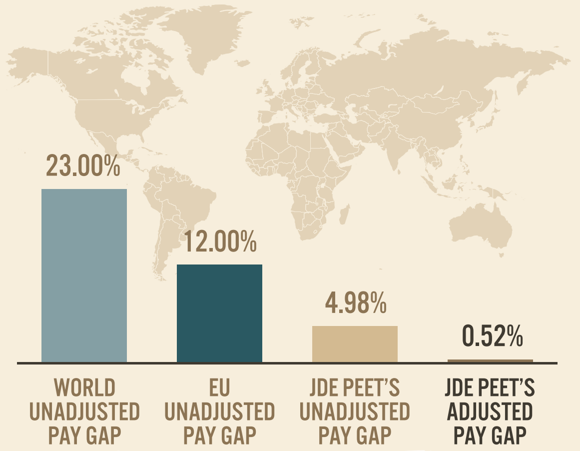
OUTCOMES

By the end of 2024, all our markets had completed Stage 1 of our maturity model, with an average completion rate of over 57% for Stage 2 across all markets, a 24 bps change compared to 2023.

For the third consecutive year, we measured our commitment to fostering a respectful workplace through our global employee survey. In 2024, we achieved a score of 4.37 on a 1-5 scale (4.37 in 2023), with no significant difference in the result between men and women.

Our commitment to inclusivity was measured for the third time through our global employee survey, asking employees if they feel comfortable being themselves at work. We achieved a score of 4.21 on a 1-5 scale (4.26 in 2023), with no significant differences between men and women overall.

GENDER PAY EQUITY STUDY RESULTS AT JDE PEET'S



At JDE Peet's, we are committed to ensuring that employees receive fair and equitable pay. To ensure we are true to our commitment we have been regularly monitoring our gender pay equity position since 2022.

Following our most recent gender pay equity study in 2024, we are pleased to report that our unadjusted gender pay gap remains below 5% and a significant part of this gap can be explained by legitimate factors such as work location, job role, performance history, experience etc. This is why we went a step ahead to analyse the potential adjusted gender pay gap after accounting for these legitimate factors that influence pay.

We are proud to report that our adjusted gender pay gap not only remains significantly below 1%, but has further reduced to 0.52%, this further underpins JDE Peet's commitment to fair and equitable pay and remains well below the EU Pay Transparency directive's threshold of 5%, continuing to position JDE Peet's amongst industry leaders in this space which has also been recognised by the with the Fair Pay Leader certification by the Fair Pay Innovation Lab.

JDE Peet's is proud to have received the 2025 Catalyst[56] Award, which recognises organisations that excel in advancing workplace inclusion and gender equity. This prestigious honour celebrates JDE Peet's innovative approach to DE&I, fostering a workplace where employees are empowered to thrive.

According to Catalyst, JDE Peet's strategic approach, supported by innovative tools such as its DE&I Maturity Model and Activation Toolkit, has led to significant progress. This includes an increase on women representation on the Executive Committee, the Global Leadership team, and the Board of Directors since 2021. The Maturity Model provides structured guidance for embedding DE&I practices at all levels, while the Activation Toolkit offers actionable resources, including case studies and best practices, to equip local teams to implement and sustain meaningful DE&I initiatives.

JDE Peet's being honoured as a **FAIR PAY LEADER** by the Fair Pay Innovation Lab

[56] Catalyst is a leading global non-profit dedicated to creating workplaces that empower women. Since 1962, its thought leadership—combining workplace expertise with actionable research—has driven progress towards greater inclusion. The organisation is supported by 500 leading companies.

DISCLOSURE OF A MATERIAL TOPIC

RESOURCES ALLOCATED TO MANAGE IMPACT AND OPPORTUNITIES OF DE&I

The local activation of our global DE&I strategy is driven by more than 300 DE&I Champions and Employee Resource Group members globally. In 2024, this was 30 more than 2023.

Our community of DE&I Champions stays connected through bi-monthly DE&I Champions and ERG Connects and annual DE&I Champions Summits. These forums enable collaboration, shared learning, and skill development, empowering Champions advance DE&I initiatives successfully.

FUTURE ACTIONS

While proud of our achievements, we recognise there is more to do. Our ambition remains to drive further progress, creating value for our people and our business. As our maturity model evolves, we will collaborate with our most advanced markets to define Stage 3 deliverables and update the DE&I activation toolkit for global implementation from 2026.

Inclusive leadership remains a priority at JDE Peet's. Although our top management completed global training on this topic several years ago, we recognise the need for continuous development. To support them as role models and help link DE&I with business objectives, we will launch a new leadership programme to advance this agenda and deepen DE&I activation across the organisation.

In 2024, we advanced our focus on generational inclusion and will expand this globally in 2025. In our manufacturing operations, we are addressing challenges related to an ageing workforce and the need to attract younger generations. This effort will ensure our organisation remains future-ready and equipped to meet evolving demands.

WOMEN IN LEADERSHIP POSITIONS

At JDE Peet's, we believe that employees of all genders should have equal opportunities to thrive and grow into leadership roles. Our ambition is to ensure that the representation of women in leadership reflects their proportion in our total workforce. In 2022, we set a target to reach 40% of women in leadership positions by 2025. By the end of that year, we surpassed this target, with 41.0% of leadership roles held by women - a milestone we maintained in 2024, with 40.5% of leadership roles held by women at year-end.

This metric is reviewed quarterly by the Global HR Leadership Team and is integrated into the overall quarterly Connecting People review.

Locally, it is tracked as part of our DE&I maturity model within management team meetings and other forums. This approach, both globally and locally, ensures both focus and timely corrective actions when necessary.

Progress on this metric is communicated annually to all employees through our annual report.

METRICS

Diversity, equity and inclusion metrics	2024
Total employee headcount by age group*	
Headcount of employees: < 30 years old	5,994
Headcount of employees: 30-50 years old	11,325
Headcount of employees: > 50 years old	4,370
Total percentage of employees by age group (%)*	
Percentage of employees: < 30 years old (%)	28 %
Percentage of employees: 30-50 years old (%)	52 %
Percentage of employees: > 50 years old (%)	20 %
Pay gap and total remuneration	
Unadjusted gender pay gap (%)	4.98 %
Adjusted gender pay gap (%)	0.52 %
Total Remuneration ratio	113

Female	Male	Others	Not disclosed	Total
Total headcount of top management level by gender (number)				
117	172	0	0	289
Total percentage of top management level by gender (%)				
40.5 %	59.5 %	0.0	0.0	100 %

ACCOUNTING POLICIES

Top management level - Leadership positions
Refers to employees who are part of the Executive Committee and Global Leadership Team of JDE Peet’s. Employees who are part of the Global Leadership Team hold positions of director and general manager (or equivalent) within JDE Peet's.

Women in leadership positions
This is calculated based on headcount of women holding leadership positions divided by the total headcount of employees holding leadership positions.

Unadjusted gender pay gap
This is defined as the difference of average pay levels between male and female employees, expressed as a percentage of the average pay level of male employees. The report includes data for those employees that meet the criteria of being active on the key date of extraction with effective date of data as of 1 June 2024. We also refer to this metric externally as the 'unexplained gender pay gap'.

Adjusted gender pay gap
The adjusted gender pay gap is defined as the difference in average pay levels between female and male employees, expressed as a percentage of the average pay level of male employees, after accounting for ‘explained factors.’ These factors, such as experience, role type, performance, location, and grade, may legitimately influence pay differences and are not linked to gender. Calculations are conducted by a third party and validated internally. This metric is included to provide additional contextual information.

Total remuneration ratio
This metric represents the ratio between the remuneration of the highest-paid individual and the median annual total remuneration of all other employees (excluding the highest-paid individual). This metric enables the inclusion of all JDE Peet’s employees in the calculation, incorporating full remuneration costs - for which additional benefits (as pensions) are based on an estimation. The report includes data for those employees that meet the criteria of being active on the key date of extraction with effective date of data as of 1 June.

Methodology
Employee information is taken from our internal systems. Where data is not available due to non-integrated entities, estimations (representing 19% of our employees) are based on the closest resembling JDE Peet's business segment for each entity and applied with a factor relative to its size.

Responsible Sourcing – Common Grounds

WORKERS IN THE VALUE CHAIN

DISCLOSURE OF A MATERIAL TOPIC

SETTING THE SCENE

OUR IMPACTS, RISKS AND OPPORTUNITIES

Material topic: Farmers' livelihood

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
Negative impact, Actual	**Farmers' livelihood**	When farmers do not earn a fair living income, they face challenges in meeting basic needs like housing, food, education, and healthcare. This financial strain also limits their ability to adapt to climate change and implement sustainable farming practices. With smallholder farmers producing the majority of the world's coffee, and many struggling to earn a stable income, JDE Peet's, sourcing about 8% of global green coffee, plays a pivotal role in supporting these farming communities on their path to prosperity.	Agriculture			Short term, Medium term, Long term
Risk, Impact	**Next generation of farmers**	The farming community, averaging 65 years of age, faces an uncertain future as economic insecurity deters the next generation of coffee farmers. This challenge impacts both livelihoods and the long-term sustainability of our business.	Agriculture			Long term
Risk, Impact	**Fair income for farmers**	A potential lack of action to contribute to/support farmers to have a fair income might lead to reputational damage. Due to a complex and opaque coffee value chain, and several intermediate actors, it is difficult to claim a fair income for farmers.	Agriculture			Long term
Positive impact, Actual	**Farmers' resilience**	Through a multi-stakeholder approach, JDE Peet's implements smallholder farmer projects aimed at building farmers' resilience and enhancing their capabilities. These initiatives focus on improving farm management, increase yields, and diversifying income to make farming more economically sustainable.	Agriculture			Short term, Medium term, Long term

Positive impact | Negative impact | Actual | Potential | Risk | Opportunity | Impact | Dependency

Short term | Medium term | Long term

OUR TARGETS AND PROGRESS

Target Directly reaching 500,0000 smallholder farmers by 2025 (since 2015)

Progress

OUR POLICIES

- Human Rights Policy

DISCLOSURE OF A MATERIAL TOPIC

Material topic: Human rights in value chain

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
	Human rights violations	We acknowledge the potential for human rights violations across our business and supply chains, which demand targeted human rights due diligence. Child and forced labour, particularly prevalent in the coffee value chain at its origins, require urgent attention.	Agriculture Suppliers			
	Human rights due diligence	We are expanding our risk mapping and multi-stakeholder approach to implement impactful programmes aimed at eradicating issues such as child labour and poverty. These efforts open up opportunities to make a significant difference in high-risk areas. For instance, we are establishing childcare centres in Honduras to support families and keep children out of fields. Additionally, our Human Rights Due Diligence programme provides a valuable opportunity to ensure oversight of our direct suppliers, promoting ethical practices and transparency throughout our supply chain.	Agriculture Suppliers			
	Human rights violations	Non-compliance with regulations such as CSRD, the upcoming CSDDD, and other human rights laws could jeopardise our licence to operate. Due to the complex and opaque coffee value chain, and several intermediate actors, this is a systemic issue that requires collaborative action by all stakeholders in the value chain	Agriculture Suppliers	Production		

OUR TARGETS AND PROGRESS

Target Towards 100% of our direct coffee suppliers went through phase 1 of our human rights due diligence programme by 2025

Progress

70 % — 2024 | 100% — TARGET 2025

Target Towards 100% compliance of our (non-coffee) COGS suppliers to our Human Rights Due Diligence by 2027

Progress

67 % — 2024 | 100% — TARGET 2027

OUR POLICIES

Human Rights Policy

Supplier Code of Conduct

Positive impact | Negative impact | Actual | Potential | Risk | Opportunity | Impact | Dependency | Short term | Medium term | Long term

FARMERS' LIVELIHOODS

OUR APPROACH AND OUTLOOK

Engaging smallholder farmers

Over 80% of the world's coffee is cultivated by smallholder farmers in over 70 countries, and both coffee & tea production systems largely rely on informal employment, particularly in the use of seasonal coffee harvesters and tea pickers. We recognise the prevalence of human rights challenges within these supply chains. Human rights issues, such as child labour, forced labour and harassment are often systemic – linked to economic, social and cultural issues in a given community – and require collaborative solutions involving a wide range of stakeholders.

We believe it is our responsibility to address these challenges, ensuring that we take meaningful action.

Through our Common Grounds programme and multi-stakeholder collaborations, we work closely with farming communities, suppliers, NGOs, and (local) governments to support farming communities' prosperity and uphold human rights. These initiatives aim to secure the future of coffee & tea by improving farmer resilience, addressing human rights concerns, and tackling environmental issues.

Our multi-year projects target critical topics such as child labour in Uganda, Vietnam, and Honduras, working conditions in Brazil, and child protection and gender-focused initiatives with UNICEF India. Women's and youth empowerment is integral to all our projects, with a set percentage of participants coming from these groups. This aligns with our strategy to build inclusive, sustainable supply chains that create rural employment opportunities. Since 2015, we have expanded these efforts through strategic investments and partnerships.

Our projects prioritise smallholder farmers and their communities, focusing on scalable and replicable interventions that drive meaningful change. Farmers are actively engaged throughout project design, implementation, and evaluation. We monitor progress using data on project inputs (such as coffee seedlings distributed, trees planted, and training participation), outputs (such as adoption of intercropping), and outcomes (such as improved income, productivity, and soil health). Independent assessments validate results, including farmer awareness and satisfaction levels.

We manage risks through a structured, multi-step approach, including annual risk mapping, supplier engagement, and third-party farm-level assessments. In 2024, this included over 79,281 farmer assessments conducted in 28 countries, as well as 332 supplier self-assessments. Regional challenges are addressed at a landscape level, with public insights on origin risks and mitigation actions shared transparently on our website.

This is the Assess phase of our approach. We openly share the Address phase on our website, highlighting farmer programmes, the number of beneficiaries, and our partner organisations. Risk assessment insights guide opportunities for farmer support through Common Grounds projects or suppliers' action plans to address social and environmental challenges. Suppliers submit action plans annually, with progress reviewed at least once a year

Key human rights issues, such as child and forced labour and working conditions, are embedded in our Responsible Sourcing Principles, guiding our risk assessments, mitigation strategies and investments in farmer programmes. Where possible, we adopt pre-competitive approaches to tackle systemic human rights challenges, ensuring sustainable impact for farming communities and our supply chain.

We ensure the effectiveness of our programmes through a solid governance structure within each initiative. Steering committees, comprising implementing partners, JDE Peet's local Sustainability Managers, local government, donor organisations and NGOs, guide programme direction and make adjustments when necessary. Our Vice President of Sustainability, who reports directly to the CEO, holds the highest-level responsibility for ensuring effective engagement with farmers and workers across the value chain.

DISCLOSURE OF A MATERIAL TOPIC

A comprehensive monitoring and evaluation system, aligned with our Common Grounds Theory of Change, tracks progress toward our vision for prosperous farmers and thriving nature. Independent third-party assessments compare programme outcomes to regional benchmarks, measuring participant progress and capturing farmer perceptions. Programme updates are shared publicly on our website.

Our Responsible Sourcing dashboard provides detailed analytics to track the impact of our farmer programmes,enhancing data-driven decision-making and investments.

With a strong presence in key coffee- and tea-producing regions—Brazil, Kenya, and Vietnam—our sustainability and sourcing teams bring deep expertise and supply chain knowledge. Regular farm, supplier, and project visits enable close collaboration and hands-on engagement.

ACTIONS

Common Grounds Farmer Programme

In 2024, JDE Peet's achieved significant progress in enhancing farmers' livelihoods through our Common Grounds programme, surpassing our target of reaching 500,000 smallholder farmers by 2025. We have established over 18 new projects across 14 countries, supporting more than 835,000 smallholder farmers.

Aligned with UN Sustainable Development Goal 1 (SDG 1), we priorities addressing the fundamental challenges faced by coffee farmers striving for sustainable livelihoods. It is estimated that over 5 million coffee farmers live on less than USD 2 per day, underscoring the urgency of our commitment to an inclusive approach that empowers farmers while respecting their freedom to sell to whomever they choose.

As a pure-play coffee & tea company, we invest in the future of farming communities and the environment. Refer to the Current and anticipated financial effects in the Climate action section for details of the amount spent Our Common Grounds programme reflects a strategic, long-term vision, with initiatives typically spanning four to five years. By 2030, we aim to invest in many projects that improve farmers' livelihoods and address key social and environmental issues, for details . This includes training and deploying dedicated global resources to drive delivery.

Addressing human rights issues requires collaboration. We work with stakeholders, including NGOs such as the International Labour Organisation, CARE International, UNICEF, Verité, and World Vision, alongside governmental bodies and industry peers, to tackle systemic issues. Using our Assess, Address, Progress methodology, we identify and address risks in vulnerable regions, partnering with suppliers, vulnerable communities, local authorities, and human rights organisations to implement effective solutions.

KEY ACTIVITIES THROUGH COMMON GROUNDS IN 2024

- **Technical assistance**
  We currently manage 62 active projects across 23 countries providing training in climate-smart and regenerative agriculture to boost farm productivity and farmer income. Our initiatives in farm and household economics have improved financial accessibility. Of these projects, 60 focus on coffee, 1 on coconuts, and 1 on palm.
- **Nurseries and mother gardens**
  We established facilities to distribute disease- and climate-resilient coffee varieties, with 2,600,901 seedlings distributed to date. For example, in 2024 we completed a project with Cafe Africa in Kagera, Tanzania where, over the course of 3 years, we established 90 coffee nurseries.
- **Water sanitation**
  We addressed water sanitation issues in local communities, providing potable water to more than 17,000 individuals who previously lacked access. In Brazil, the Growing Together project with Comexim distributed 38 bio-digesters to farming communities, safeguarding local water basins from exploitation and contamination.
- **Alternative income sources**
  We supported farmers through training, coaching, and alternative income opportunities, distributing seedlings for intercropping with fruit trees. Promoting intercropping and equipping women and youth with training on exploring alternative income sources is a key pillar of our project interventions in Vietnam, Peru, Guatemala and Uganda
- **Women's empowerment**
  We promoted women's empowerment across all our projects, engaging 21,656 women through our Common Grounds programme in 2024
- **Youth involvement**
  We increased youth participation, creating employment opportunities within rural areas and the coffee value chain.

CASE STUDY

Boosting yields for climate - friendly robusta coffee in Tanzania

COMMODITY: Coffee
TIME FRAME: 2021-2024
LOCATION: Karagwe and Kyerwa District, Tanzania
SMALLHOLDER FARMERS REACHED: 7,000
PARTNERS: Karagwe District Cooperative Union (KDCU), 4C Services, Meo Carbon Solutions, Touton S.A., GRAS Global Risk Assessment Services

The coffee industry is facing a pressing need for innovative solutions to address environmental challenges. JDE Peet's has responded by adopting 4C Climate Friendly certification, an innovative approach to sustainable coffee production.

JDE Peet's, in partnership with 4C, Karagwe District Cooperative Union (KDCU) and Touton, embarked on a collaborative initiative to measure and reduce greenhouse gas (GHG) emissions in green coffee production in Tanzania. Co-funded by the German Federal Ministry of Economic Cooperation and Development (BMZ) via the developPPP programme, the project leverages the farmer-owned Karagwe District Cooperative Union (KDCU), which represents over 64,000 members across the Karagwe and Kyerwa districts.

Using a methodology developed by 4C, baseline emissions were established, enabling the identification of reduction strategies, including agroforestry, the application of manure and mulch, and climate-smart agricultural practices. Emissions monitoring continues to assess progress.

By the end of 2024, over 5,000 farmers – including more than 1,000 women and 1,000 youths – received training supported by 44 demonstration plots, 20 AMCOS (agricultural marketing cooperatives), and a nursery producing 400,000 agroforestry seedlings. These efforts aim to diversify farmers' incomes and improve soil health by introducing crops such as avocado, macadamia, mango, and mihumula. Furthermore, farmers achieved 4C Carbon Footprint certification, opening up new market opportunities.

Despite progress, the potential for further innovation in sustainable coffee production remains. For example, only a limited number of farmers have adopted biochar as a fertiliser to boost coffee yields,with substantial quantities of coffee hulls and parchment remaining unused or burned, contributing to GHG emissions. Recognising these challenges as opportunities, JDE Peet's continues to collaborate with its partners to explore innovative methods that enhance both environmental sustainability and economic viability across the region.

DISCLOSURE OF A MATERIAL TOPIC

Supplier self-assessment

In 2024, we issued the fifth edition of our Supplier Self-Assessment Form (SAF) to assess the alignment of our coffee suppliers with our Responsible Sourcing Principles and to evaluate risks in the areas from which we source our green coffee. Together with third-party farm-level assessments, the data collected through the SAF informs our broader risk assessments. For the first time, the SAF was implemented across all JDE Peet’s entities. We sent out 332 SAFs, representing unique supplier-origin combinations, achieving a response rate of 70%.

Responsible Sourcing Principles

We also introduced our Responsible Tea Sourcing Principles in 2024, which forms the foundation of our due diligence approach in addressing social and economic challenges in the tea supply chain, further enhancing supplier engagement in our tea sourcing journey.

Speak Up Channels

Recognising the complexities of the coffee supply chain, we understand the challenges workers and farmers face in raising grievances through traditional methods. To address this, we implement locally tailored, community-based systems that build awareness and engagement.

In Brazil, we supported the QC Conta project (colloquial Portuguese for "What people say") led by NGO Solidaridad. Through farmer surveys and stakeholder dialogues, the project adapted a coffee-specific grievance mechanism to the Brazilian context, aiming to improve its ability to prevent and mitigate human rights and environmental risks. Launched under the German Coffee Association,the initiative ran from November 2022 to 2024 and included a local stakeholder group of industry representatives.

Additionally, we joined the Nossa Voz platform in Brazil, which trains workers and farm owners on their rights and responsibilities, offering a safe and accessible grievance mechanism free from fear of retaliation.

Stakeholder engagement

Stakeholder engagement is central to our strategy. As an active member of the Global Coffee Platform (GCP), we support its goal to improve the livelihoods of one million smallholder farmers by 2030. In 2024, JDE Peet's was one of eight companies contributing USD 1.5 million towards initiatives focused on living income, climate adaptation and sustainability.

We also support Solidaridad's value distribution study, which examines income disparities in our supply chain and guides our efforts to promote equitable incomes.

Recognising regional variations in defining fair income, we are committed to establishing baselines and identifying pathways for improvement. While yield enhancement remains a focus, we are also exploring innovative solutions to support fair income for all, refining our strategy to address the diverse needs of farmers in our supply chain.

FUTURE ACTIONS

Looking ahead, we will expand our farmer programmes across diverse origins, reflecting the varied realities of coffee farmers. In 2025, we plan to launch 15 initiatives, delivering targeted projects aligned with our maturing risk assessment and due diligence processes, as well as our business strategy.

Recognising the need for collective action, we are proud to be a founding signatory of the ICO Public-Private Taskforce. Through the Living-Prosperous Income Workstream, we collaborate with industry peers to address income gaps for coffee farmers, supporting long-term sector resilience.

We will continue to engage with the research conducted by Wageningen University & Research (WUR) on the return on household labour. The realities of coffee farming in Kenya and Vietnam reveal significant disparities in income and productivity. Vietnamese farmers generally achieve higher earnings due to greater yields and larger farm sizes, whereas Kenyan farmers face challenges with lower returns. While assessing the total volume of coffee produced per household is essential for understanding income levels, evaluating the return on household labour offers a more comprehensive measure of productivity and long-term income sustainability.

Focusing on the return on household labour enables us to assess how effectively coffee production contributes to household income. This measure highlights the significantly higher returns Vietnamese farmers achieve compared to their Kenyan counterparts, while also revealing potential hidden unemployment and the variability of returns across households.

By examining the return on household labour, we can identify key factors influencing income, including farm size, time investment, financial inputs, and alternative income opportunities beyond coffee. This approach provides deeper insights into the true impact of coffee production on household income, ensuring that our initiatives to improve livelihoods are both targeted and effective. Furthermore, it offers a clearer perspective on labour productivity and allocation—critical elements in addressing living income gaps and fostering sustainable livelihoods for coffee-farming communities.

DISCLOSURE OF A MATERIAL TOPIC

METRICS

Engaging smallholder farmers	2024	2023	2020
Number of smallholder farmers reached in total	835,000	700,900	380,000
Number of smallholder farmers reached during the year	134,100	110,900	

ACCOUNTING POLICIES

Smallholder farmers

Smallholder farmers are small-scale agricultural producers primarily relying on family or household labour or workforce exchange with other members of the community, including permanent, seasonal, part-time, piece rate, migrant and third-party contractors, female and male. Our definition includes producers of coffee, tea, palm oil, and coconut oil.

We track 'reached smallholder farmers' annually, identifying those registered by the project implementing partner (supplier, NGO, local government entity) as beneficiaries of field projects funded by JDE Peet's. In order to count the smallholder farmer as 'reached', they need to be recorded as part of an active project in the relevant reporting tool as a recipient of the specific training/services of that project.

Methodology

The number of smallholder farmers reached, which is counted annually as smallholder farmers reached for the given calendar year and total as all smallholder farmers reached since 2015. Annual validation is provided by a third-party provider, Enveritas. Only the cumulative figure for 2024 is under limited assurance.

COMPLETED PROJECT

Regrow Yirga

COMMODITY: Coffee
TIME FRAME: 2020-2024
LOCATION: Yirgacheffe, Jimma in Ethiopia
SMALLHOLDER FARMERS REACHED: 38,750
PARTNERS: TechnoServe, USDA

In partnership with TechnoServe and the USDA, the Regrow Yirga project aims to enhance the sustainable competitiveness of Ethiopia's coffee sector, focusing on the Yirgacheffe and Jimma regions. In addition to broader interventions supporting the national coffee industry, the project addresses low productivity by incentivising smallholder farmers to rejuvenate ageing coffee trees. Through the innovative Farmer Stumping Fund, farmers are compensated for each stumped tree, mitigating short-term income loss while the trees regrow. As a result, 2,000,000 coffee plants have been stumped, with the expectation of significantly improved productivity.

ACTIVE PROJECT

Alianza Para El Cafe

COMMODITY: Coffee
TIME FRAME: 2018 - 2025
LOCATION: Comayagua, Copan, Santa Barabara in Honduras
SMALLHOLDER FARMERS REACHED: 5,600
PARTNERS: Honducafe, USAID

In collaboration with our partners at Honducafe and USAID, we are committed to fostering sustainable coffee production, safeguarding natural resources, and enhancing socio-economic development, as well as climate resilience in Honduras. The coffee sector, which underpins the livelihoods of many smallholder farmers, is expanding but continues to face challenges such as low yields and inconsistent quality. This initiative is focused on eight key regions, including Comayagua, Copan, and Santa Barbara, where we aim to train 5,600 households in sustainable production techniques, the use of agricultural inputs, and the implementation of Good Agricultural Practices (GAP).

Through this project, it is anticipated that 2,400 households will benefit from improved access to financial services, and 2,000 households will gain access to a credit fund amounting to USD 3 million. Additionally, 3,600 households are projected to see an average increase of 20% in productivity. Furthermore, this initiative places a strong emphasis on empowering women and youth by equipping them with the skills to serve as trainers within their communities. Our leading brands are also investing in supplementary activities within these communities, such as building schools, reforestation efforts, and promoting women's empowerment.

HUMAN RIGHTS

RESPECTING HUMAN RIGHTS

JDE Peet's is committed to respecting human rights as defined in key international covenants, such as the International Bill of Human Rights. We adhere to the UN Global Compact Principles, shown by our signatory to the UN Global Compact, and follow the UN Guiding Principles on Business and Human Rights (UNGPs) and OECD Guidelines for Multinational Enterprises. We are also a member of the ILO Child Labour Platform.

Our double materiality analysis highlights two material topics: farmers' livelihoods and human rights in the value chain. This chapter focuses on human rights in the value chain categorised into three areas: coffee & tea sourcing, procurement of other goods and services, and our internal operations, such as manufacturing sites.

HUMAN RIGHTS DUE DILIGENCE PROGRAMME

We are committed to protecting the future of coffee & tea by supporting thriving farming communities and protecting natural ecosystems. We continue to strengthen our Common Grounds programme, with an enhanced focus on safeguarding human rights, underpinned by our Human Rights Due Diligence process aligned with the OECD Guidelines for Multinational Enterprises. This framework ensures we identify, assess, and address human rights risks through supplier self-assessments and origin-specific evaluations.

We have implemented audit and remediation programmes, supported by a monitoring and evaluation framework reviewed by independent assessors. Progress and outcomes are shared through our Annual Report, social media platforms, corporate website, and other communication channels.

By adhering to the OECD guidelines, JDE Peet's is committed to a comprehensive, transparent, and effective due diligence process, reinforcing sustainable and ethical practices across our entire supply chain.

Our Responsible Sourcing Principles and Supplier Code of Conduct set clear expectations for suppliers to uphold ethical standards. Tailored approaches address diverse human rights risks across our operations, focusing on manufacturing, coffee & tea sourcing, and other procurement activities. These efforts are led by dedicated teams and overseen by a steering committee comprising the Executive Committee and senior management members.

This chapter outlines our due diligence activities across these three areas.

Building capabilities

To strengthen our team and capabilities, we are hiring an Upholding Standards Due Diligence manager to lead the global rollout of our due diligence strategy. Guided by clear leadership direction, this role will drive our ambitions and responsibilities forward, engaging both internal and external stakeholders in this transformative journey.

HUMAN RIGHTS POLICY

Our Human Rights Policy describes our commitments in respect of human rights and our related expectations of our employees and suppliers. Our purpose – to unleash the possibilities of coffee & tea to create a better future – can only be realised for all stakeholders across our business and supply chain when we commit to high standards of social and environmental responsibility and ethical conduct. In order to successfully prevent and remedy human rights impacts, this policy addresses several key areas, including trafficking of human beings, forced or compulsory labour and child labour. These include freely chosen employment aiming to terminate all forms of involuntary labour and any form of modern slavery, as well as the prohibition of child labour.

Also covered are several elements regarding working conditions, compensation and humane treatment.

Our Human Rights Policy underpins our commitment to responsible and ethical practices across our supply chains and operations, addressing both social and environmental impacts.

We prioritise remediation and collaboration when human rights issues are identified, though persistent concerns may lead to suspending or ending certain business relationships. This policy is informed by the International Bill of Human Rights, ILO Declaration, UN Global Compact Principles, UNGPs, and OECD Guidelines.

HUMAN RIGHTS DUE DILIGENCE TRAINING

In 2024, we held an in-depth human rights awareness session for our senior leadership team, following the initial leadership briefing launched in late 2023. This was followed by a global human rights due diligence (HRDD) e-learning, designed to build awareness and embed our due diligence framework, including Standard Operating Procedures, across the organisation. By year-end, 82% of employees had completed the e-learning.

CHANNELS TO RAISE CONCERNS AND PROCESSES TO REMEDIATE NEGATIVE IMPACTS

We recognise the critical role of an effective grievance mechanism for those in our value chain affected by human rights issues. Our Speak Up Policy, accessible in over 20 languages, is available to external stakeholders via our website's grievance reporting tool. Our Human Rights Policy and Supplier Code of Conduct also mandate that our business partners maintain grievance mechanisms to address and remediate reported impacts.

Local impacts are monitored through regular communication with our implementing partners, ensuring any concerns are promptly addressed. Our farmer projects apply a risk-based approach to manage potential socio-environmental challenges in the coffee sector, detailed further in this chapter. For more information on the Speak Up Policy can be found in the chapter on Ethics and Compliance here.

DISCLOSURE OF A MATERIAL TOPIC

HUMAN RIGHTS - COFFEE & TEA SOURCING

OUR APPROACH AND STRATEGY

In addition to on-the-ground engagement with smallholder farmers through our Common Grounds farmer programmes, we also recognise the importance of upstream collaboration with our direct suppliers to help achieve our social and environmental sustainability goals.

Our Human Rights Due Diligence programme aims to identify and address human rights risks in our supply chains. By assessing inherent country risks, conducting third-party farm-level evaluations, and leveraging our Supplier Self-Assessments, we gain a comprehensive view of human rights practices within our supply chains.

We actively engage with suppliers on human rights and environmental issues through regular communication and collaboration. Key findings and detailed insights are shared with suppliers, while top-tier suppliers undergo in-depth performance reviews, including evaluations of their sustainability efforts. These reviews offer tailored feedback to drive continuous improvement.

ACTIONS

In 2024, we began implementing our Human Rights Due Diligence programme, conducting risk assessments, strengthening supplier engagement, and requesting targeted action plans to address identified gaps across four key issues: child labour, forced labour, workers' rights and duties, and safe working conditions, including agrochemical handling.

We piloted an initiative with suppliers sourcing from high-risk coffee regions. They shared their human rights policies, due diligence processes, and action plans, which we evaluated and supported with feedback.

We are committed to enforcing our JDE Peet's Human Rights Due Diligence programme for green coffee by 2027. We are adopting a three-phased approach in line with the OECD Guidelines:

- **Phase 1 2024: Risk assessment**
  In 2024, we sent out supplier self-assessments to our direct coffee suppliers covering 30 sourcing origins and we monitor if they respond to the self-assessment. In 2024, 70% of our suppliers, considering unique supplier-origin combinations, responded to our self-assessment questionnaire. As a result of our risk assessment of the four key issues related to human rights, we identified 15 out of 30 origins demonstrating high risk.
- **Phase 2 2024-2025: Risk management and prioritisation**
  During this phase, we focused on assessing and prioritising risks based on their severity and likelihood. We evaluated the quality of self-assessment submissions and categorised the level of risk associated with each supplier. In 2024, supplier self-assessment responses covering 77% of our green coffee volumes met or exceeded our satisfactory threshold. Moving forward, we will work closely with prioritised high-risk suppliers to evaluate their due diligence processes and implement timely corrective action plans.
- **Phase 3 2025-2026: Ongoing monitoring**
  During this phase, we will continue to evaluate progress of the prioritised suppliers.

As part of our journey to identify and assess human rights risks in our value chain, and implement our Human Right Due Diligence programme in 2024, we continue to build, track and monitor the effectiveness of the undertaken measures and conduct periodic reviews of our policies and practices to incorporate the lessons learned in order to ensure the effectiveness of the due diligence process.

As of 2024, we also started to report the human rights issues and incidents in our supply chain.

FUTURE ACTIONS

As a responsible global company, we are committed to advancing human rights and reducing social and environmental impacts. Our Human Rights Due Diligence programme continues to expand globally. All new suppliers must complete a self-assessment, while existing suppliers undergo annual risk assessments.

In 2025, we will evaluate progress from 2024 and implement supplier due diligence action plans globally. To support this, we will introduce Human Rights Sustainability Engagement sessions, fostering best practices and advancing due diligence maturity across our supply chains.

We remain committed to raising awareness and driving proactive measures amongst our suppliers, reviewing their progress to ensure continuous improvement and effective issue resolution.

HUMAN RIGHTS - PROCUREMENT OF OTHER GOODS AND SERVICES

OUR APPROACH AND OUTLOOK

STRATEGY

We have adopted an ongoing risk management framework that prioritises supplier engagement, comprehensive risk assessments, targeted remediation, and actionable planning. This approach helps us identify suppliers meeting our standards and those needing structured improvement plans with clear timelines.

Using the Sedex[57] platform, we assessed approximately 12,000 supplier sites, covering both Cost of Goods Sold (COGS) and non-COGS suppliers. Sedex evaluates eight critical human rights risks, aligning with the International Labour Organization (ILO) Conventions:

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

To ensure due diligence, we assess COGS suppliers based on their inherent risk score from the Sedex platform and our annual spend with each supplier. Our standard procedure defines four risk thresholds, including low-risk suppliers which are deemed compliant, while higher-risk suppliers require closer monitoring, frequent audits, and onboarding onto platforms such as Sedex or Ecovadis. This targeted approach enables more effective collaboration and prioritisation.

A key deliverable is the corrective action plan, which outlines required improvements and tracks progress post-audit to maintain supplier alignment with our standards. Insights from the COGS procedure also inform processes for non-COGS suppliers, addressing their unique supply chain risks.

SUPPLIER CODE OF CONDUCT

At JDE Peet's, responsible supply chains practices enhance product quality, foster sustainable supplier partnerships, and minimise environmental and social impacts. We expect all suppliers to comply with our Supplier Code of Conduct, embedded in our contracts, which outlines our policies, principles and standards.

The code is guided by international human rights frameworks, such as the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and JDE Peet's Human Rights Policy. You can read more about this and other information about this policy in the appendix with the details of our policies.

Our suppliers must provide traceability and evidence of due diligence. We reserve the right to verify compliance through due diligence, including self-assessments, audits or other monitoring activities.

ACTIONS

In 2024, we advanced the onboarding of higher-risk COGS suppliers to Sedex/Ecovadis, supporting our 2027 goal towards 100% compliance for tier 1 COGS suppliers with our Human Rights Due Diligence, reaching 67% overall compliance. By year-end, 94% of EU-based higher-risk COGS suppliers and 76% of those outside EU, that were required to be onboarded in Sedex or Ecovadis, have been onboarded.

However, onboarding for these higher-risk COGS suppliers is just the first step. To strengthen policy implementation, we monitor: i) SMETA (or equivalent) audit results, ii) relative corrective action plans and iii) Ecovadis medal scores. 63% of onboarded higher-risk compliant or higher-risk non-compliant COGS suppliers have completed audits or received Ecovadis platinum/gold medal in the past years.

FUTURE ACTIONS

Our mid-term goal is full compliance with our due diligence for all COGS suppliers globally, supported by ongoing monitoring. We are also initiating deployment for non-COGS suppliers to better understand of human rights risks across our supply chain. This approach will help us refine our COGS and non-COGS due diligence, enhancing effectiveness and enabling proactive impact management.

57 Sedex is a global membership organisation dedicated to driving improvements in ethical and responsible business practices in global supply chains.

METRICS

	2024
Severe human rights incidents: Coffee sourcing	0
Severe human rights incidents: Non-coffee & tea COGS procurement	2
Severe human rights issues: Coffee sourcing	0
Severe human rights issues: Non-coffee & tea COGS procurement	0
Severe Human Rights Incidents and Issues	2

The two incidents, reported by one supplier this year during the SMETA audit, relate to compulsory overtime and restricted access to personal documents. We collaborated with the supplier to address these non-compliances and have a follow-up audit scheduled in (early) 2025 that has been already concluded showing that these two incidents have been closed in February 2025.

ACCOUNTING POLICIES

Coffee sourcing Human Rights Due Diligence

Aligned with OECD guidelines, we implemented a three-phase approach to human rights due diligence in our coffee sourcing.

Phase 1 – We distributed self-assessment questionnaires to our direct coffee suppliers to evaluate their human rights due diligence maturity. We closely monitored the response rate and submission progress.
Phase 2 – We conducted a risk assessment of these suppliers, considering the quality of their self-assessment responses, sourcing volumes (likelihood), and origin risk scores (severity).
Phase 3 – We continue to monitor and evaluate suppliers' progress in addressing identified risks and strengthening their due diligence processes.

The objective of this due diligence is to ensure that by 2027 all green coffee suppliers adhere to our Human Rights Due Diligence programme.

Non-coffee & tea COGS suppliers Human Rights Due Diligence

Supplier compliance coverage tracks the percentage of JDE Peet's other non-coffee & tea COGS suppliers fully aligned with our due diligence process. Risk assessments, based on supplier location using the Sedex platform (or Ecovadis), are central to this metric. Third-party audits, including SMETA, further support compliance by evaluating labour, health and safety, and environmental performance, with corrective action plans provided for improvement.

Severe human rights incident

Refers to a human rights' claim against JDE Peet's or non-compliance that have been reported through audits, due diligence, monitoring, or grievance mechanisms, including the Speak Up line.

Severe human rights issues

Severe human rights issues that are widespread, systemic, or ongoing cases that have been reported through risk assessments or repeated audit findings.

HUMAN RIGHTS - OWN WORKFORCE

OTHER SUSTAINABILITY TOPIC

SETTING THE SCENE

OUR TARGETS AND PROGRESS

Target **Towards 100% compliance with our Operations Human Rights Due Diligence by 2025**

Progress

0% 100%

2024 TARGET 2025

OUR POLICIES

Human Rights Policy

OUR APPROACH AND OUTLOOK

STRATEGY

At JDE Peet's, the health, safety, and well-being of our employees are our top priority. Our Codes of Conduct applies to all our employees and outlines the behaviours we uphold across our workforce. Diversity, equity and inclusion are integral to our values, and we have zero tolerance for discrimination of any kind. We encourage open communication through our Speak Up channels, where employees can report any concerns.

For more information on how we embed our Codes of Conduct into our operations, see the Ethics and Compliance section of this report.

Our Human Rights Policy implementation begins with self-assessment questionnaires across our sites, deepening our understanding of human rights and labour standards in our operations. This lays the groundwork for a comprehensive human rights risk management programme, complementing our ongoing health and safety audits.

We use insights from these assessments to monitor and address potential risks across our manufacturing sites. We then undertake SMETA[58] ethical audits, following a risk-based approach to prevent and mitigate any identified human rights impacts. This is reinforced by training for our operations leaders, site HR partners, and safety, health and environmental (SHE) leads on human rights due diligence. Our site-level approach to managing human rights risks is formalised in a Standard Operating Procedure, established in 2023.

ACTIONS

MANUFACTURING UNIT EMPLOYEES

In 2024, we took a number of steps to ensure we are able to meet our commitment. These included:

- We completed Sedex SAQ for 100% of our European plants
- One site underwent a 4-Pillar SMETA audit, with a plan in place to audit all remaining sites by 2025, reflecting our commitment to ethical standards.

OTHER EMPLOYEES

In May of this year, an associate in our Old Town Food and Beverages business in Malaysia (F&B) spoke up about several compliance issues relating to foreign worker employees not having valid work permits and/or passports. Upon being made aware of this issue, the Compliance team immediately commenced a thorough investigation to determine the facts.

It was subsequently determined that as of May 2024, a majority of the foreign workers of F&B were working without valid work permits and/or passports. The investigation revealed that both internal and external factors affected the renewal of the work permits and/or passports, including the delay in relevant foreign embassies renewing the expired passports and the lack of urgent actions on the part of F&B management to ensure the timely renewal of the work permits and/or passports.

We immediately took appropriate remedial actions, including engaging an external agency to support F&B in renewing all the affected foreign workers' passports and/or work permit in compliance with local laws. On 22 October 2024, we received the approval from Malaysia's Immigration Department to submit the application to renew the work permit of all affected foreign workers. As of 22 January 2025, the renewal applications are still being processed by the Malaysia's Immigration Department. We have further refined our internal procedures and controls to ensure that such events do not re-occur in the future. Foreign workers' well-being has been our focus and we have continuously updated them with respect to progress on their documentation. Finally, proper disciplinary action was taken against relevant employees.

FUTURE ACTIONS

To maintain accountability and ensure progress towards our vision, we have set the following targets for 2025:

a. Towards 100% of our production sites audited according to SMETA
b. Our Standard Operating Procedure deployed and fully operational, ensuring full compliance across all our sites to our due diligence process, especially as a result of the first 4-Pillar SMETA audits
c. A roadmap defined to include our coffee stores–OldTown, Peet's US and China, etc–and offices.

58 Sedex Members Ethical Trade

HEALTH AND SAFETY MANUFACTURING

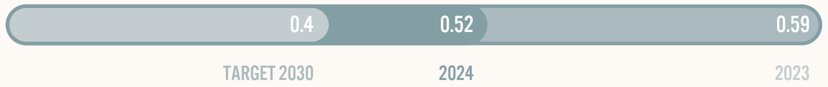
OTHER SUSTAINABILITY TOPIC

SETTING THE SCENE

OUR TARGETS AND PROGRESS

Target 0.4 Total Recordable Incidents Rate by 2030

Progress



OUR POLICIES

Health and Safety Policy

OUR APPROACH AND OUTLOOK

STRATEGY

In alignment with JDE Peet's Health and Safety Policy, We Work Safely, or We Don't Work!

We believe health and safety is a fundamental human right, underpinning our commitment to ethical responsibility and contributing to fostering dignity, respect, and well-being for all individuals. We are committed to ensuring a safe, healthy workplace for all employees, contractors, and visitors. This commitment is embedded in our operations, with clear safety targets like Total Recordable Incident Rate (TRIR) and SHE Maturity set globally and regionally.

Each manufacturing plant sets its own specific objectives in close collaboration with the respective regional director, ensuring alignment with overall business expectations.

We investigate incidents, injuries, and illnesses, and high-potential near misses via digital platforms, focusing on system improvements and a 'no blame' culture. Reportable incidents are now shared within 48 hours, with improved communication of lessons learned across the business.

For root cause analysis, we apply several methodologies, including 4W1H, Basic Condition Check, 6M, and the 5 Why method[59]. To maintain a clear focus on identifying root causes, we also utilise the DNV SCAT[60] model.

All recordable injuries and high-potential near misses are reviewed by the Regional Operational Director, Global OPEX Director, and Global SHE. The Check and Confirm programme ensures plant managers confirm completion of actions from reportable incidents.

Risk reporting is integral to recognition systems at many sites, underpinned by the mantra "We Work Safely or We Don't Work!" Employees are empowered to stop unsafe activities, fostering ownership and pride. Safe behaviours are reinforced through at least two planned and two spontaneous safety conversations per employee per month, now digitalised and widely adopted by our plants.

Our digital DMOS journey integrates SHE incidents, Behavioural Observation System (BOS), Lockout-Tagout-Tryout (LOTOTO), and Permit to Work (PTW) audits, and a digitalised Management of Change (MOC) process to assess SHE risks pre-project.

New employees undergo comprehensive health and safety inductions, covering policies, risks, PPE usage, KPI reporting, and DMOS, facilitated by Global SHE.

Contractors receive thorough induction training to understand relevant risks. Key SHE updates, including calls, are shared monthly across all sites via information boards, town halls and meetings.

Regular SHE training is provided at the global level, with specialist sessions for SHE experts, such as root cause analysis, working at height, and logistic safety held during significant standard changes to enhance skills.

Global SHE visits have driven higher standards and accelerated our safety leadership journey.

Occupational health remains central, with hazard identification and risk assessments underpinning our system. We continue to strengthen our health and safety culture across the organisation.

59 As root-cause analysis techniques, 4W1H refers to Who, What, Where, When and How; 6M refers to Manpower, Method, Machine, Material, Milieu and Measurement.
60 DNV SCAT is a systematic cause-analysis technique to learn from accidents and near-misses to prevent injury, environmental damage and quality losses.

OTHER SUSTAINABILITY TOPIC

ACTIONS

In 2024, we advanced our commitment to a safe and healthy working environment across the organisation, guided by our Safety and Health Roadmap and our strategic priorities. Significant progress was made towards an independent safety culture, marked by the launch of our first comprehensive Safety Leadership Guideline, endorsed by plant managers and regional directors.

We prioritised process safety, with key focus areas including roaster safety and ammonia safety. During International Health and Safety Day in April, we reinforced this focus through collaboration with an external consultant and piloted process safety initiatives at our Hemelingen site, laying the groundwork for our 2025 Process Safety Roadmap.

Leadership accountability remained key, with a poster campaign amplifying the importance of process safety across the organisation, supported by active engagement from local leaders.

We continued to prioritise operational excellence, addressing key risks and opportunities through focused work streams, including risk assessments, incident analysis, logistic safety, vehicle safety, and LOTOTO practices.

Partnering with an external safety leadership consultant, we delivered comprehensive training to plant managers and SHE leads across Europe, extending this with leadership workshops in the CEEMA and APAC regions. Brazil also progressed its safety leadership journey through a similar partnership.

At our Global SHE Conference in Joure, the Netherlands, we strengthened hazard identification and risk evaluation processes, introducing a risk assessment method practised on the shop floor. Well-being themes, including healthy body, mind and relationships, were also emphasised.

To strengthen ammonia cold room safety, we implemented advanced technical controls, culminating in our first Cold Room Standard, a significant step forward in ensuring safer operations in this area.

We employ a variety of tools and systems to assess and manage risk, including:

- Department and task-specific risk assessments using the Fine and Kinney method[61]
- Permit to Work (PTW) systems for contractor activities and high-risk processes involving our employees
- Last Minute Risk Assessments (LMRA), including written versions where necessary
- Hazard and Operability (HAZOP)[62] studies for process risks, with strong involvement from our engineering teams.
- Machine safety risk assessments in line with the requirements of the Use of Work Equipment Directive (2009/104/EC)
- ATEX[63] risk assessments in compliance with the EU Directive 2014/34, ensuring safe operations in potentially explosive environments.

These efforts underscore our commitment to health and safety, as we continue to develop and implement best practices across our global operations.

At our Sulaszewo plant in Poland, we reached a significant milestone in pedestrian and vehicle safety, progressing from Maturity Level 1.5 to 2.0. This accomplishment reflects the team’s unwavering commitment to enhancing safety Leadership and implementing technical improvements.

SHE ASSESSMENT PROGRAMME SUPPORTING OUR SAFETY CULTURE JOURNEY TOWARDS 'INDEPENDENT' STAGE[64]

We have advanced operational safety by developing and implementing Global SHE standards and guidelines, targeting critical risks and countermeasures in alignment with 45001 requirements. Plants are requested to adopt these standards within a pre-defined timeframe. In 2024, we prioritised enhancing our Logistic and Risk Assessment (RA) standards, alongside improvements to the incident reporting framework.

61 The Fine & Kinney method is used to estimate the degree of risk and to determine which measures should be taken to reduce these risks.
62 A hazard and operability study (HAZOP) is a structured and systematic examination of a complex system, usually a process facility, in order to identify hazards to personnel, equipment or the environment.
63 The ATEX directives are two EU directives describing the minimum safety requirements for workplaces equipment used in explosive atmospheres.
64 Based on DuPont Bradly Curve.

OTHER SUSTAINABILITY TOPIC

Compliance and safety maturity are systematically addressed through SHE evaluations conducted by cross-functional SHE teams.

In 2024, 20 assessments were completed globally, with progress tracked via maturity levels aligned with the DuPont Bradley Curve.

We are pleased to report that most sites exceeded a safety maturity level of 2.0, with 15 sites achieving this milestone. Findings are tracked in an electronic database, while best practises are shared via the Best Practice Forum and monthly MOS operational calls.

Worker participation remains key, with ISO 45001-compliant consultations covering risk assessments, operational changes, and health topics. Annual engagement surveys, and anonymous SHE behaviour surveys conducted prior to assessments, help strengthen cultural insights. Trade union discussions also form a key part of SHE evaluations at manufacturing sites.

Safety performance is reviewed monthly, with lessons learned from incidents shared company-wide. Key indicators, including LOTOTO, PTW, and BOS compliance, are closely monitored.

By year-end, 28 manufacturing sites were ISO 45001 certified, with full certification targeted by 2030.

Our global Total Recordable Incident Rate (TRIR) was 0.52 (2023: 0.59), with 51 injuries reported globally.

Emergency management plans are progressing, with effective drills conducted for scenarios like roaster fires and ammonia responses.

Thanks to our team's dedication, we are grateful to report zero fatal accidents in 2024.

FUTURE ACTIONS

Looking ahead, we will focus on enhancing process and warehouse safety, advancing our safety culture journey to greater maturity.

The updated RA standard will support this by enabling earlier risk identification and mitigation as part of our annual RA plan.

We are committed to expanding our Healthy You programme to include newly acquired businesses while strengthening the skills of employees and contractors in this critical area.

Digitalisation will simplify processes, making work more intuitive and efficient.

CONSUMERS AND END-USERS

SETTING THE SCENE

OUR IMPACTS, RISKS AND OPPORTUNITIES

Material topic: Product safety and quality

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
d	**Recalls and production stoppages**	We establish consumer and customer trust by ensuring the highest standards of food safety and product quality. However, isolated incidents, such as potential recalls, production stoppages (e.g., due to design flaws), or supplier non-compliance can erode this trust and cause significant disruptions to our business.			Consumers	

OUR TARGETS AND PROGRESS

Target

Towards 100% of our manufacturing sites to be food safety and quality verified by an internally recognised certification by 2025

Progress

OUR POLICIES

- Quality Policy

OUR ENGAGEMENT WITH STAKEHOLDERS

Engaging our stakeholders

Positive impact | Negative impact | Actual | Potential | Risk | Opportunity | Impact | Dependency | Short term | Medium term | Long term

DISCLOSURE OF A MATERIAL TOPIC

OUR APPROACH AND OUTLOOK

STRATEGY

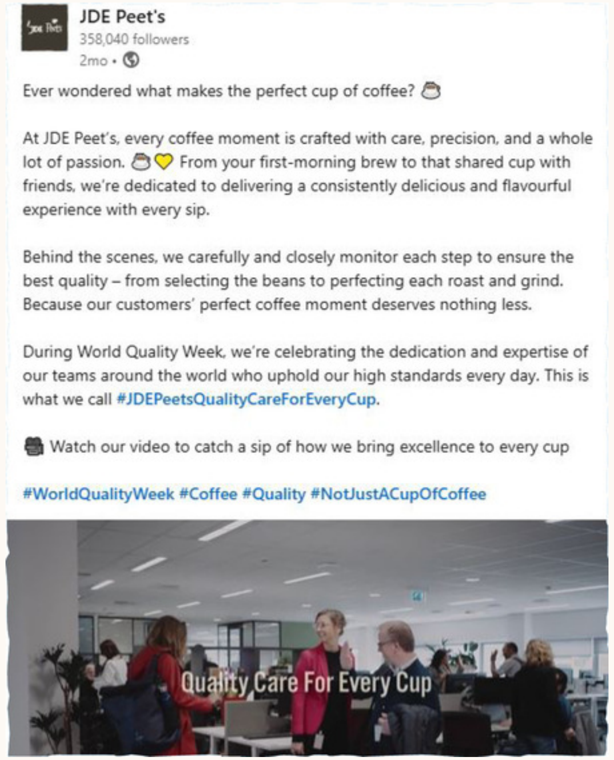
Food safety and quality are our primary focus, and the foundation upon which consumer and customer trust is built.

JDE Peet's is committed to the design, procurement, manufacture and delivery of safe and delicious food products which meet consumer and customer expectations. To achieve this, we have established a comprehensive company-wide Quality Management System (QMS) and developed high food safety and quality standards across the organisation and along our supply chain. These systems and standards are based on regular reviews of industry standards, product defects and the study of product retrievals throughout the food industry.

Our QMS adheres to the globally recognised Hazard Analysis and Critical Control Point (HACCP) system to safeguard food safety, identifying and mitigating critical risks. These systems are reviewed annually and upheld worldwide, with verification by external certification bodies and internal audits.

As a member of the Consumer Goods Forum, we support the Global Food Safety Initiative (GFSI) standards, aiming towards 100% certification of our internal operations and tier 1 suppliers by 2025. Our QMS is externally certified annually against FSSC 22000, a GFSI-recognised standard, and reinforced by rigorous internal and external audits conducted by our expert teams.

From sourcing to consumer, we ensure food safety and quality at every stage—at home, in offices, or cafés. We meticulously monitor risks, inspect materials, oversee production processes, and evaluate final products. Annually, we perform thousands of analyses to meet our exacting standards, ensuring excellence across the entire value chain.



POLICY

Our Quality Policy will be published in 2025 and defines our commitment to delivering excellence in safety, quality, and compliance for consumers.

At JDE Peet's, we ensure the highest standards in food safety and regulatory compliance, transforming consumer feedback, into meaningful improvements. Innovation is at the core of our approach, leveraging advanced technology to minimise loss and defects. We foster a culture of quality ownership, empowering employees through training and collaboration to uphold our quality promise.

ACTIONS

In 2024, we made significant progress across several areas:

- We continued to strengthen compliance through rigorous food safety and quality standards, with all audited manufacturing sites achieving our top compliance scores, reflecting the robustness of our QMS. Three additional sites gained FSSC 22000 certification. All sites were assessed against the new version 6 of the FSSC 22000 standard. The outcome of the audits demonstrated again this year a drive to continuously improve and embrace new requirements
- We introduced a mandatory e-learning programme to improve incident preparedness, resulting in a 30% reduction in both the number and severity of incidents. Root cause investigations were conducted, and one precautionary voluntary product recall was undertaken
- Our focus on new technologies supports risk mitigation, quality control, and traceability. Initiatives included an error-proof loading system, real-time monitoring of critical metrics, and the development of solutions to ensure compliance with the EU Deforestation Regulation
- We partnered with a new provider to access a digital platform for AI-driven horizon scanning, global ingredient monitoring, and enhancing our risk prediction
- Our supplier food safety and quality management system, integrated with SAP, safeguards our supply chain and prevents inadvertent sourcing of non-approved materials.

And we continue to invest on new features to advance the digitalisation of our quality and food safety system

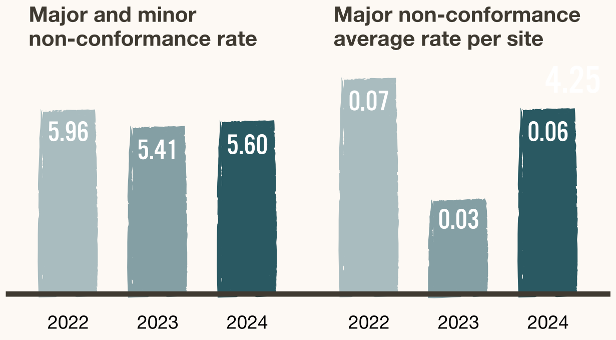
- Our dedication to a strong food safety and quality culture is supported by leadership initiatives such as workshops, behaviour assessments, and our master trainers programme. These are supported by tools including root-cause analysis training, risk-based decision-making, and continuous improvement methodologies. Collaborating with industry experts and recruiting top FMCG talent strengthens our approach
- In 2024, we launched our first Food Safety Day and Quality Week, reinforcing our commitment to excellence
- No non-conformances were identified during the 2024 audit, and by the end of the year 84.5% of our internal and external manufacturing sites were GFSI-certified
- Consumer complaints have remained stable, while technical complaints have significantly declined, highlighting the effectiveness of our ongoing improvement initiatives.

FUTURE ACTIONS

Looking ahead, we remain on track to achieve our 2025 target of ensuring that 100% of our manufacturing sites hold food safety certifications. In 2025, we plan to:

- Continue to foster a strong food safety and quality culture across the organisation, staying informed on critical risks and refining protocols accordingly. Leveraging data, we aim to anticipate and detect potential issues effectively
- Address sourcing and supply chain pressures by establishing strong relationships with reliable suppliers, conducting thorough quality audits, ensuring a robust traceability system, and leveraging internal and external monitoring
- Continue to align with evolving food safety regulations and strengthen our role in trade associations to enhance regulatory insights and risk mitigation measures
- Deliver on consumer expectations through continued transparency, as the safety and quality of products increasingly drive trust and preference among consumers
- Roll out fit-for-purpose food safety and quality standards, and agile risk assessments for our diverse route to markets, from retail, café, to direct and consumers
- Proactively manage risks associated with recycled materials and new ingredients for our product category.

GFSI audit 2024 results



By addressing these challenges proactively, and continuously improving food safety, quality and practices, we enhance consumer trust, protect brand reputation, and more effectively meet regulatory requirements.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS TO RAISE CONCERNS

At the heart of our commitment, we genuinely care for our customers and greatly value their feedback.Our global consumer contact centre, managing hundreds of thousands of interactions annually, serves as a key touchpoint for enquiries and concerns. It plays a vital role in enhancing the consumer experience, building loyalty and driving continuous improvement.

DISCLOSURE OF A MATERIAL TOPIC

METRICS

	2024	2023	2020
Food safety and quality			
Internal manufacturing sites certified to internationally recognised certification body	32	29	23
External manufacturing sites certified to internationally recognised certification body	66	69	
Manufacturing sites certified to internationally recognised certification body (%)	84.5 %	85 %	52 %

ACCOUNTING POLICIES

Food safety and quality-certified manufacturing sites (entity specific)

This metric encompasses all JDE Peet's internal and external manufacturing sites that have successfully passed a food safety and quality audit conducted by an internationally recognised certification body. These certifications are endorsed by the Global Food Safety Initiative (GFSI), with the most prominent standards being FSSC 22000, BRC, IFS, and SQF. Valid certificates issued by these bodies form the basis for calculating this metric.

Manufacturing sites

Refers to any production site manufacturing JDE Peet's branded food products, whether owned by JDE Peet's or operated externally.

Calculation

The number of manufacturing sites holding a valid GFSI certificate divided by the total number of manufacturing sites.

FOOD SAFETY - RESTAURANTS AND CAFÉS

OTHER SUSTAINABILITY TOPIC

OUR APPROACH AND OUTLOOK

STRATEGY

Food safety is a cornerstone of our operations. Across our global portfolio of over 600 cafés and restaurants, we deliver freshly prepared, nutritious products—from bagels to snacks and sweet treats—ensuring the highest standards of food safety. For us, a product is only fit for consumption if it meets strict food safety criteria.

Through brands such as 12Oz (Italy), OldTown White Coffee (South East Asia), Campos Coffee (Australia), Peet’s Coffee (USA, China), Café do Ponto, and Casa Pilão (Brazil), our teams work tirelessly to uphold and enhance these standards across each regions we serve.

ACTIONS

In 2024, we reissued our food safety and quality standards document, the JDE Peet’s Catering and Vending Quality Exhibit, detailing the minimum requirements for all affiliates.

We also launched an independent third-party audit programme for our our cafés and restaurants, partnering with Ecosure, a trusted long-term collaborator. This initiative extends third-party verification to markets where audits were previously absent.

Key actions within the Ecosure audit programme include:

- Introducing the Ecosure audit programme across all affiliates where third-party audit programmes were not in place
- Implementing an annual audit at each café and restaurant, utilising a standardised checklist
- Developing and tracking corrective actions based on audit results.

These efforts reinforce our commitment to food safety across all regions in which we operate.

FUTURE ACTIONS

By the end of 2025, we will have audited all our cafés and restaurants. We are also exploring a vending audit programme with Ecosure for affiliates that are focused on vending operations.

ENGAGING OUR COMMUNITIES

OTHER SUSTAINABILITY TOPIC

SETTING THE SCENE

OUR POLICIES

Anti-Bribery, Sanctions & AML Policy

OUR APPROACH AND OUTLOOK

STRATEGY

Coffee & tea are essential to daily life, fostering warmth and connection in both everyday and special moments. As an integral part of communities worldwide, JDE Peet's embraces the belief that "It's amazing what can happen over a cup of coffee or tea." We are committed to bringing people together, engaging locally, and contributing our time, skills, and care to build a more supportive and brighter future.

Each market tailors initiatives to local needs and employee interests, fostering meaningful engagement. This results in a diverse range of actions globally, from planting trees in China and donating bikes to children in Brazil, to sharing coffee and conversation at European foodbanks.

ACTIONS

In 2024, we implemented a range of impactful initiatives across our global markets. Below, we highlight some of the most notable efforts:

- In the UK & Ireland, we launched a new volunteering platform in partnership with Neighbourly, the UK's largest volunteering network. This platform offers both team and individual volunteering opportunities, including those with JDE Peet's existing social impact partners, ensuring that our employees have access to a variety of ways to give back to their communities
- In the US, Peet's launched the Percent Pledge platform, empowering employees to volunteer in line with our DE&I goals. During Women's History Month, we partnered with Project Glimmer to support young women through mentorship and networking. Our team prepared around 5,000 gifts for Mother's Day and Graduation.
- In the Netherlands, we introduced the JDE Peet's NL Charity Week, uniting CPG and Out-of-Home operations in a coordinated omni-channel initiative. Building on past efforts, Charity Week offered socially focused volunteering opportunities for employees, with several Out-of-Home customers invited to participate as volunteer locations. For this activation, we partnered with Stichting Present, an organisation that connects volunteers with those in need of support. In total, 385 colleagues contributed to 43 community projects, supporting initiatives such as children's activities, cooking for the elderly, food banks, painting, and creating Christmas arrangements
- We also kicked-off a project to define a company-wide social impact programme for JDE Peet's.The project aims to establish a unified purpose for all of our global social impact initiatives, building on the success of local activations. This common purpose will be shaped by global social insights and will align with our company vision and mission, as well as the values of coffee & tea. Creating a shared goal will help us empower our employees to have an impact on communities, foster unity, and enhance pride within the organisation. This will enable us to measure our global social impact in a meaningful and consistent way.

FUTURE ACTIONS

By 2025, we aim to roll out our company-wide social impact programme across, uniting efforts under a shared purpose and enabling global impact reporting.

GOVERNANCE

Upholding Standards
Common Grounds

BUSINESS CONDUCT

DISCLOSURE OF A MATERIAL TOPIC

Setting the scene

OUR IMPACTS, RISKS AND OPPORTUNITIES

Material topic: Business ethics

IRO	Title	Description	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon
Risk, Dependency	**Non-compliance with regulations and Codes of Conduct**	Non-compliance with regulations or standards for corporate conduct, for example non-compliance with the company's Codes of Conduct, can lead to increased costs due to penalties or non-compliance, losing our licence to operate, loss in reputation and reduced return on equity due to bad governance.		Production Packaging		Medium term

OUR COMMITMENTS

As 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. We also strive to embed our values in everything we do to pursue this purpose.

OUR POLICIES

- JDE Code of Conduct
- Peet's Code of Conduct
- JDE Peet's Speak Up Policy
- JDE Anti-Bribery and Corruption Policy

OUR INCORPORATION BY REFERENCE

For the disclosure requirements based on ESRS G1 - please refer to the Ethics and Compliance section in Corporate governance earlier in this report.

The following paragraphs in this section are in the scope of ESRS G1:
- Our code of conduct principles
- Business ethics and code of conduct
- Encouraging everyone to speak up
- Anti-bribery and anti-corruption
- Courses and training

Positive impact | Negative impact | Actual | Potential | Risk | Opportunity | Impact | Dependency | Short term | Medium term | Long term

DISCLOSURE OF A MATERIAL TOPIC

METRICS

	2024
Incidents of corruption and bribery	
Number of convictions for violation of anti-corruption and anti-bribery laws (where employees are directly involved)	0
Penalties (in EUR) for violation of anti-corruption and anti-bribery laws	0
Incidents involving actors in value chain where undertaking or employees are directly involved	0
Percentage of functions-at-risk covered by anti-bribery and anti-corruption training programmes	100 %
Percentage of functions-at-risk that completed anti-bribery and anti-corruption training programmes	92 %

ACCOUNTING POLICIES

Incidents of corruption and bribery

Incident/conviction
This is defined as a complaint that comes in via the Speak Up line and has been vetted by the company through established procedures and registered with the company or competent authorities through a formal process. It includes incidents where employees are directly involved.

Fines and penalties
These include fines and penalties tied to the closed incidents and closed complaints (and thus not the reported filed incidents or open complaints). The total amount of fines is recorded in the financial statements under selling, general, and administrative expenses, with further details provided in Section 2.3: Expenses by Nature, if deemed material.

Methodology
Incidents reported through our Speak Up tool, a third-party platform, are assessed centrally and investigated by the Investigation team. Fines tied to an incident will be reported by the local teams and consolidated and reported centrally.

Functions-at-risk
Functions exposed to compliance risk in area's like sales, procurement and operations.

NUTRITION

OTHER SUSTAINABILITY TOPIC

SETTING THE SCENE

OUR TARGETS AND PROGRESS

Target **% of sales of JDE Peet's-branded beverages that does not exceed the nutrient values in the high nutrient profile as defined in the Nutrition Policy by 2025**

Progress

OUR POLICIES

Nutrition Policy

OUR APPROACH AND OUTLOOK

STRATEGY

Our purpose is to unleash the possibilities of coffee & tea to create a better future. Drinking coffee & tea can be enjoyed as part of a healthy diet, which should aim to enhance overall health. Health is defined broadly as being a state of complete physical, mental and social well-being, rather and not merely the absence of disease.[65] Coffee & tea can play a role in all these aspects of health. Optimal hydration is essential for good health.

Coffee & tea without added sugar or milk are calorie-free and contribute to daily fluid intake. Beyond hydration, they can help maintain alertness and focus throughout the day, with decaffeinated options available in our portfolio for those sensitive to caffeine.

As one of the world's most consumed beverages, coffee is extensively studied and recognised as a potentially healthy choice. Research highlights its biologically active compounds, including polyphenols, trigonelline, and small amounts of magnesium, potassium, and vitamin B3 (niacin)[66]. JDE Peet’s closely follows scientific developments and is actively involved in the Institute of Scientific Information on Coffee (ISIC), a not-for-profit organisation founded in 1990. ISIC is devoted to the study and disclosure of science related to coffee and health and to coffee and sustainability.

The rise of front-of-pack (FOP) labelling reflects a global push for healthier consumption and product reformulation.

FOP systems, like the Health Star Rating and Nutri-Score, rely on Nutrition Profiling Methods (NPMs) to provide clear, at-a-glance nutritional information. However, many NPMs are designed for broad food and drink categories, making them less precise for JDE Peet’s coffee & tea portfolio. As the leading pure-play coffee & tea company, we continue to advocate for standards that accurately reflect our products’ unique nutritional profiles.

In alignment with our commitment to transparency, we have nevertheless assessed our portfolio, excluding recent acquisitions, using official criteria for low sugar, low saturated fat, and low salt content. This analysis indicates that approximately 76% of our sales qualifies within this healthy category.

[65] https://eatforum.org/content/uploads/2019/07/EAT-Lancet_Commission_Summary_Report.pdf
[66] van Dam RM, Hu FB, Willett WC. Coffee, Caffeine, and Health. NEJM. 2020 Jul 23; 383:369-378

As consumer preferences shift towards more indulgent beverages, we are committed to improving the fat and sugar content of these products. Our goal is to deliver the sensory experiences consumers love while minimising exposure to nutrition-related measures. At the same time, we aim to inspire the consumer to make healthier choices and reduce environmental impacts, ensuring long-term business resilience, competitive advantage, and value creation for our investors.

ACTIONS

Having reinforced our commitment to health by publishing our Nutrition Policy in 2023, which is aligned with our 2019-launched Health and Indulgence programme (HIP), this programme continued to guide product reformulation and innovation in 2024. At the same time, we continued to measure progress in our nutrition sustainability journey, aiming to align with scientific guidelines such as those of the EAT-Lancet Commission[67].

Our focus is on enhancing the nutritional profiles of our products while maintaining their sensory appeal. Since 2019, our R&D teams have collaborated globally to reduce sugar and saturated fat content in our indulgent products, targeting full compliance with our Nutrition Policy by 2030. Naturally, our beverages are very low in salt and artificial ingredients.

In 2024, we made significant progress across our mixes category, reducing sugar by up to 47% across improved recipes, achieving an average of just 8.2 grams of sugar per cup and reaching the second step of our HIP.

To highlight these efforts, we created a short video showcasing the work of our R&D team, which is featured in trade stories and our online channels.

FUTURE ACTIONS

For 2025, our commitment to continuous improvement remains firm. Through our HIP, we aim to minimise products in the high saturated fat and sugar categories by year-end. Enhancements to our Nutrition Dashboard will elevate it from an operational tool to a platform for compliance checks and data-driven decision-making.

We will align nutritional targets with the latest scientific insights and regulations, while embracing new technologies to create healthier products without compromising on quality or consumer appeal.

Guided by this vision, we strive to deliver a coffee or tea for every cup, supporting healthier lifestyles globally.

[67] https://eatforum.org/content/uploads/2019/07/EAT-Lancet_Commission_Summary_Report.pdf

PRODUCT LABELLING

OTHER SUSTAINABILITY TOPIC

SETTING THE SCENE

OUR POLICIES

Nutrition Policy

OUR APPROACH AND OUTLOOK

STRATEGY

Product labelling is seamlessly integrated into our innovation and renovation processes to ensure compliance with applicable food laws and to inform consumers about our products' attributes.

Our Quality Management System (QMS) is essential in maintaining the highest standards, ensuring adherence to all product labelling requirements across the diverse markets we serve.

The Regulatory Affairs team meticulously assesses and validates all product labels, ensuring they comply with regional and local legislation and product labelling standards.

ACTIONS

In 2024, we received no significant fines or sanctions for non-compliance with product and service information or labelling regulations. Where relevant, front-of-pack labels were included, and all composite products provided full transparency through comprehensive labelling, including nutritional information, to support informed consumer choices. We also began automating and improving the efficiency of our labelling process, which will continue into 2025.

Stakeholder engagement was strengthened through trade associations, industry bodies, and pre-competitive initiatives. We enhanced our regulatory scouting efforts by automating processes and expanding our external consultancy and trade associations networks.

FUTURE ACTIONS

Looking ahead, we support the European Commission’s ambition to implement a harmonised front-of-pack food labelling system, offering clear and meaningful information to consumers. While progress on mandatory front-of-pack nutrition labelling has been delayed, we are encouraged by its prioritisation under the incoming Commission. We also plan to harness AI tools to enhance our scouting capabilities, enabling proactive responses to evolving regulatory developments.

RESPONSIBLE MARKETING

OTHER SUSTAINABILITY TOPIC

OUR POLICIES

Responsible Marketing Policy

OUR APPROACH AND OUTLOOK

Our brands bring people together, creating moments of connection and enjoyment, while providing energy and sensory experiences. They give people the freedom to express their individuality and the power to transform themselves, because amazing things can happen over a cup of coffee or tea.

We do not actively target our advertising to consumers below the age of 14. Instead, we focus our advertising on channels that target 18+ consumers, complying with all applicable laws governing marketing communications to children under the age of 14.

We are committed to adhering to all applicable laws and regulations across the diverse markets in which we operate. Our products are clearly and thoroughly labelled, ensuring that consumers have access to accurate and detailed information, including nutritional content, enabling them to make informed purchasing decisions.

ACTIONS

In 2024, we made positive impacts through our Responsible Marketing Policy, applicable to our employees and global marketing agency partners. The policy defines guidelines regarding claims, advertising, nutrition, packaging, and DE&I, which are particularly relevant to our consumers.

As part of our Common Grounds programme, we launched the Sourcing for Better initiative within our JACOBS range, underscoring our dedication to responsible sourcing practices. Additionally, we introduced the responsible sourcing seal across a broad selection of our brand portfolio in Europe.

Following the successful introduction of the first-to-market pure refill paper bag for instant coffee, we extended this innovative solution to over 20 markets. We also made significant strides in reformulating the majority of our instant coffee mixes, achieving substantial reductions in sugar, salt, fat, and packaging, while continuing to deliver the experiences consumers expect.

FUTURE ACTIONS

We will continue to use the Common Grounds programme to demonstrate our ambitions through our brands. In 2025, we aim to expand the number of countries offering instant-refill paper bags and further explore paper as one of the packaging formats of the future.

We will transition a significant portion of our roast and ground (R&G) and beans portfolio to mono-material packaging, moving them towards being 100% recyclable. Finally, we will complete the transition of our tea portfolio to ensure all products sold in Europe are free of plastic overwrap.

SUSTAINABILITY STATEMENTS APPENDIX

DISCLOSURE OF A MATERIAL TOPIC

OVERVIEW OF OUR POLICIES

					If applicable	
Policy	**Key content in policy section**	**Common Grounds pillar**	**Scope**	**Governance**	**Third-party standards (where appropriate)**	**Availability**
Environmental Policy	Climate Change & Resource use and circular economy	Minimising Footprint	Full value chain	Chief Supply Officer and Chief Research and Development Officer	ISO 14001	On our website, here.
Responsible Coffee Sourcing Principles	Climate Change	Responsible Sourcing	All JDE Peet's green coffee suppliers	Chief Supply Officer		On our website, here.
Forest Policy	Climate Change & Biodiversity and ecosystems	Responsible Sourcing	JDE Peet's and all JDE Peet's suppliers worldwide from whom JDE Peet's sources (i) coffee, (ii) pulp and paper, (iii) palm oil and (iv) cocoa	Global Coffee & Tea Sourcing Director & Global Procurement Director Chief Supply Officer	FSC, PEFC, RSPO	On our website, here.
Water Stewardship Policy	Water and marine resources	Minimising Footprint	JDE Peet's direct manufacturing operations	Global Operational Excellence Director Chief Supply Officer		On our website, here.
Palm Oil Responsible Sourcing Principles	Biodiversity and ecosystems	Responsible Sourcing	JDE and its suppliers (policy text) / All consolidated JDE Peet's entities	Chief Supply Officer	RSPO	On our website, here.
Supplier Code of Conduct	Biodiversity and ecosystems	Responsible Sourcing	Supplier's officers, directors, employees, third-party contractors, subcontractors, and temporary and migrant workers of JDE Peet's	CEO		On our website, here.
Human Capital Playbooks	Own Workforce	Connecting People	All employees of JDE Peet's	HR Managers and Direct Line Managers		For employees only - on intranet
DE&I Policy	Own Workforce	Connecting People	All employees of JDE Peet's	CHRO, CEO		On our website, here.
Human Rights Policy	Workers in the value chain	Responsible Sourcing	Employees, agents, consultants, temporary workers, and contractors and, to other stakeholders in the Company's supply chains, such as workers, farmers, and 'at-risk' individuals.	CEO		On our website, here.
Quality Policy	Consumers and end-users	Upholding standards	Consumers and customers of JDE Peet's	Chief Research & Development Officer	FSSC22 000	Not yet available
JDE Code of Conduct	Business Conduct	Upholding standards	Our Code applies equally to all employees and consultants/temporary workers of JDE.	Board's Audit Committee		On our website, here.
Peet's Code of Conduct	Business Conduct	Upholding standards	Co-workers, customers and third parties such as contractors, vendors, partners, suppliers, and members of our community of Peet's including its employees	Chief Supply Officer		On our website, here.
Speak up Policy	Business Conduct	Upholding standards	Anyone who wishes to raise a concern about possible misconduct within JDE Peet's or its subsidiaries	Global Compliance Officer General Counsel		On our website, here.
Anti-Bribery and Corruption Policy	Business Conduct	Upholding standards	All our business transactions, third-parties acting with or on behalf of JDE Peet's, as well as the individual behaviour of our employees.	Global Chief Compliance Officer Regional Presidents and President Professional		On our website, here.

ESRS CONTENT INDEX

		Paragraph	Notes (any additional information to indicate/ provide)
ESRS 2	**General Disclosures**		
BP-1	General basis for preparation of the sustainability statement	General disclosures - Basis for preparation	
BP-2	Disclosures in relation to specific circumstances	General disclosures - Basis for preparation General disclosures - Our double materiality assessment	Section: Methodology
GOV-1	The role of the administrative, management and supervisory bodies	Governance and risk management - Our board of directors Governance and risk management - Report of the non-executive directors - Meetings and activities of the board Governance and risk management - Report of the non-executive directors - Independence Governance and risk management - Corporate governance statement - Board's role, functioning and duties Governance and risk management - Corporate governance statement - Diversity General disclosures - Our double materiality assessment	Section: Board evaluation Sections: Composition of the board; Board committees - Sustainability governance
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Governance and risk management - Corporate governance statement - Board's role, functioning and duties General disclosures - Our double materiality assessment General disclosures - Outcomes double materiality assessment	Section: Board committees - Sustainability governance Section: Methodology - Governance and oversight
GOV-3	Integration of sustainability-related performance in incentive schemes	General disclosures - Governance Remuneration Report - Executive Director remuneration 2024 - Long-term incentive	Section: Sustainability-related performance in incentive schemes
GOV-4	Statement on due diligence	General disclosures - Governance	Section: Statement of due-diligence
GOV-5	Risk management and internal controls over sustainability reporting	Governance - Risk management Risk management - Risk management	
SBM-1	Strategy, business model and value chain	JDE Peet's at a glance - Our business Strategy and value creation - Our value creation story General disclosures - Strategy General disclosures - Our sustainable value chain Social - Own workforce - Human capital management - Metrics	
SBM-2	Interests and views of stakeholders	Governance and risk management - Report of the non-executive directors - Meetings and activities of the board General disclosures - Engaging our stakeholders	Section: Continuous engagement with stakeholders
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	General disclosures - Strategy General disclosures - Our double materiality assessment General disclosures - Outcomes double materiality assessment Environmental - Climate change - Current and anticipated financial effects Environmental - Water and marine resources - Current and anticipated financial effects Environmental - Biodiversity and ecosystems - Current and anticipated financial effects Environmental - Resource use and circular economy - Current and anticipated financial effects	Section: Methodology - Results of the 2024 light review Section: Material topics and related IROs

		Paragraph	Notes (any additional information to indicate/ provide)
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Governance and risk management - Corporate governance statement - Board's role, functioning and duties Governance and risk management - Risk management - Risk assessment General disclosures - Our double materiality assessment	Sections: Double materiality; Methodology
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	General disclosures - Our double materiality assessment Sustainability statements appendix - ESRS content index Sustainability statements appendix - Datapoints from other EU-legislation	Sections: Double materiality; Methodology
ESRS E1	**Climate change**		
E1.GOV-3	Integration of sustainability performance into reward schemes	Environmental - Climate change - Our strategy and outlook	Section: Strategy
E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Environmental - Climate change - Our strategy and outlook Environmental - Climate change - Current and anticipated financial effects	Section: Strategy - Transition plan
E1.IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	General disclosures - Our double materiality assessment Environmental - Climate change - Setting the scene Environmental - Climate change - Our strategy and outlook Environmental - Climate change - Current and anticipated financial effects	Section: Methodology Section: Our impacts, risks and opportunities Section: Strategy
E1-1	Transition plan for climate mitigation	Environmental - Climate change - Our strategy and outlook Environmental - EU Taxonomy - Introduction to the EU Taxonomy	Sections: Strategy; Policy; Actions Section: Eligibility and alignment of economic activities of JDE Peet's as defined in the EU Taxonomy
E1-2	Policies related to climate change mitigation and adaptation	Environmental - Climate change - Our strategy and outlook Sustainability statements appendix - Overview of our policies	Section: Policy
E1-3	Actions and resources in relation to climate change policy	Environmental - Climate change - Our strategy and outlook Environmental - Climate change - Current and anticipated financial effects	Section: Actions; Future actions
E1-4	Targets related to climate change mitigation and adaptation	Environmental - Climate change - Setting the scene Environmental - Climate change - Our strategy and outlook	Sections: Our targets and progress Sections: Strategy; Policy
E1-5	Energy consumption and mix	Environmental - Climate change - Metrics Environmental - Climate change - Accounting policies	
E1-6	Gross scope 1, 2, 3 emissions and total greenhouse gas emissions	Environmental - Climate change - Metrics Environmental - Climate change - Accounting policies	
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Environmental - Climate change - Our strategy and outlook	Section: Policy - Voluntary credits
E1-8	Internal carbon pricing	Environmental - Climate change - Our strategy and outlook	Section: Policy - Internal carbon pricing
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Environmental - Climate change - Current and anticipated financial effects	For certain data points in this disclosure, the phase-in option is used.

		Paragraph	Notes (any additional information to indicate/ provide)
ESRS E2	**Pollution**		
Pollution is not deemed a material topic. Therefore the ESRS E2-disclosures are not included in the Sustainability Statements.			
ESRS E3	**Water and marine resources**		
E3.IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	General disclosures - Our double materiality assessment General disclosures - Outcomes double materiality assessment General disclosures - Engaging our stakeholders	Section: Methodology Section: Nature and communities (NGOs)
E3-1	Policies related to water and marine resources	Environmental - Water and marine resources - Our strategy and outlook Sustainability statements appendix - Overview of our policies	Section: Policy
E3-2	Actions and resources related to water and marine resources	Environmental - Water and marine resources - Our strategy and outlook	Section: Actions; Future actions
E3-3	Targets related to water and marine resources	Environmental - Water and marine resources - Setting the scene Environmental - Water and marine resources - Our strategy and outlook	Section: Our targets and progress Sections: Policy - Update of our water stewardship policy; Actions
E3-4	Water consumption	Environmental - Water and marine resources - Metrics Environmental - Water and marine resources - Accounting policies	
E3-5	Anticipated financial effects from material water and marine resources-related risks and opportunities	Environmental - Water and marine resources - Current and anticipated financial effects	For certain datapoints in this disclosure, the phase-in option is used.
ESRS E4	**Biodiversity and ecosystems**		
E4.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Environmental - Biodiversity and ecosystems - Setting the scene Environmental - Biodiversity and ecosystems - Our strategy	Section: Our impacts, risks and opportunities Section: Transition plan
E4.IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	General disclosures - Our double materiality assessment General disclosures - Engaging our stakeholders Environmental - Biodiversity and ecosystems - Setting the scene Environmental - Biodiversity and ecosystems - Our strategy Environmental - Biodiversity and ecosystems - Deforestation - Our approach and outlook Environmental - Biodiversity and ecosystems - Sustainable agriculture - Our strategy and outlook	Section: Methodology Sections: Smallholder farmers; Nature and communities (NGOs) Section: Our impacts, risks and opportunities Section: Transition plan Section: Our Forest Policy Sections: Strategy; Policy
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Environmental - Biodiversity and ecosystems - Our strategy	Section: Transition plan
E4-2	Policies related to biodiversity and ecosystems	Environmental - Biodiversity and ecosystems - Deforestation - Our approach and outlook Environmental - Biodiversity and ecosystems - Sustainable agriculture - Our strategy and outlook Sustainability statements appendix - Overview of our policies	Sections: Our Forest Policy: Our Palm Oil Policy; Our Supplier Code of Conduct; Actions Sections: Strategy; Policy

		Paragraph	Notes (any additional information to indicate/ provide)
E4-3	Actions and resources related to biodiversity and ecosystems	Environmental - Biodiversity and ecosystems - Our strategy Environmental - Biodiversity and ecosystems - Deforestation - Our approach and outlook Environmental - Biodiversity and ecosystems - Sustainable agriculture - Our strategy and outlook	Section: Transition plan Sections: Actions; Future actions Sections: Actions; Future actions
E4-4	Targets related to biodiversity and ecosystems	Environmental - Biodiversity and ecosystems - Setting the scene Environmental - Biodiversity and ecosystems - Metrics Environmental - Biodiversity and ecosystems - Accounting policies	Section: Our targets and progress Section: Additional information on setting targets for biodiversity and ecosystems
E4-5	Impact metrics related to biodiversity and ecosystems change	Not applicable	Biodiversity and ecosystems is not material in our own operations, therefore this disclosure is not included.
E4-6	Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	Environmental - Biodiversity and ecosystems - Current and anticipated financial effects	For certain datapoints in this disclosure, the phase-in option is used.
ESRS E5	**Resource use and circular economy**		
E5.IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	General disclosures - Our double materiality assessment General disclosures - Engaging our stakeholders Environmental - Resource use and circular economy - Setting the scene	Section: Methodology Section: Our impacts, risks and opportunities
E5-1	Policies related to resource use and circular economy	Environmental - Resource use and circular economy - Our strategy and outlook Environmental - Resource use and circular economy - Circularity Environmental - Resource use and circular economy - Packaging Environmental - Resource use and circular economy - Waste in our own operations	Section: Strategy Section: Policy Section: Packaging footprint reduction Section: Policy
E5-2	Actions and resources related to resource use and circular economy	Environmental - Resource use and circular economy - Circularity Environmental - Resource use and circular economy - Packaging Environmental - Resource use and circular economy - Waste in our own operations	Sections: Actions; Future actions Sections: Actions; Circular packaging; Packaging footprint reduction; Future actions Sections: Progress and actions; Future actions
E5-3	Targets related to resource use and circular economy	Environmental - Resource use and circular economy - Setting the scene Environmental - Resource use and circular economy - Circularity Environmental - Resource use and circular economy - Packaging Environmental - Resource use and circular economy - Waste in our own operations	Section: Our targets and progress Section: Policy Sections: Circular packaging; Packaging footprint reduction Section: Progress and actions
E5-4	Resource inflows	Environmental - Resource use and circular economy - Overview of in- and outflows Environmental - Resource use and circular economy - Metrics Environmental - Resource use and circular economy - Accounting policies Other sustainability metrics - Minimising footprint	Section: Resource inflows
E5-5	Resource outflows	Environmental - Resource use and circular economy - Overview of in- and outflows Environmental - Resource use and circular economy - Metrics Environmental - Resource use and circular economy - Accounting policies	Sections: Resource outflows; Manufacturing waste; Materials present in the waste

DISCLOSURE OF A MATERIAL TOPIC

		Paragraph	Notes (any additional information to indicate/ provide)
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Environmental - Resource use and circular economy - Current and anticipated financial effects	For certain data points in this disclosure, the phase-in option is used.
ESRS S1	**Own workforce**		
S1.SBM-2	Interests and views of stakeholders	General disclosures - Engaging our stakeholders Social - Own workforce - Human Capital Management - Our approach and outlook Social - Own workforce - Diversity, equity and inclusion - Our approach and outlook	Section: Employees Section: Engaging our employees Section: Engaging our employees
S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Social - Own workforce - Setting the scene Social - Own workforce - Diversity, equity and inclusion - Our approach and outlook	Section: Our impacts, risks and opportunities Section: Policy
S1-1	Policies related to own workforce	Social - Own workforce - Human capital management - Our approach and outlook Social - Own workforce - Diversity, equity and inclusion - Our approach and outlook Sustainability statements appendix - Overview of our policies	Section: Policy Sections: Policy; Processes to remediate negative impacts and channels to raise concerns
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Social - Own workforce - Human capital management - Our approach and outlook Social - Own workforce - Diversity, equity and inclusion - Our approach and outlook	Sections: Engaging our employees; Outcomes - Engagement survey Sections: Engaging our employees; Processes to remediate negative impacts and channels to raise concerns
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Social - Own workforce - Diversity, equity and inclusion - Our approach and outlook	Section: Processes to remediate negative impacts and channels to raise concerns
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Social - Own workforce - Human capital management - Our approach and outlook Social - Own workforce - Diversity, equity and inclusion - Our approach and outlook	Sections: Actions; Resources allocated to manage impacts and opportunities of our employees; Future actions Sections: Actions; Outcomes; Future actions
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	General disclosures - Engaging our stakeholders Social - Own workforce - Setting the scene Social - Own workforce - Human capital management - Our approach and outlook Social - Own workforce - Diversity, equity and inclusion - Our approach and outlook	Section: Our targets and progress Section: Voluntary turnover in leadership positions Section: Women in leadership positions
S1-6	Characteristics of the undertaking's employees	Social - Own workforce - Human capital management - Metrics Social - Own workforce - Human capital management - Accounting policies	
S1-7	Characteristics of non-employees in the undertaking's own workforce	Not applicable	For this disclosure, the phase-in option is used.
S1-8	Collective bargaining coverage and social dialogue	Not applicable	Collective bargaining and social dialogue is not material, therefore this disclosure is not included.
S1-9	Diversity metrics	Social - Own workforce - Diversity, equity and inclusion - Metrics Social - Own workforce - Diversity, equity and inclusion - Accounting policies	

DISCLOSURE OF A MATERIAL TOPIC

		Paragraph	Notes (any additional information to indicate/ provide)
S1-10	Adequate wages	Not applicable	Adequate wages is not material, therefore this disclosure is not included.
S1-11	Social protection	Not applicable	Social protection is not material, therefore this disclosure is not included.
S1-12	Persons with disabilities	Not applicable	Persons with disabilities is not material, therefore this disclosure is not included.
S1-13	Training and skills development metrics	Not applicable	For this disclosure, the phase-in option is used.
S1-14	Health and safety metrics	Not applicable	Health and safety is not material, therefore this disclosure is not included.
S1-15	Work-life balance metrics	Not applicable	Work-life balance is not material, therefore this disclosure is not included.
S1-16	Remuneration metrics (pay gap and total remuneration)	Social - Own workforce - Diversity, equity and inclusion - Our approach and outlook Social - Own workforce - Diversity, equity and inclusion - Metrics Social - Own workforce - Diversity, equity and inclusion - Accounting policies	Section: Outcomes
S1-17	Incidents, complaints and severe human rights impacts	Social - Own workforce - Human capital management - Metrics Social - Own workforce - Human capital management - Accounting policies	
ESRS S2	**Workers in the value chain**		
S2.SBM-2	Interests and views of stakeholders	General disclosures - Engaging our stakeholders Social - Workers in the value chain - Farmers' livelihoods - Our approach and outlook Social - Workers in the value chain - Human rights: coffee and tea sourcing - Our approach and strategy	Section: Engaging smallholder farmers
S2.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Social - Workers in the value chain - Setting the scene Social - Workers in the value chain - Farmers' livelihoods - Our approach and outlook Social - Workers in the value chain - Human rights: coffee and tea sourcing - Our approach and strategy Social - Workers in the value chain - Human rights: procurement of other goods and services - Our approach and outlook	Section: Our impacts, risks and opportunities Section: Engaging smallholder farmers Section: Strategy
S2-1	Policies related to value chain workers	General disclosures - Engaging our stakeholders Social - Workers in the value chain - Farmers' livelihoods - Our approach and outlook Social - Workers in the value chain - Human rights - Respecting human rights Social - Workers in the value chain - Human rights: coffee and tea sourcing - Our approach and strategy Social - Workers in the value chain - Human rights: procurement of other goods and services - Our approach and outlook Sustainability statements appendix - Overview of our policies	Section: Engaging smallholder farmers Sections: Human rights due diligence programme; Human Rights Policy Section: Supplier Code of Conduct
S2-2	Processes for engaging with value chain workers about impacts	General disclosures - Engaging our stakeholders Social - Workers in the value chain - Farmers' livelihoods - Our approach and outlook Social - Workers in the value chain - Human rights: coffee and tea sourcing - Our approach and strategy Social - Workers in the value chain - Human rights: procurement of other goods and services - Our approach and outlook	Section: Engaging smallholder farmers

		Paragraph	Notes (any additional information to indicate/ provide)
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Social - Workers in the value chain - Farmers' livelihoods - Our approach and outlook Social - Workers in the value chain - Human rights - Respecting human rights Social - Workers in the value chain - Human rights: coffee and tea sourcing - Our approach and strategy	Section: Engaging smallholder farmers Section: Channels to raise concerns and processes to remediate negative impacts
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	Social - Workers in the value chain - Farmers' livelihoods - Our approach and outlook Social - Workers in the value chain - Human rights - Respecting human rights Social - Workers in the value chain - Human rights: coffee and tea sourcing - Our approach and strategy Social - Workers in the value chain - Human rights: procurement of other goods and services - Our approach and outlook Social - Workers in the value chain - Human rights: procurement of other goods and services - Metrics	Sections: Actions; Future actions Section: Human rights due diligence training Sections: Actions; Future actions Sections: Strategy; Actions; Future actions
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	General disclosures - Engaging our stakeholders Social - Workers in the value chain - Setting the scene Social - Workers in the value chain - Farmers' livelihoods - Our approach and outlook Social - Workers in the value chain - Farmers' livelihoods - Accounting policies Social - Workers in the value chain - Human rights: coffee and tea sourcing - Our approach and strategy Social - Workers in the value chain - Human rights: procurement of other goods and services - Accounting policies	Section: Actions
ESRS S3	**Affected communities**		
Affected communities is not deemed a material topic. Therefore the ESRS S3-disclosures are not included in the sustainability statements.			
ESRS S4	**Consumers and end-users**		
S4.SBM-2	Interests and views of stakeholders	General disclosures - Engaging our stakeholders	Section: Consumers
S4.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Social - Consumers and end-users - Setting the scene	Section: Our impacts, risks and opportunities
S4-1	Policies related to consumers and end-users	Social - Consumers and end-users - Our approach and outlook Sustainability statements appendix - Overview of our policies	Section: Policy
S4-2	Processes for engaging with consumers and end-users about impacts	General disclosures - Engaging our stakeholders Social - Consumers and end-users - Our approach and outlook	Section: Consumers Sections: Policy; Actions; Processes to remediate negative impacts and channels to raise concerns
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Social - Consumers and end-users - Our approach and outlook	Section: Processes to remediate negative impacts and channels to raise concerns
S4-4	Taking action on material impacts on consumers and end- users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Social - Consumers and end-users - Our approach and outlook	Sections: Actions; Future actions

DISCLOSURE OF A MATERIAL TOPIC

		Paragraph	Notes (any additional information to indicate/ provide)
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	General disclosures - Engaging our stakeholders Social - Consumers and end-users - Setting the scene	Section: Our targets and progress
ESRS G1	**Business conduct**		
G1.GOV-1	The role of the administrative, management and supervisory bodies	Governance and risk management - Ethics and compliance - Observing the highest standards of ethics and compliance Governance and risk management - Report of the non-executive directors - Board committees	Section: Business ethics and our codes of conduct Section: Audit committee
G1.IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	General disclosures - Our double materiality assessment	Section: Methodology
G1-1	Business conduct policies and corporate culture	Introduction - Who we are - Our purpose Introduction - Who we are - Our culture - Our behaviours are value-based and shape our culture Governance and risk management - Ethics and compliance - Observing the highest standards of ethics and compliance Sustainability statements appendix - Overview of our policies	Sections: Business ethics and our codes of conduct; Encouraging everyone to speak up; Anti-bribery and anti-corruption
G1-2	Management of relationships with suppliers	Not applicable	Management of relationships with suppliers is not material, therefore this disclosure is not included.
G1-3	Prevention and detection of corruption and bribery	Governance and risk management - Ethics and compliance - Observing the highest standards of ethics and compliance	Sections: Business ethics and our codes of conduct; Anti-bribery and anti-corruption
G1-4	Incidents of corruption or bribery	Governance and risk management - Ethics and compliance - Observing the highest standards of ethics and compliance	Section: Anti-bribery and anti-corruption
G1-5	Political influence and lobbying activities	Not applicable	Political influence and lobbying is not material, therefore this disclosure is not included.
G1-6	Payment practices	Not applicable	Payment practices is not material, therefore this disclosure is not included.

DISCLOSURE OF A MATERIAL TOPIC

DATAPOINTS FROM OTHER EU LEGISLATION

ESRS standard	Disclosure Requirement	Para.	Datapoint	SFDR	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section	Page No.	Not material
ESRS 2	GOV-1	21 d	Board's gender diversity	●		●				
ESRS 2	GOV-1	21 e	Percentage of board members who are independent			●				
ESRS 2	GOV-4	30	Statement on due diligence	●						
ESRS 2	SBM-1	40 d i	Involvement in activities related to fossil fuel activities	●	●	●				
ESRS 2	SBM-1	40 d ii	Involvement in activities related to chemical production	●		●				
ESRS 2	SBM-1	40 d iii	Involvement in activities related to controversial weapons	●		●				
ESRS 2	SBM-1	40 d iv	Involvement in activities related to cultivation and production of tobacco			●				
E1	E1-1	14	Transition plan to reach climate neutrality by 2050				●			
E1	E1-1	16 g	Undertakings excluded from EU Paris-aligned Benchmarks		●	●				
E1	E1-4	34	GHG emission reduction targets	●	●	●				
E1	E1-5	37	Energy consumption and mix	●						
E1	E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	●						
E1	E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	●						
E1	E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	●	●	●				
E1	E1-6	53-55	Gross GHG emissions intensity	●	●	●				
E1	E1-7	56	GHG removals and carbon credits				●			
E1	E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			●				
E1	E1-9	66 a	Disaggregation of monetary amounts by acute and chronic physical risk		●					
E1	E1-9	66 c	Location of significant assets at material physical risk		●					
E1	E1-9	67 c	Breakdown of the carrying value of its real estate assets by energy efficiency classes		●					
E1	E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			●				
E2	E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	●						
E3	E3-1	9	Water and marine resources	●						
E3	E3-1	13	Dedicated policy	●						
E3	E3-1	14	Sustainable oceans and seas	●						

DISCLOSURE OF A MATERIAL TOPIC

ESRS standard	Disclosure Requirement	Para.	Datapoint	SFDR	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section	Page No.	Not material
E3	E3-4	28 c	Total water recycled and reused	●						
E3	E3-4	29	Total water consumption in m3 per net revenue on own operations	●						
E4	SBM-3	16 a i)	Activities negatively affecting biodiversity sensitive areas	●						
E4	SBM-3	16 b	Material negative impacts on land degradation, desertification or soil sealing	●						
E4	SBM-3	16 c	Operations that affect threatened species	●						
E4	E4-2	24 b	Sustainable land / agriculture practices or policies	●						
E4	E4-2	24 c	Sustainable oceans / seas practices or policies	●						
E4	E4-2	24 d	Policies to address deforestation	●						
E5	E5-5	37 d	Non-recycled waste	●						
E5	E5-5	39	Hazardous waste and radioactive waste	●						
S1	SBM-3	14 f	Risk of incidents of forced labour	●						
S1	SBM-3	14g	Risk of incidents of child labour	●						
S1	S1-1	20	Human rights policy commitments	●						
S1	S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8,			●				
S1	S1-1	22	Processes and measures for preventing trafficking in human beings	●						
S1	S1-1	23	Workplace accident prevention policy or management system	●						
S1	S1-3	32c	Grievance/complaints handling mechanisms	●						
S1	S1-14	88 b + c	Number of fatalities and number and rate of work-related accidents	●		●				
S1	S1-14	88 e	Number of days lost to injuries, accidents, fatalities or illness	●						
S1	S1-16	97 a	Unadjusted gender pay gap	●		●				
S1	S1-16	97 b	Excessive CEO pay ratio	●						
S1	S1-17	103 a	Incidents of discrimination	●						
S1	S1-17	104 a	Non-respect of UNGPs on Business and Human Rights and OECD	●		●				
S2	SBM-3	11 b	Significant risk of child labour or forced labour in the value chain	●						
S2	S2-1	17	Human rights policy targets	●						
S2	S2-1	18	Policies related to value chain workers	●						
S2	S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	●		●				
S2	S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			●				

DISCLOSURE OF A MATERIAL TOPIC

ESRS standard	Disclosure Requirement	Para.	Datapoint	SFDR	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section	Page No.	Not material
S2	S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	●						
S3	S3-1	16	Human rights policy targets	●						
S3	S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	●		●				
S3	S3-4	36	Human rights issues and incidents	●						
S4	S4-1	16	Policies related to consumers and end-users	●						
S4	S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	●		●				
S4	S4-4	35	Human rights issues and incidents	●						
G1	G1-1	10 b	United Nations Convention against Corruption	●						
G1	G1-1	10 d	Protection of whistle- blowers	●						
G1	G1-4	24 a	Fines for violation of anti-corruption and anti-bribery laws	●		●				
G1	G1-4	24 b	Standards of anti-corruption and anti-bribery	●						

BRAND HIGHLIGHT

Present in more than

20

markets

Coffee mixes

pioneer

in the Asia region

FUELLING THE EVERYDAY CHANGEMAKERS

In 1987, SUPER pioneered coffee mixes in Asia – driven by the vision to make coffee universally accepted, and ultra convenient in a tea-drinking region.

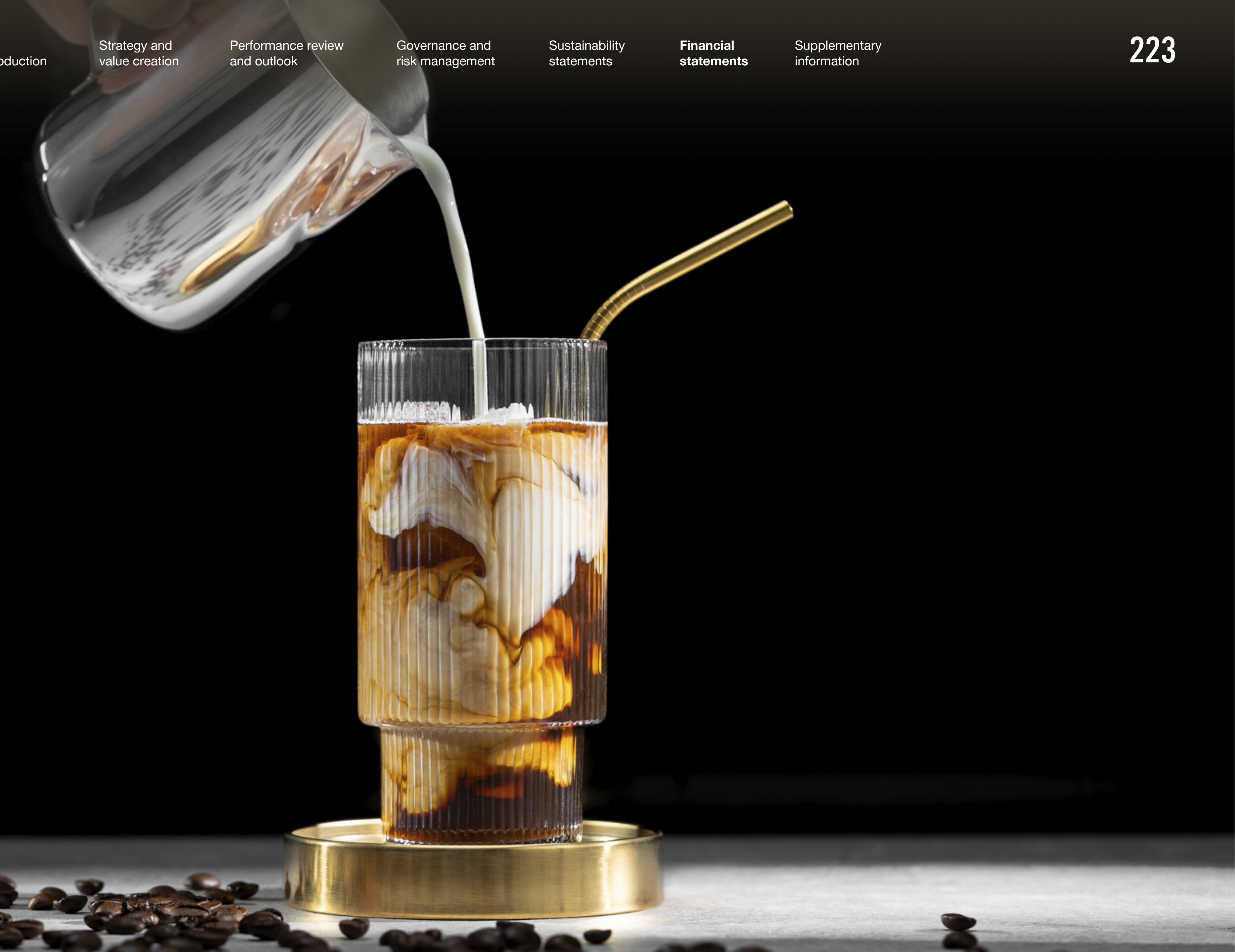
Today, SUPER is found in more than 20 markets globally, offering a wide variety of quality instant beverages. The vision remains steadfast: to serve beverages that refresh, recharge and renew consumers every day.

To promote health and well-being, in 2024 SUPER refined the formulation of its mixes range, reducing sugar and saturated fat content. This enhancement has subsequently improved the nutritional ratings displayed on-pack, reflecting its dedication to providing better choices for consumers.

SUPER continues to broaden its offering of healthier choices with the launch of Pure Instant Coffee in Malaysia through SUPER Classic, as well as the introduction of a new variant, SUPER Espresso, in Thailand.

Back to brands overview

CONSOLIDATED FINANCIAL STATEMENTS



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CONSOLIDATED INCOME STATEMENT

For the years ended 31 December 2024 and 31 December 2023

In EUR million, unless stated otherwise

	Note	2024	2023
Revenue	2.2	8,837	8,191
Cost of sales	2.3	(5,580)	(5,173)
Gross profit		**3,257**	**3,018**
Selling, general and administrative expenses	2.3	(2,201)	(2,333)
Operating profit		**1,056**	**685**
Finance income	5.4	95	104
Finance expense	5.4	(358)	(247)
Share of net profit / (loss) of associates		(3)	(5)
Profit before income taxes		**790**	**537**
Income tax expense	8	(247)	(173)
Profit for the period		**543**	**364**

ATTRIBUTABLE TO:	Note	2024	2023
Owners of the parent		561	367
Non-controlling interest		(18)	(3)
Profit for the period		**543**	**364**
Earnings per share:			
Basic earnings per share (in EUR)	2.4	1.15	0.76
Diluted earnings per share (in EUR)	2.4	1.13	0.75

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December 2024 and 31 December 2023

In EUR million

	Note	2024	2023
Profit for the period		**543**	**364**
Other comprehensive income / (loss), net of tax:			
Items that will not be reclassified to profit or loss			
– Retirement benefit obligation related items, net of tax	9.1	40	(28)
Items that may be subsequently reclassified to profit or loss			
– Foreign currency translation		(164)	(95)
– Net investment hedge		4	14
– Effective portion of cash flow hedges - foreign exchange contracts	6	33	31
Other comprehensive income / (loss)		**(87)**	**(78)**
Total comprehensive income / (loss) for the period		**456**	**286**
Attributable to:			
Owners of the parent		469	281
Non-controlling interest	5.1	(13)	5
Total comprehensive income / (loss) for the period		**456**	**286**

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the years ended 31 December 2024 and 31 December 2023

In EUR million

	Note	2024	2023[68]
Assets			
Non-current assets:			
– Goodwill and other intangible assets	3.2	17,124	16,717
– Property, plant and equipment	3.4	1,859	1,719
– Deferred income tax assets	8	57	49
– Derivative financial instruments	6.7	95	16
– Retirement benefit asset	9.1	504	432
– Other non-current assets	9.3	54	72
		19,693	**19,005**
Current assets:			
– Inventories	4.1	1,675	1,248
– Trade and other receivables	4.2	893	729
– Derivative financial instruments	6.7	160	57
– Income tax receivable		25	36
– Net assets held-for-sale		—	18
– Cash and cash equivalents	5.3	1,264	2,048
		4,017	**4,136**
Total assets		**23,710**	**23,141**

	Note	2024	2023[68]
Equity and liabilities			
Equity:			
– Share capital	5.1	5	5
– Share premium		9,588	9,585
– Treasury stock		—	(38)
– Other reserves / (deficits)		(481)	(375)
– Retained earnings		1,976	1,858
– Equity attributable to the owners of the company		**11,088**	**11,035**
– Non-controlling interest		53	80
		11,141	**11,115**
Non-current liabilities:			
– Borrowings	5.2	4,999	5,388
– Retirement benefit liabilities	9.1	165	170
– Deferred income tax liabilities	8	1,235	1,226
– Derivative financial instruments	6.7	24	41
– Provisions	9.2	27	36
– Other non-current liabilities	9.4	32	46
		6,482	**6,907**
Current liabilities:			
– Borrowings	5.2	569	527
– Trade and other payables	4.3	5,111	4,286
– Income tax liability		72	81
– Provisions	9.2	54	68
– Derivative financial instruments	6.7	281	157
		6,087	**5,119**
Total equity and liabilities		**23,710**	**23,141**

The accompanying notes are an integral part of these financial statements.

[68] Following the amendments to IAS 1 regarding the classification of liabilities as either non-current or current, deferred revenue from customer loyalty programmes is classified as current. Comparable figures were restated. Refer to 1.3 Changes in accounting standards.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the years ended 31 December 2024 and 31 December 2023

In EUR million	Share capital	Share premium	Treasury stock	Retirement benefit obligation-related Items	Currency translation reserve	Cash flow hedge reserve	Total other compre-hensive income	Share-based payments reserve	Retained earnings	Total equity attributable to the shareholders of the company	Non-controlling interest	Total equity
Balance at 31 December 2022	**5**	**9,997**	**(471)**	**276**	**(635)**	**(21)**	**(380)**	**67**	**1,834**	**11,052**	**80**	**11,132**
Application of hyperinflationary accounting	—	—	—	—	—	—	—	—	(2)	(2)	—	(2)
Balance at 1 January 2023	**5**	**9,997**	**(471)**	**276**	**(635)**	**(21)**	**(380)**	**67**	**1,832**	**11,050**	**80**	**11,130**
– Profit for the period	—	—	—	—	—	—	—	—	367	367	(3)	364
– Retirement benefit obligation	—	—	—	(28)	—	—	(28)	—	—	(28)	—	(28)
– Foreign currency translation	—	—	—	6	(109)	—	(103)	—	—	(103)	8	(95)
– Foreign currency contracts	—	—	—	—	—	31	31	—	—	31	—	31
– Net investment hedge	—	—	—	—	14	—	14	—	—	14	—	14
Total Comprehensive Income / (Loss)	**—**	**—**	**—**	**(22)**	**(95)**	**31**	**(86)**	**—**	**367**	**281**	**5**	**286**
– Share-based payment transactions	—	—	—	—	—	—	—	24	—	24	—	24
– Dividends	—	—	—	—	—	—	—	—	(339)	(339)	(2)	(341)
– Release of treasury shares	—	—	21	—	—	—	—	—	—	21	—	21
– Cancellation of treasury shares	—	(412)	412	—	—	—	—	—	—	—	—	—
– Other transactions with shareholders	—	—	—	—	—	—	—	—	(2)	(2)	(3)	(5)
Balance at 31 December 2023	**5**	**9,585**	**(38)**	**254**	**(730)**	**10**	**(466)**	**91**	**1,858**	**11,035**	**80**	**11,115**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

In EUR million

	Share capital	Share premium	Treasury stock	Retirement benefit obligation-related Items	Currency translation reserve	Cash flow hedge reserve	Total other compre-hensive income	Share-based payments reserve	Retained earnings	Total equity attributable to the shareholders of the company	Non-controlling interest	Total equity
Balance at 31 December 2023	**5**	**9,585**	**(38)**	**254**	**(730)**	**10**	**(466)**	**91**	**1,858**	**11,035**	**80**	**11,115**
Application of hyperinflationary accounting	—	—	—	—	—	—	—	—	50	50	12	62
Balance at 1 January 2024	**5**	**9,585**	**(38)**	**254**	**(730)**	**10**	**(466)**	**91**	**1,908**	**11,085**	**92**	**11,177**
– Profit for the period	—	—	—	—	—	—	—	—	561	561	(18)	543
– Retirement benefit obligation	—	—	—	40	—	—	40	—	—	40	—	40
– Foreign currency translation	—	—	—	11	(178)	—	(167)	(2)	—	(169)	5	(164)
– Foreign currency contracts	—	—	—	—	—	33	33	—	—	33	—	33
– Net investment hedge	—	—	—	—	4	—	4	—	—	4	—	4
Total Comprehensive Income / (Loss)	**—**	**—**	**—**	**51**	**(174)**	**33**	**(90)**	**(2)**	**561**	**469**	**(13)**	**456**
– Common control transaction	—	—	—	—	—	—	—	—	(163)	(163)	—	(163)
– Share-based payment transactions	—	—	—	—	—	—	—	(14)	6	(8)	—	(8)
– Dividends	—	—	—	—	—	—	—	—	(341)	(341)	(2)	(343)
– Release of treasury shares	—	(11)	38	—	—	—	—	—	—	27	—	27
– Issuance of shares	—	14	—	—	—	—	—	—	—	14	—	14
– Other transactions with shareholders	—	—	—	—	—	—	—	—	5	5	(24)	(19)
Balance at 31 December 2024	**5**	**9,588**	**—**	**305**	**(904)**	**43**	**(556)**	**75**	**1,976**	**11,088**	**53**	**11,141**

During the Annual General Meeting of Shareholders on 30 May 2024, a dividend of EUR 0.70 per share was approved, payable in two instalments of EUR 0.35 on 12 July 2024 and 24 January 2025. The dividend payable at 31 December 2024 amounted to EUR 170 million, which was recognised within Trade and other payables.

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended 31 December 2024 and 31 December 2023

In EUR million

	Note	2024	2023
Profit for the period		543	364
Adjustments for:			
– Depreciation, amortisation and impairments	3.4, 3.2	457	638
– Defined benefit pension expense	9.1	(6)	(19)
– Share-based payments	7.1	17	43
– (Gain) / loss on sale of property, plant, equipment and intangible assets		16	6
– Income tax expense	8	247	173
– Interest income on bank accounts and other	5.4	(83)	(91)
– Interest expense	5.4	147	94
– Provision charges	9.2	4	57
– Derivative financial instruments		(136)	125
– Foreign exchange (gains) / losses	5.4	208	(45)
– Other		(5)	1
Changes in operating assets and liabilities:			
– Inventories	4.1	(363)	79
– Trade and other receivables	4.2	(107)	116
– Trade and other payables[69]	4.3	742	(478)
Pension payments	9.1	(9)	(9)
Payments of provisions	9.2	(44)	(26)
Realised foreign exchange (gains) / losses		(158)	67
Receipts from / (payments to) derivative financial instruments		116	(53)
Income tax payments		(212)	(219)
Net cash provided by operating activities		**1,374**	**823**

	Note	2024	2023
Cash flows from investing activities:			
Purchases of property, plant and equipment	3.4	(296)	(272)
Purchases of intangibles	3.2	(34)	(29)
Proceeds from sale of property, plant, equipment and other assets		2	2
Acquisition of businesses, net of cash acquired	3.1	(927)	(6)
Loans provided	7.2	(2)	(2)
Interest received		83	84
Other investing activities		(6)	(3)
Net cash used in investing activities		**(1,180)**	**(226)**
Cash flows from financing activities:			
Additions to borrowings	5.2	62	989
Repayments from borrowings	5.2	(606)	(89)
Receipts from / (payments to) derivative financial instruments		(5)	(1)
Dividend paid to shareholders	5.1	(341)	(341)
Interest paid		(88)	(66)
Investments / (divestments) by non-controlling shareholders		13	13
Other financing activities		(14)	(14)
Net cash used in financing activities		**(979)**	**491**
Effect of exchange rate changes on cash		(3)	(7)
Net increase / (decrease) in cash and cash equivalents		**(788)**	**1,081**
Cash and cash equivalents – at the start of period		2,048	967
Adjustment for hyperinflationary accounting		4	—
Cash and cash equivalents at 31 December[70]	5.3	**1,264**	**2,048**

The accompanying notes are an integral part of these financial statements.

[69] At 31 December 2024 and 2023, all payables subject to supply chain financing arrangements are presented as part of trade and other payable (see note 4.3). There were no material non-cash changes in these liabilities.
[70] Cash and cash equivalents include restricted cash of EUR 25 million at 31 December 2024 (31 December 2023: EUR 23 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended 31 December 2024 and 31 December 2023

1. DESCRIPTION OF BUSINESS

Taking into account the characteristics of JDE Peet's business and business model, the notes to the financial statements have been grouped into nine thematic sections rather than in a consecutive order based on line-items in the Consolidated primary statements. Each note in a section starts with material accounting policy information, if applicable, as well as the critical accounting estimates and judgements made.

This section contains the disclosures relevant for understanding the basis of preparation of the Consolidated financial statements:
1. Reporting entity
2. Use of critical accounting estimates and judgements
3. Changes in accounting standards
4. Basis of consolidation
5. Material policy information, not attributable to a specific section
6. Update on the war in Ukraine

1.1 REPORTING ENTITY

JDE Peet’s N.V. (the “Company” or together with its subsidiaries “JDE Peet's”) is a public limited liability company under the laws of the Netherlands. The Company was incorporated on 21 November 2018 and is a public company (naamloze vennootschap, N.V.) listed on Euronext Amsterdam. The Company's main direct shareholder is Acorn Holdings B.V. (Acorn) which is fully owned by a Joh. A. Benckiser-led investor group (JAB). The shares held by Mondelēz International Inc. on 31 December 2023 were sold to JAB on 29 November 2024.

All holders of a capital and/or voting interest of three per cent or more are disclosed to the Netherlands Authority for the Financial Markets (AFM). The AFM processes these disclosures in its publicly available register, which can be found at www.afm.nl.

The Company is headquartered in the Netherlands, the registered office of the Company is Oosterdoksstraat 80, 1011 DK in Amsterdam, the Netherlands (Company registration number: 73160377).

The consolidated financial statements for the year ended 31 December 2024 include the financial information of the Company and its subsidiaries.

These consolidated financial statements were authorised for issuance on 3 April 2025 by the Board of Directors of the Company.

Activities of JDE Peet's

JDE Peet's is the world's leading pure-play coffee & tea company, serving approximately 4,400 cups of coffee or tea per second. JDE Peet's unleashes the possibilities of coffee & tea in more than 100 markets with a portfolio of over 50 brands including L’OR, Peet’s, JACOBS, Senseo, Tassimo, Douwe Egberts, OldTown, Super, Pickwick and Moccona. In 2024, JDE Peet’s generated total sales of EUR 8.8 billion and employed a global workforce of 21,689 employees. Read more about our journey towards a coffee & tea for every cup at www.jdepeets.com.

JDE Peet's has a long, rich tradition in the coffee & tea industry, developing its portfolio of over 50 trusted coffee & tea brands with a deeply rooted heritage. Its established brand portfolio is the largest in the coffee & tea industry, comprising Global Brands (L'OR, Peet's, JACOBS, Tassimo, Senseo and Pickwick), Regional Heroes (including Super, OldTown and Moccona), and Local Jewels (including Pilão, Marcilla, Gevalia, Friele and Douwe Egberts).

JDE Peet's sells its full range of products through a multi-channel distribution model across the CPG, Out-of-Home, retail and online channels to meet customer and consumer needs, as follows:

- CPG[71] – JDE Peet's principal products are multi-serve coffee, roast and ground single-serve and double-shot coffee capsules, whole beans, pads and pods, instant pure and instant mixes, a variety of tea products and ready-to-drink coffee beverages. JDE Peet's sells these products primarily to supermarkets and, in certain markets, through retail buying groups comprised of supermarket retailers or shared-services supply chain centres.
- Out-of-Home – JDE Peet's offers a comprehensive range of professional beverage solutions, including coffee, tea, and complementary coffee systems. Our portfolio features proprietary liquid coffee concentrate technology, multi-serve coffee formats, roast and ground single-serve capsules and pads, whole beans, instant coffee, and ready-to-drink coffee. Its customers include businesses, such as hotels, hospitals, restaurants, cruise liners and retirement homes, as well as distributors for distribution to the customer.
- Retail – JDE Peet's operates coffee stores through which it sells whole bean coffee, tea and other beverages and related items, such as pastries. At 31 December 2024, JDE Peet's operated Peet's coffee stores primarily located across the United States but also in China, OldTown coffee stores located in Malaysia, Singapore, Indonesia and Hong Kong, 12Oz coffee stores located in Italy and Campos stores located in Australia. Through its coffee stores, JDE Peet's seeks to facilitate the sale of fresh whole bean coffee and to encourage customer trial of its coffee through coffee beverages.
- Online – JDE Peet's sells its coffee & tea online through its own e-commerce marketplaces, such as the L'OR and Peet's marketplaces, and third-party e-commerce marketplaces.

Basis of Preparation

The Company prepared these consolidated financial statements in accordance with the IFRS Accounting Standards as endorsed for use in the European Union by the European Commission and in conformity with the Dutch Civil Code. Based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis. Management concluded that there are no material uncertainties that may cast significant doubt upon JDE Peet's ability to continue as a going concern. For the purpose of these financial statements, the results and financial position of JDE Peet's are measured in euros, its presentation currency.

Segmentation

For purposes of these consolidated financial statements, segmentation is based on how the chief operating decision maker (CODM) reviews the performance of the business and allocates resources, as further disclosed in the segmentation disclosure note.

Effective 1 January 2024, the managerial responsibilities of certain minor business activities were transferred from Europe to LARMEA and from APAC to Unallocated. The comparative figures were updated to reflect these changes.

1.2 USE OF CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that effect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Accounting Estimates, Judgements and Assumptions—The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have the most significant effect on the amounts recognised in the financial statements.

[71] CPG is an abbreviation for Consumer Packaged Goods

Reference	Particular area involving significant estimates and judgements
1.6 Basis for consolidation	Assessment whether control as defined under IFRS 10 exists in relation to the operations in Russia.
2.2 Revenue	Estimating sales incentives, sales returns and marketing accruals.
3.1 Business combinations	Estimating the purchase price allocation including fair values of assets and (contingent) liabilities.
3.2/3.4 Goodwill and other intangible assets/Property, plant and equipment	Judgements related to the expected useful lives of long-lived assets and the estimation of their recoverable amounts. The LARMEA discount rate remained a key area of focus due to developments in country risk premiums, driven by geopolitical and macroeconomic conditions in certain markets.
3.3 Impairment of non-current assets	Key assumptions used in impairment testing such as cash flows and WACC. For further information, see note 3.3.
4.3 Trade and other payables	Judgement is required to assess whether supplier financing arrangements contain characteristics of trade payables, borrowings or both.
6.7 Derivatives financial instruments	Assumptions in relation to fair valuation of derivatives not traded in active markets.
8 Income taxes	Recognition and measurement of current and deferred income tax positions, including the recoverability of tax losses carried forward and determination of contingent income tax liabilities requires significant judgement.
9.1 Post-employment and other long-term employee benefit plans	Assumptions used in determination of pension assets, pension liabilities, commitments and pension costs such as discount rates, indexation and inflation.
9.2 Restructuring, legal and other provisions	Estimating the likelihood and timing of potential cash flows relating to claims, litigations and restructuring.
Climate change and nature related risks	JDE Peet's has assessed the impact of climate change, including transitional and physical risks related to climate change and nature-related risks, as part the the requirements under ESRS and SBTi and concluded that climate and nature risks do not have a material impact on the consolidated financial statements. The current and financial impact of these risks is disclosed in the sustainability statements as part of the Climate Action, Water, Biodiversity and ecosystems and Resource use and circular economy chapters. Further consideration of the impact of climate risk is included in the relevant disclosure notes of the financial statements.

JDE Peet's reviewed the significant accounting estimates and judgements, including the impact on indications for impairments (note 3.3), provisions (note 9.2) and contingencies (note 9.5). This review did not lead to significant changes in these accounting estimates and judgements.

1.3 CHANGES IN ACCOUNTING STANDARDS

The Company has applied the following IFRS Accounting Standards and Amendments for the first time for the annual reporting period commencing 1 January 2024:

Amendments to IAS 1 - Classification of liabilities as current or non-current	JDE Peet’s has adopted the amendments to IAS 1 regarding the classification of liabilities as either current or non-current. As a result, the non-current portion of the deferred revenue balance related to the loyalty programme has been reclassified as current. The transition guidance in IAS 1 has been adhered to, and the reclassification from non-current to current has been applied retrospectively and comparative figures were restated. Refer to notes 4.3 Trade and Other Payables and 9.4 Other non-current liabilities.
Amendments to IAS 1 - Non-current liabilities with Covenants	JDE Peet's has adopted the amendments to IAS 1 regarding the classification of liabilities as either current or non-current in relation to covenants. No changes were made to prior or current periods.
Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements	JDE Peet's has adopted the amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance Arrangements for the first time in the current year and reassessed disclosure of its Supplier Finance Arrangements against the amendments. As a result, the disclosures in the Consolidated statement of cash flow and note 4.3 Trade and other payables were amended to meet the new requirements.
Amendments to IFRS 16 - Lease liability in a sale and leaseback	JDE Peet's has adopted the amendments to IFRS 16 and no changes were made to prior or current periods.
Agenda decision - Disclosure of Revenues and Expenses for Reportable Segments (IFRS 8)	In accordance with the IFRS 8 agenda decision, JDE Peet’s discloses adjusted gross profit in note 2.1 Segment information, alongside the profit measures reported in previous periods. This measure of profit is regularly reviewed by the Chief Operating Decision Maker (CODM).

Except for the amendments to IAS 1, which were applied to the deferred revenue from the loyalty programme (note 4.3), the amendments listed above did not have any impact on the amounts recognised in prior periods and do not significantly affect the current period.

New IFRS Accounting Standards, Amendments and IFRIC® Interpretations issued, but not effective for the year ended 31 December 2024 and not Early Adopted

The following new IFRS Accounting Standards and IFRIC Interpretations effective for accounting periods beginning on or after1 January 2025, do not have a significant impact on the financial statements of JDE Peet's for the year ended 31 December 2024 nor are expected to have a significant impact in the future, except if indicated below:

- Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associate or joint venture
- Amendments to IAS 21 - Lack of Exchangeability
- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments
- IFRS 19 - Subsidiaries without Public Accountability: disclosures.

IFRS 18 - Presentation and Disclosures in Financial Statements
IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB® has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- Present specified categories and defined subtotals in the statement of profit or loss
- Provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- Improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on, or after, 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

JDE Peet's anticipate that the application of these amendments may have an impact on the consolidated financial statements in future periods.

1.4 BASIS OF CONSOLIDATION

The financial statements include the accounts of all subsidiaries in which the Company, directly or indirectly, has a controlling interest.

Subsidiaries—Subsidiaries are all entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases. Intergroup transactions, balances and unrealised gains and losses on transactions between companies within JDE Peet's are eliminated upon consolidation unless they provide evidence of impairment.

Investments in associates—Associates are entities over which the Company has the ability to exercise significant influence but does not control. Generally, significant influence is presumed to exist when JDE Peet's holds 20% to 50% of the voting rights in an entity. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss. JDE Peet's distinguishes between strategically important joint ventures and associates and other joint ventures and associates. The share of strategically important joint ventures' and associated companies' result is disclosed separately within operating profit. The result from other joint ventures' and associates is reported below operating profit.

1.5 MATERIAL ACCOUNTING POLICY INFORMATION, NOT ATTRIBUTABLE TO A SPECIFIC SECTION

Leases - As lessee

JDE Peet's leases various offices, warehouses, coffee stores, equipment and vehicles. Contracts may contain both lease and non-lease components. JDE Peet's has elected not to separate lease and non-lease components and instead accounts for these as a single lease component (gross approach). Leases are recognised and presented as right-of-use assets (within property, plant and equipment) with corresponding liabilities at the date at which the leased asset is available for use by JDE Peet's.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate at the commencement date.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases within JDE Peet's, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, JDE Peet's, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

JDE Peet's is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments, based on an index or rate, take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:
- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's estimated useful life and the lease term on a straight-line basis. If JDE Peet's is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's estimated useful life. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options are included in a number of property and equipment leases across JDE Peet's. These are used to maximise operational flexibility in terms of managing the assets used in its operations. The majority of extension and termination options held are exercisable only by JDE Peet's and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Exchange rates used in financial statements

The following exchange rates are the most relevant in the financial statements:

Currency	2024	2023
US dollar		
Opening rate	0.906	0.934
Average	0.924	0.925
Ending rate	0.966	0.906
Brazilian real		
Opening rate	0.187	0.177
Average	0.172	0.185
Ending rate	0.157	0.187
Russian ruble		
Opening rate	0.010	0.013
Average	0.010	0.011
Ending rate	0.009	0.010
Pound Sterling		
Opening rate	1.153	1.129
Average	1.181	1.150
Ending rate	1.209	1.153
Australian dollar		
Opening rate	0.617	0.636
Average	0.610	0.615
Ending rate	0.598	0.617
Singapore dollar		
Opening rate	0.686	0.697
Average	0.692	0.689
Ending rate	0.707	0.686

IAS 29 Financial Reporting in Hyperinflationary Economies

Under IAS 29 **Financial Reporting in Hyperinflationary Economies**, non-monetary assets and liabilities stated at historical cost, equity and income statements of subsidiaries operating in hyperinflationary economies, are restated for changes in the general purchasing power of the local currency, applying a general price index. These remeasured accounts are used for conversion into euro at the period closing exchange rate. As a result, the balance sheet and net results of subsidiaries operating in hyperinflation economies are stated in terms of the measuring unit current at the end of the reporting period. JDE Peet's is applying IAS 29 to its businesses in Republic of Türkiye since the year ended 31 December 2022.

The following Turkish consumer price indices were used:

Consumer price index	2024	2023
1 January	1,859.38	1,128.45
31 December	2,684.55	1,859.38

Any net monetary gain or loss is recognised as part of the finance expense (see note 5.4). In 2024, the loss amounted to EUR 15 million (2023: nil).

No restatement of comparative information is required since the presentation currency of these financial statements is in a non-hyperinflationary currency. The impact of hyperinflationary accounting is excluded from JDE Peet's organic calculations.

1.6 UPDATE ON THE WAR IN UKRAINE

JDE Peet's continuously monitors developments related to the war in Ukraine. Since the start of the conflict, the first priority has been, and continues to be, the safety and well-being of its employees in the region. In addition, JDE Peet's has continued to monitor EU and other applicable sanctions. Since the start of the war in Ukraine, the Company has not authorised new capital investments to increase factory capacity or expansion, and all cash dividend payments from the Russian business were cancelled. JDE Peet's has discontinued investments in advertising and promotion of its international brands in Russia. The factory based in Russia produces primarily on a local-for-local basis.

Since the start of the war, the Company has sought to ensure that its business in Russia is operated as a stand-alone business to the greatest extent reasonably possible. JDE Peet's business in Russia contributed approximately 6% to the Company's total revenues and comprises 1% of total assets in both 2024 and 2023. Triggered by its stand-alone business operation and changing (sanction) regulations, JDE Peet's continued to assess whether it retained control over its Russian operations in accordance with IFRS 10 and concluded that it continued to have control over its Russian operations at 31 December 2024.

Key accounting estimate and judgment - JDE Peet's continued to assess whether it retained control over its Russian operations in accordance with IFRS 10. The assessment considered whether JDE Peet's remains to have (1) power over the local business, (2) exposure or rights to variable returns from its involvement with the local business, and (3) the ability to use its power over the local business to affect returns. Based on the review of the aforementioned three key drivers, and although the Russian business operates as a stand-alone business to the greatest extent reasonably possible, and sanction restrictions made doing business in Russia significantly more complex, JDE Peet's concluded that it continued to have control over its Russian operations at 31 December 2024.

Internal events and external circumstances occurring in Ukraine and Russia may result in indications for impairment. JDE Peet's frequently reviews the valuation of its assets in Russia and Ukraine, including an evaluation of the uncertainties resulting from the war on goodwill and other intangible assets of the wider LARMEA segment which it is part of. In June 2023, JDE Peet's decided to transition the international JACOBS brand in the Russian market to the local Monarch brand. This led to an impairment of EUR 185 million in the JACOBS brand intangible. After this impairment the brand value allocated to Russia was nil. Furthermore, as part of the annual impairment testing of indefinite useful life assets, the increased risk of operating in Russia was considered in the WACC applied to cash flows originating from the Russian business, thereby impacting the recoverable value of related assets. In addition, the fixed assets owned by JDE Peet's in the Russian and Ukrainian markets were assessed, which has not led to additional impairments in 2024 and 2023.

At 31 December 2024 and throughout the year, assessments were made regarding the appropriate operating model for the Russian local market and how the changing circumstances affect related accounting judgements and disclosures. The outcomes of these assessments were incorporated accordingly in these financial statements.

In 2024, JDE Peet's obtained a license from the Dutch competent authorities under article 5n, paragraph 10 of EU Council Regulation No 833/2014. This license is valid until 31 May 2025 and, among other things, authorises JDE Peet's (including certain of its subsidiaries in the Netherlands) to continue providing services described in Article 5n of EU Council Regulation No 833/2014 to its Russian subsidiary. JDE Peet's has obtained the renewal of this license, and the renewal is valid until 31 March 2026. In the event that future license renewals are not granted, JDE Peet's assessment regarding control over its Russian subsidiary could be materially impacted.

2. GROUP OPERATING PERFORMANCE

2.1 SEGMENT INFORMATION

The operating segments are Europe, LARMEA, APAC and Peet's. The segments are organised based on the reporting structure (by the geographies and/or the nature of the products and services) of JDE Peet's. The segments share a similar production process, but each segment sells different products to vastly different types of customers and consumers in different regions of the world. Therefore, none of the operating segments are aggregated. JDE Peet's is operating as one group.

Europe, LARMEA and APAC: Within these three segments, JDE Peet's principal products are roast and ground multi-serve coffee, roast and ground single-serve coffee pads and capsules, instant coffee and tea. The Europe segment also includes the Company's European Out-of-Home business which offers a full range of hot beverage products including liquid roast products and related coffee machines and services. These Out-of-Home products and services are sold, among others, either directly to small-, medium-, and large businesses, hotels, restaurants, universities and hospitals, or to foodservice distributors for distribution to customer.

JDE Peet's sells its CPG products predominantly through traditional and modern retail trade, like supermarkets, hypermarkets and e-commerce channels. Europe includes the business activities in Europe, excluding some Eastern Europe countries. LARMEA includes business activities in Latin America, the United States, the Middle East, Eastern Europe and Africa, and APAC includes the business activities in the Asia-Pacific region.

Peet's: The Peet's segment offers whole bean coffee, beverages, tea and related products through grocery stores, wholesale, e-commerce, retail, Out-of-Home and company-operated and licensed stores primarily to customers in the United States and China.

Unallocated is not a separate segment as it does not engage in business activities. JDE Peet's presents 'Unallocated' as a reconciling item to the total business results. Unallocated comprises head-office costs (such as central finance, HR, legal, IT and marketing) and limited revenues from excess production capacity which is made available to third parties. Segment results are presented before intercompany eliminations, which are eliminated within Unallocated.

Basis of Segmental Reporting

Segment results, that are reported, include items directly allocated to a segment as well as those that can be allocated on a reasonable basis and taking into account differences between forecasted and actual foreign exchange rates.

Discrete financial information including revenue to Adjusted EBIT for each of the operating segments is provided to the CODM, the Company's CEO, in order to review operating results, assess performance and make resource allocation decisions.

In accordance with JDE Peet's operating model, centralised assets are utilised that serve multiple markets across different geographies and segments. Therefore, the Company does not consider the country-level distribution of assets to be a meaningful indicator of its performance or strategy. Accordingly, JDE Peet's does not disclose this information to the CODM or in its segment reporting.

Adjusted EBIT

The CODM reviews segment profitability based on Adjusted EBIT. Adjusted EBIT is used to measure performance as management believes that this measurement is the most relevant in evaluating the results of the segments. JDE Peet's defined Adjusted EBIT as profit for the period, adding back finance income, finance expense, share of net loss of associates and income tax expense, adjusted for the following factors:

1. ERP system implementation expenses, which represent costs to implement and upgrade to a new ERP system, including order, billing, payroll and financial systems. Overhead costs incurred in the normal course of business are not allocated to ERP implementation projects; rather, only incremental costs incurred in direct connection with the implementation of the ERP project are added back in calculating Adjusted EBIT.

2. Transformation activities and corporate actions include costs from restructuring and organisational redesign projects, results from corporate actions and costs from strategic initiatives:
    i. Restructuring and organisational redesign costs arise from strategic projects that are related to business optimisation or cost-saving initiatives. These strategic projects include the closure of factories or significant changes to the manufacturing footprint or restructuring of retail overhead. Due to the fact that most restructuring projects or organisational redesign activities span multiple years, management does not consider or describe these costs as 'non-recurring' in nature. However, the specific projects or overarching initiatives themselves are important events to understand the operating performance. JDE Peet's therefore adds back these costs in calculating Adjusted EBIT.
    ii. Results from corporate actions arise from activities that are not considered by JDE Peet's to be part of daily business operations. Such results include items such as fees incurred in relation to refinancing activities, executive director's severance, pension curtailments and amendments. Such actions generally result from market forces that are difficult to predict and are not entirely within the control of JDE Peet's. Therefore, costs are added back or gains removed in calculating Adjusted EBIT.
    iii. Strategic initiatives are broken down and defined as the costs related to evaluating strategic alternatives, entering into new markets, or launching new strategic initiatives, or other business development costs, to the extent not considered by JDE Peet's as part of the normal operating costs of its business. Therefore, costs are added back in calculating Adjusted EBIT.
3. Share-based payment expense, which is an operating expense JDE Peet's incurs and is considered a form of compensation, varies in amount from period to period, and is affected by market forces, including volatility and other factors, such as forfeitures of awards, that are difficult to predict. Therefore, costs are added back in calculating Adjusted EBIT.
4. Mark-to-market results consist of economic hedges of certain future risks related to the cost of goods sold. Mark-to-market adjustments include adjustments for unrealised and realised gains/losses on commodity derivative instruments. Unrealised mark-to-market adjustments relate to results on green coffee futures and other commodity derivative instruments for which JDE Peet's has not yet sold the underlying commodity. These results are excluded when calculating Adjusted EBIT. Upon the subsequent sale of the underlying commodity to customers, the realised mark-to-market adjustments are recognised in Adjusted EBIT. JDE Peet's believes that such results create volatility in the current period trends, because mark-to-market amounts vary from period to period and are affected by market forces that are difficult to predict and not within the control of management.
5. Merger & Acquisitions/business combination results include: a) acquisition-related costs including legal, due diligence, professional consulting and other costs incurred as a result of its acquisitions process; b) amortisation related to intangible assets recognised or remeasured as part of purchase price allocations; c) costs associated with the integration of acquired businesses, such as directly attributable integration-related labour costs, legal fees and consulting fees; d) derecognition of the step-up in fair value of inventories resulting from purchase price allocations; e) fair value changes in contingent consideration obligations; and f) sale results and other costs incurred as a result of divestments. JDE Peet's does not consider these costs as part of the normal operating costs of its business. Therefore, costs are added back in calculating Adjusted EBIT.

Adjusted EBIT is reconciled to operating profit and profit before income taxes on a consolidated basis in the tables presented below.

Segmental information for the consolidated income statement

Revenue (in EUR million):

	2024	2023[72]
Europe	4,717	4,680
LARMEA	2,030	1,537
Peet’s	1,257	1,153
APAC	796	791
Unallocated	37	30
Total	**8,837**	**8,191**

Adjusted gross profit (in EUR million):

	2024	2023
Europe	1,831	1,773
LARMEA	520	443
Peet’s	628	553
APAC	297	294
Unallocated	(3)	(12)
Total[73]	**3,273**	**3,051**

72 Restated for changes in managerial responsibilities of certain some minor business activities, see note 1.1.
73 In 2024, adjusting items in the amount of EUR (16) million (2023: EUR (33) million) were recognised in cost of sales and consequentially in gross profit. The amount consisted of EUR (20) million (2023: EUR (72) millions) of transformation activities & corporate actions and EUR 4 millions (2023: EUR 39 millions of mark-to-market results).

Reconciliation of Adjusted EBIT to most directly comparable GAAP measure (in EUR million):

	2024	2023[77]
Europe	1,041	995
LARMEA	223	158
Peet's	184	141
APAC	143	141
Unallocated	(314)	(307)
Adjusted EBIT	**1,277**	**1,128**
ERP system implementation	(16)	(7)
Transformation activities and corporate actions[74]	(60)	(127)
Share-based payment expense	(17)	(43)
Mark-to-market results	4	39
Amortisation acquired intangible assets and M&A/Deal costs[75]	(132)	(305)
Operating profit[76]	**1,056**	**685**
Finance income	95	104
Finance expense	(358)	(247)
Share of net profit / (loss) of associates	(3)	(5)
Profit before income taxes	**790**	**537**

Adjusted EBIT of the segments includes the following amounts of depreciation, amortisation and impairment expenses (in EUR million):

	2024	2023[77]
Europe	133	137
LARMEA	34	16
Peet's	84	82
APAC	31	32
Unallocated	28	31
Total	**310**	**298**

Entity-wide disclosures:

The total revenue from external customers, broken down by the location of the selling entity is shown in the following table (in percentages of total revenue):

	2024	2023
United States	13%	13%
France	12%	12%
Brazil	11%	7%
Germany	9%	10%
Netherlands	9%	9%
Rest of world[78]	46%	49%
Total revenue	**100%**	**100%**

There are no individual customers that amounted to 10% or more of JDE Peet's revenue in either 2024 or 2023.

74 Transformation activities and corporate actions in 2023 included expenses related to the establishment of the Europe omni-channel segment and the severance and an impairment related to the closure of the instant processing and R&D facilities in Banbury, UK. Further impairments and expenses for several cost-saving initiatives were included in 2024. See also notes 3.4 and 9.2.

75 This consistently includes amortisation and impairments of EUR 120 million (2023: EUR 294 million) related to intangible assets recognised or remeasured as part of purchase price allocations. In 2023, an impairment charge was recognised for an amount of EUR 185 million related to the JACOBS brand.

76 In 2024, EUR (204) million of the adjusting items (2023: EUR (410) million) was recognised in selling, general and administrative expenses and EUR (16) million (2023: EUR (33) million) in cost of sales.

77 Restated for changes in managerial responsibilities of certain some minor business activities, see note 1.1.

78 There is no individual country material to disclose separately.

2.2 REVENUE

Revenue recognition—JDE Peet's recognises revenue in accordance with the five-step model introduced by IFRS 15. Revenue is measured based on the consideration to which it expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. JDE Peet's recognises sales when the control is transferred and the performance obligation is satisfied and when specific criteria have been met for each of the activities as described below. Revenue is recognised when the goods and services are delivered at a point in time or over time, depending on the nature of transaction. Sales of goods are typically recognised at a point in time, where the revenue related to the Out-of-Home customer can be recognised at a point in time or over time. Revenue taxes collected from customers are excluded from revenue and the obligation is included in accrued liabilities until the taxes are remitted to the appropriate taxing authorities. JDE Peet's bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Contracts with Out-of-Home customers—Contracts with Out-of-Home customers may include multiple element arrangements where performance obligations include both the delivery of products and the lease or sale of coffee equipment. In some instances, the coffee equipment is provided for free, but the customer agrees to purchase and use JDE Peet's products. Such contracts may be inclusive of free maintenance of the coffee equipment for a specific period. In such situations, JDE Peet's separates the sales transaction into the identifiable performance obligations in order to reflect the substance of the transaction based on the stand-alone selling prices of these obligations. JDE Peet's assesses the stand-alone selling prices available for the individual components and allocates the revenue of the total transaction in accordance with IFRS 15 Revenue from Contracts with Customers. Revenue derived from a sale of coffee equipment is recognised at a point in time. Revenue derived from operating lease and maintenance contracts are recognised overtime, the duration of these contracts is between 1 to 5 years.

Customer loyalty programmes—JDE Peet's has a customer loyalty programme in the Netherlands whereby consumers collect points (award credits) towards merchandise. The customer loyalty programme has separate performance obligations whereby the consumer is purchasing the products as well as the award credit. The revenue associated with the award credit is derived from the product stand-alone selling price and is deferred and recognised separately as a liability at the time of the initial sale. The estimation of this stand-alone selling price of the award credits includes consideration of the proportion of the awards expected to be redeemed. The deferred revenue is included in trade and other payables in the statement of financial position, is recognised at a point in time when fulfilled. Classifying the customer loyalty programme's' deferred revenue as current, follows the amendments to IAS 1 regarding the classification of liabilities as either non-current or current. Comparable figures were restated. Refer to 1.3 Changes in accounting standards.

JDE Peet's revenue consists of the following:

- **Product sales to third parties (coffee, tea, other food and beverage)—**The conditions above are generally met when the control of the products of categories coffee, tea and other food and beverage is transferred to distributors, resellers or end customers. In particular, title usually transfers upon receipt of the product at the customers' locations, or upon shipment, as determined by the specific sales terms of the transactions. Revenue from owned coffee stores are presented net of discounts and recognised at the point of sale for food and beverage products sold.
- **Services (lease revenue and maintenance fees)—**JDE Peet's leases coffee machines as a service to certain of its Out-of-Home customers. Income from these leases is recognised in the income statement based on the policy for leases. In addition, maintenance fees are received related to its Out-of-Home machines, which are recognised on an accrual basis in accordance with the substance of the relevant agreements. Revenue from fixed-price contracts is generally recognised in the period that the maintenance services are rendered, using a straight-line basis over the term of the contract.

Revenues described above are recognised for individual components and the revenue of the total transaction price is allocated to the individual components by reference to their stand-alone selling price. Trade allowances and product returns are estimated based on historical results taking into consideration the customer, transaction and specifics of each arrangement while also taken into account forward looking information. JDE Peet's provides a variety of sales incentives to resellers and consumers of its products, and the policies regarding the recognition and presentation of these incentives within the income statement are as follows.

Included in revenue:

- **Discounts, coupons and rebates—**The reduction of the transaction price of these non-volume-based incentives is recognised at a point in time at the later of the date at which the related sale is recognised or the date at which the incentive is offered. The cost of these incentives is estimated using a number of factors, including historical utilisation and redemption rates. These incentives are settled in cash and are included in the determination of sales.
- **Listing fees—**Certain retailers require the payment of listing fees in order to provide space for JDE Peet's products on the retailer's store shelves. These amounts are included in the transaction price.
- **Volume-based incentives—**These incentives typically involve rebates or refunds of a specified amount of cash if the reseller reaches a specified level of sales, taking into account applicable competition laws. Under incentive programmes of this nature, the incentive is estimated and a portion of the incentive is allocated to reduce each underlying sales transaction with the customer overtime.

- **Cooperative advertising**—Under these arrangements, JDE Peet's agrees to reimburse the reseller for a portion of the costs incurred by the reseller to advertise and promote certain of its products. The cost of cooperative advertising programmes are recognised as a reduction to the transaction price unless the services are considered distinct which would result in the recognition of the costs as advertising costs.
- **Fixtures and racks**—Store fixtures and racks are provided to retailers to display certain products of JDE Peet's. The costs of these fixtures and racks are recognised as a reduction of the transaction price.

Key accounting estimate and judgement—Revenue is recognised for individual components and the total transaction price is allocated to the individual components by reference to their stand-alone selling price. JDE Peet's estimates trade allowances and product returns based on credit risk characteristics of the customer, the days past due, the transaction and specifics of each arrangement. As described above, JDE Peet's has a variety of sales incentives, sales returns and marketing accruals. Measuring the fair value of these incentives requires, in many cases, estimating future customer utilisation, redemption rates and relative fair value. These incentives include coupons that have a prescribed value. Historical data for similar transactions is used in estimating the fair value of incentive programmes. These estimates are reviewed each period and adjusted based upon actual experience and other available information. Additionally, JDE Peet's has a significant number of trade incentive programmes and other factors outside of its control that impact the ultimate cost of these incentives. Any significant change in these estimates could potentially have a material impact on revenue and profits especially in areas where estimation uncertainty is higher.

The total revenue from external customers, broken down by product is shown in the following table (in percentages of total revenue):

	2024	2023
Coffee	85 %	84 %
Tea	3 %	3 %
Other food and beverage	10 %	11 %
Services	2 %	2 %
Total	**100 %**	**100 %**

2.3 EXPENSES BY NATURE

Expenses—Expenses are recognised based on the accrual basis of accounting. This means that expenses are recognised when the product is received or the service is provided regardless of when cash outflow takes place. In relation to the expenses recognised in relation to depreciation, amortisation and impairments, reference is made to the specific accounting policy information as is included in notes 3.2 and 3.4. In relation to the costs as expensed in relation to inventory, reference is made to the specific accounting policy as is included in note 4.1.

The aggregate of cost of sales and selling, general and administrative expenses is specified by nature as follows (in EUR million):

	Note	2024	2023
Cost of product[79]		4,718	4,213
Employee benefit expenses		1,255	1,270
Other selling, general and administrative expenses[80]		1,345	1,333
Depreciation, amortisation and impairment	3.2, 3.4	457	638
Restructuring and restructuring related expenses		6	52
Total		**7,781**	**7,506**

Employee benefit expense (in EUR million):

	2024	2023
Wages and salaries	1,044	1,032
Social security charges	147	148
Pension costs	48	47
Share-based payments	16	43
Total	**1,255**	**1,270**

Employees by segment (average number of FTEs during the year):

	2024	2023[81]
Europe	3,906	4,100
LARMEA	2,693	2,206
APAC	1,395	1,559
Peet's	5,365	4,781
Unallocated[82]	7,030	7,355
Total	**20,389**	**20,001**

Employees by geographical area (average number of FTEs during the year):

	2024	2023
The Netherlands	2,005	2,031
Outside the Netherlands	18,384	17,970
Total	**20,389**	**20,001**

79 Cost of product mainly consists of raw materials (green coffee beans, tea leaves and other materials) for 68% (2023: 66%), packaging 11% (2023: 13%), coffee taxes 4% (2023: 4%), outsourced production services 2% (2023: 3%) and inbound freight 2% (2023: 2%).
80 Other selling, general and administrative expenses in the table above include costs for advertising and promotion, distribution, repairs, maintenance and utilities.
81 Restated for changes in managerial responsibilities of certain some minor business activities, see note 1.1.
82 Unallocated includes operations (e.g. manufacturing and procurement) and global head office functions.

Fees for audit services provided by our auditor Deloitte Accountants B.V. include the audit of the financial statements of the Company and its subsidiaries. Fees for audit related engagements include review on interim financial statements, prospectus and sustainability assurance engagements. Fees for other non-audit related services include agreed-upon procedures. A specification of fees paid to our auditors (in EUR million) is stated below:

	2024	2023
Audit of the financial statements	6.4	6.1
Limited assurance review CSRD	0.7	—
Audit related engagements	0.1	0.8
Other non-audit related services	0.2	0.1
Total	**7.4**	**7.0**
Which relate to:		
Deloitte Accountants B.V.	3.0	2.5
Network of Deloitte Accountants B.V.	4.4	4.1
Other external auditors	—	0.4

2.4 EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the profit for the year attributable to the shareholders of the Company by the time-weighted average number of common shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to the shareholders of the Company by the time-weighted average number of common shares outstanding during the year adjusted for the time-weighted average number of common shares that would be issued on the conversion of all the dilutive potential common shares into common shares. At both the level of the Company, and subsidiary level, there are share-based payment plans that should be considered in the earnings per share calculation. The share-based payments plans at the subsidiary level are taken into consideration in the determination of the net profit attributable to owners of the Company.

Participants receive listed shares in the Company upon vesting and the Company has the obligation to settle/deliver the shares, diluting the shares of the Company. The conversion rates used in the earnings per share calculation are similar to the conversion rates used in the share-based payment calculations. For further details on the conversion rates and valuation techniques refer to note 7.1.

The calculation of the basic and diluted earnings per share is based on the following data:

	2024	2023
Earnings for the purposes of basic earnings per share being net profit attributable to owners of the Company (in EUR million)	**561**	**367**
Number of shares		
Time-weighted average number of ordinary shares for the purposes of basic earnings per share	486,961,255	485,747,602
Adjustment for the calculation of diluted earnings per share: Share-based payment plans	7,732,384	6,075,375
Time-weighted average number of ordinary shares for the purposes of diluted earnings per share	**494,693,639**	**491,822,977**
Basic EPS (in EUR)	1.15	0.76
Diluted EPS (in EUR)	1.13	0.75

The total number of shares outstanding (excluding treasury shares) at 31 December 2024 was 488,178,642 (2023: 486,042,837).

3. STRATEGIC INVESTMENTS AND DIVESTMENTS

3.1 BUSINESS COMBINATIONS

JDE Peet's applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued and includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisitions where a sequence of transactions begins with JDE Peet's gaining control, followed by acquiring additional ownership interests shortly thereafter, typical in public offers where offers are made to a group of shareholders, are accounted for as a single transaction. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and (contingent) liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

- Deferred tax assets and liabilities are recognised and measured at acquisition date in accordance with IAS 12.
- Assets and liabilities related to employee benefit arrangements are recognised and measured at acquisition date in accordance with IAS 19.
- Share-based payments arrangements are measured at acquisition date in accordance with IFRS 2.

On an acquisition-by-acquisition basis, JDE Peet's recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred over the fair value of JDE Peet's share of the identifiable net assets acquired is recognised as goodwill. To the extent applicable, any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree are added to consideration transferred for purposes of calculating goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Business Combinations under Common Control—A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. JDE Peet's adopted accounting principles similar to the pooling-of-interest method. Under this method, the assets and liabilities of the acquired entity are recognised at the same book values as the ultimate parent entity's consolidated financial statements (adjusted for the alignment of accounting policies and applicable GAAP applied by the companies involved). The difference, if any, between the carrying value of the net assets acquired and the consideration paid by the Group is recognised in Equity.

Key accounting estimate and judgement—The purchase price allocation includes fair values of assets and (contingent) liabilities that are based on information available at the time of determining those values. The valuation method of determining the fair value depends on the facts and circumstances relating to the specific asset and liability.

Acquisitions during 2024

Caribou—On 26 March 2024, JDE Peet's completed a long-term global license agreement to manufacture, market and sell Caribou consumer and foodservice coffee products, excluding Caribou coffeehouses, for a total consideration of EUR 245 million. These activities were carved-out into a separate legal entity, JDEP Blue Moon, Inc., of which all shares were transferred to JDE Peet's upon completion. The transaction provides JDE Peet's a strong platform to expand its premium coffee portfolio in North America. Under the terms of the agreement, JDE Peet's acquired Caribou's roasting operations in Minneapolis, Minnesota. The two companies, JDE Peet's and Caribou Coffee Operating Company, Inc, have also reached a long-term strategic arrangement under which JDE Peet's will supply coffee products for sale in Caribou's coffeehouses. The Caribou business was part of the JAB group of companies (see also note 7.2) and consequently the accounting method of a business combination under common control was applied.

The difference between the purchase consideration and the book values of the acquired assets and liabilities amounted to EUR 163 million and was recognised in equity. Acquisition-related costs amounted to EUR 5 million. Since the acquisition in 2024, Caribou contributed revenue of EUR 38 million and a net loss of EUR 4 million.

The following table summarises the considerations paid and the book value of recognised assets and (contingent) liabilities the acquisition date (in EUR million):

	Caribou
Property, plant and equipment	10
Deferred tax assets	60
Inventories	7
Trade and other receivables	11
Other non-current financial liabilities	(3)
Trade and other payables	(3)
Net assets acquired	**82**
Consideration above net asset value - recognised in equity	163
Total consideration in cash for the acquisition	**245**
Cash considerations paid in 2024	245
Total consideration in cash for the acquisition	**245**

If Caribou would have been included in JDE Peet’s results an entire year (in the year of acquisition), the revenue and net loss would have been EUR 75 million and EUR (2) million, respectively.

Maratá—On 4 January 2024, JDE Peet's completed the acquisition of all shares in the Brazilian coffee & tea business Indústrias Alimentícias Maratá Ltda (Maratá) from JAV Indústria de Alimentos Ltda for a total purchase consideration of EUR 682 million, net of cash acquired. The acquisition expands JDE Peet’s emerging markets presence. Maratá’s coffee & tea business is predominantly present in the northern part of Brazil through its long-standing and well-known brands Café Maratá and Chá Maratá. The business employs around 1,200 employees, operates two manufacturing plants and reported around BRL 1.3 billion annual average sales for the last two years.

JDE Peet's applied the acquisition method to account for the Maratá business combination and included all assets and liabilities at fair value in accordance with IFRS 3. Consequently, purchase price allocation of all identifiable assets and (contingent) liabilities acquired were performed. The purchase price allocation was finalised in the year 2024. Through contractual arrangements, Maratá is fully in control over the coffee & tea trademarks. The goodwill is recognised within the LARMEA segment and is attributable to synergies between JDE Peet’s and Maratá. The goodwill is deductible for tax purposes.

Acquisition-related costs amounted to EUR 9 million, of which EUR 2 million was incurred in 2023 and EUR 7 million in 2024.

The assets and liabilities acquired in the transaction include the recognition of a contingent asset and contingent liabilities. It was agreed that JAV would indemnify JDE Brazil for any risks up to 15% of the initial purchase price, equivalent to approx. BRL 500 million (EUR 78 million at 31 December 2024). The fair value of the risks are recognised as a provision and income tax payable, which were fully offset by an indemnification asset recognised within Trade and other receivables.

The following table summarises the considerations paid and the fair values of assets and (contingent) liabilities acquired at the acquisition date (EUR million):

	Maratá
Property, plant and equipment	30
Other non-current assets	2
Deferred tax assets	1
Inventories	29
Income tax receivable	6
Trade and other receivables	69
Non-current borrowings	(1)
Provisions	(28)
Other non-current liabilities	(2)
Trade and other payables	(4)
Income tax liability	(5)
Net assets acquired	**97**
Goodwill	399
Trademarks	186
Total consideration in cash for the acquisition	**682**
Cash consideration paid in 2024	682
Total consideration in cash for the acquisition	**682**

Since the acquisition, Maratá contributed, in 2024, revenue of EUR 317 million and a net profit of EUR 38 million.

Acquisitions during 2023

During 2023, there were no business combinations.

3.2 GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill—Goodwill represents the excess of the cost of an acquisition over the fair value of the JDE Peet's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in goodwill and other intangible assets on the statement of financial position.

Goodwill is not amortised but is tested annually for impairment, or more frequently when events are identified which require an impairment test, and is carried at cost less accumulated impairment losses (see note 3.3).

Trademarks and other identifiable intangible assets—The primary identifiable intangible assets of JDE Peet's are trademarks, brands and other identifiable intangible assets, being mainly customer relationships and technologies, that were acquired in business combinations. Trademarks, brands, customer relationships and technologies are recognised at fair value at acquisition date. The useful life of an intangible asset is assessed as being either finite or indefinite. An intangible asset is regarded as having an indefinite useful life when, based on all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. The term 'indefinite' does not mean 'infinite'. There is no expectation that the cash inflows generated by the asset will go on forever; instead there is no foreseeable point at which the cash inflows will cease. Trademarks with a finite useful life are based on such things as the years that this trademark is in place and cash inflows generated thus far. Trademarks, brands, customer relationships and technologies that have a definite useful life are tested when events are identified which require an impairment test. These intangibles are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks, brands, customer relationships and acquired technologies over their estimated useful lives.

Software—Software is a separately acquired intangible asset, which is initially measured at cost. After initial recognition, software should be carried at its cost less any accumulated amortisation and any accumulated impairment losses. Software is amortised on a straight-line basis over their estimated useful lives.

The estimated useful lives, which are reviewed annually and adjusted if appropriate and are presented as follows:

Trademarks & brands	10 to 30 years, or indefinite
Customer relationships	4 to 15 years
Acquired technologies	7 to 20 years
Software	1 to 8 years
Other	5 to 12 years

The movements of the goodwill and other intangibles assets are as follows (in EUR million):

	Goodwill	Trademarks and brands	Computer software	Technologies	Customer relationships	Other	Total
Balance at 1 January 2023	**12,366**	**4,459**	**46**	**84**	**127**	**2**	**17,084**
Capital expenditures	—	1	26	—	1	1	29
Foreign currency translation	(63)	(16)	1	—	(1)	—	(79)
Amortisation expense	—	(53)	(19)	(22)	(36)	(2)	(132)
Impairments	—	(185)	—	—	—	—	(185)
Other	(3)	(2)	6	—	—	(1)	—
Balance at 31 December 2023	**12,300**	**4,204**	**60**	**62**	**91**	**—**	**16,717**
Cost	12,300	4,933	163	275	315	22	18,008
Accumulated amortisation	—	(729)	(103)	(213)	(224)	(22)	(1,291)
Balance at 31 December 2023[83]	**12,300**	**4,204**	**60**	**62**	**91**	**—**	**16,717**
Application of hyperinflationary accounting	10	—	—	—	—	—	10
Balance at 1 January 2024	**12,310**	**4,204**	**60**	**62**	**91**	**—**	**16,727**
Acquisitions in business combinations	399	186	—	—	—	—	585
Capital expenditures	—	—	25	—	—	9	34
Foreign currency translation	(68)	(11)	1	—	1	—	(77)
Impairments	—	(31)	—	—	—	—	(31)
Amortisation expense	—	(57)	(20)	(14)	(20)	(1)	(112)
Other	—	(2)	—	—	—	—	(2)
Balance at 31 December 2024	**12,641**	**4,289**	**66**	**48**	**72**	**8**	**17,124**
Cost	12,641	5,103	235	196	304	30	18,509
Accumulated amortisation	—	(814)	(169)	(148)	(232)	(22)	(1,385)
Balance at 31 December 2024	**12,641**	**4,289**	**66**	**48**	**72**	**8**	**17,124**

[83] The opening balance was adjusted to reflect reclassifications between cost and accumulated amortisation.

Amortisation expense is included in the income statement as follows (in EUR million):

	2024	2023
Cost of sales	(2)	(2)
Selling, general and administrative expenses	(110)	(130)
Total	**(112)**	**(132)**

At 31 December, the principal acquired brands, all of which are regarded as having indefinite useful economic lives, are as follows (in EUR million):

	2024	2023
JACOBS	1,048	1,048
Douwe Egberts	668	668
Kenco	412	412
Moccona	214	214
Peet's	206	193
Pickwick	175	175
Gevalia	134	134
Maxwell House	118	118
Pilão	12	14
Friele	40	42
Other brands	49	46
Total	**3,076**	**3,064**

3.3 IMPAIRMENT OF NON-CURRENT ASSETS

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. Assets that have an indefinite useful life, such as trademarks and brands, are not subject to amortisation and are tested at least annually for impairment or when events or circumstances indicate that the carrying amount may not be recoverable. When events or circumstances indicate that an individual asset is not recoverable the asset is tested on an individual basis.

Goodwill is tested for impairment on the last day of the third quarter of the year, and whenever a significant event occurs or circumstances change that might reduce the recoverable amount of the goodwill. If the recoverable amount of a cash-generating unit (CGU) or a group of CGUs is less than its carrying amount, the impairment loss is first allocated to goodwill. Any remaining impairment loss is allocated to all remaining assets in the CGU or group of CGUs. Impairment losses on goodwill are not reversed.

Goodwill is allocated to groups of CGUs for the purpose of impairment testing. The allocation is made to those groups of CGUs that are expected to benefit from the business combination in which the goodwill arose, identified consistent with the operating segment before any aggregation.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's FVLCD or value-in-use (VIU). For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets, other than goodwill that is impaired, are reviewed for possible reversal of the impairment at each reporting date.

Key accounting estimate and judgement—Determining whether goodwill is impaired requires an estimation of the VIU of the group of CGUs to which goodwill has been allocated. The VIU calculation requires management to estimate future cash flows expected to arise from the CGU and a suitable discount rate to calculate present value. If the actual future cash flows are less than expected, an impairment loss may arise. VIU is a valuation derived from the discounted future cash flows of the CGUs. Cash flows are projected based on the approved 4-year business plan, of which the first year is aligned with the budget for the following year. The growth rates for the fifth year (2029) are based on the average of the years 2027 and 2028. The cash flows after the 5-year period are extrapolated using a terminal growth rate equal to the inflation assumption to determine the terminal value. The coffee price growth per year is assumed to be the expected country-specific annual long-term inflation, which is based on external sources. A CGU-specific pre-tax Weighted-Average Cost of Capital (WACC) was applied. The cash flow projections in the impairment assessment include financial impacts in relation to executing the environmental strategy described under Environmental.

JDE Peet's reviews these estimates at least annually as of the date of each impairment test and believes them to be appropriate. However, changes in these estimates could change the outcomes of the impairment reviews and therefore affect future financial results, the effects of which would be recognised in the income statement, through operating profit.

The carrying amount of goodwill at 31 December 2024 is EUR 12,641 million (2023: EUR 12,300 million) and indefinite lived intangible assets EUR 3,076 million (2023: EUR 3,064 million). The movement over the year is explained by the acquisition of Marată and foreign currency translation adjustments.

The share of carrying value of the indefinite lived brands over the segments is as follows:

	2024	2023
Europe	79 %	79 %
LARMEA	5 %	5 %
Peet's	8 %	8 %
APAC	8 %	8 %
Total	**100 %**	**100 %**

As part of the overall impairment test performed with the measurement date 30 September 2024, also the recoverability of the CGUs carrying these trademarks was assessed, concluding no impairments to be recognised.

Goodwill is monitored by management at the operating segment level.

The following is a summary of goodwill allocation for each operating segment at 31 December (in EUR million):

	2024	2023
Europe	9,758	9,751
LARMEA	945	663
Peet's	779	731
APAC	1,159	1,155
Total	**12,641**	**12,300**

Key assumptions

Key assumptions used in the calculation of the VIU are the EBITDA margin growth, the discount rate applied to the projected cash flows and the terminal growth rate. The EBITDA margin growth is a combination of past experiences and JDE Peet's strategy per market, category and brand. The discount rate is the pre-tax rate WACC, which includes inputs of cost of equity (calculated using the risk-free rate, systematic market risk and risk premium) and cost of debt (yield to maturity on debt). The WACC includes an additional risk premium in relation to the realisation of the cash flow projections. The terminal growth rate is equal to the long-term annual inflation rate specific to the asset or CGU. For some intangible assets, management expects to achieve growth driven by sales, marketing and distribution expertise, which is significantly in excess of the terminal growth rates for the applicable countries or regions. In these circumstances, the recoverable amount is calculated based on the following inputs: the annual growth rate of the country's gross domestic product, aggregated with its inflation rate and adjusted according to the specific asset or CGU.

The terminal growth rate is equal to the long-term annual inflation rate of the country. For brands, the assumptions are based on a weighted-average taking into account the country or countries where sales are made.

The key assumptions (pre-tax discount rates, terminal growth rates and EBITDA margin growth) used to calculate the VIU for impairment testing are included in the following table (in percentage):

			2024			2023
	Pre-tax discount rate	Terminal growth rate	EBITDA margin growth	Pre-tax discount rate	Terminal growth rate	EBITDA margin growth
Europe	9.5 - 14.9%	1.6 %	1.4 %	9.8 - 16.2%	1.7%	0.6%
LARMEA	9.3 - 28.1%	3.5 %	1.1 %	10.1 - 28.4%	3.1%	1.5%
Peet's	10.2%	1.7 %	(0.4)%	9.4%	2.5%	0.7%
APAC	10.5 - 10.9%	1.7 %	0.7 %	10.5 - 11.1%	1.8%	0.7%

Sensitivity

Management performed sensitivity analyses around the key assumptions. Management believes that no reasonable possible changes in key assumptions would cause, in isolation, the recoverable amount of the significant group of cash generating units to be less than the carrying value. Specific consideration was given to the value of the Russian business within the LARMEA segment given its significance to this group of CGUs. The ongoing war in Ukraine and the related geopolitical and macroeconomic circumstances (see note 1.6), increase the level of estimation uncertainty associated with the Russian country-risk premiums and underlying business assumptions. Consequently, any changes in this situation, including the assessment on retaining control over the operations in Russia, may lead to increased sensitivity in the valuation assessment of the LARMEA segment. Specific sensitivity analyses were performed, which did not alter the above conclusions.

3.4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is carried at historical cost, less accumulated depreciation and any impairment losses. The cost of purchased property, plant and equipment is the value of the consideration given to acquire the assets and the value of other directly attributable costs including, for qualifying assets, capitalised borrowing costs and asset retirement obligations. Leasehold improvements and other property additions and improvements are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to JDE Peet's and the cost of the item can be measured reliably. The carrying amount of any replaced part is derecognised at the time it is disposed and charged to expense. All repair and maintenance costs are charged to expense as incurred.

Property, plant and equipment is depreciated on a straight-line basis over the estimated useful lives of the assets, except land and assets under construction which are not depreciated. JDE Peet's believes that the wear and tear on each category of assets is spread evenly over the useful life. The estimated useful lives, which are reviewed annually and adjusted if appropriate, are presented as follows:

Buildings and improvements	up to 40 years
Leasehold improvements	10 to 20 years
Machinery and equipment	up to 25 years

The assets' residual values are reviewed annually and adjusted, if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets and are recognised in the income statement within selling, general and administrative expenses. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Key accounting estimate and judgement—With respect to impairment of long lived assets, judgements are made related to the expected useful lives of long-lived assets and their ability to realise undiscounted cash flows in excess of the carrying amounts of such assets which are affected by factors such as the ongoing maintenance and improvements of the assets, changes in economic conditions and changes in operating performance. In assessing the remaining useful lives JDE Peet's concluded that there is no material impact from climate risk.

The composition of property, plant and equipment is as follows (in EUR million):

	Note	2024	2023
Property, plant and equipment - owned assets	3.4.1	1,593	1,475
Right of use assets	3.4.2	266	244
Total		**1,859**	**1,719**

3.4.1 PROPERTY, PLANT AND EQUIPMENT - OWNED ASSETS

The movements of the property, plant and equipment are as follows (in EUR million):

	Land and buildings	Machinery and equipment	Assets under construction	Other	Total
Balance at 1 January 2023	**451**	**850**	**186**	**15**	**1,502**
Capital expenditures	17	107	147	1	272
Disposals/other	(1)	(7)	—	—	(8)
Impairment	(15)	(29)	(7)	—	(51)
Foreign currency translation	(13)	(20)	(12)	(1)	(46)
Depreciation expense	(30)	(162)	—	(3)	(195)
Transfers	17	85	(103)	2	1
Balance at 31 December 2023	**426**	**824**	**211**	**14**	**1,475**
Cost	784	2,331	211	63	3,389
Accumulated depreciation	(358)	(1,507)	—	(49)	(1,914)
Balance at 31 December 2023[84]	**426**	**824**	**211**	**14**	**1,475**
Application of hyperinflationary accounting	44	—	—	—	44
Acquisitions in business combinations	13	23	1	—	37
Capital expenditures	11	103	181	1	296
Disposals/other	(3)	(16)	(2)	—	(21)
Impairment	(16)	(10)	(3)	—	(29)
Foreign currency translation	(1)	(16)	(1)	—	(18)
Depreciation expense	(32)	(164)	—	(3)	(199)
Transfers	53	96	(144)	3	8
Balance at 31 December 2024	**495**	**840**	**243**	**15**	**1,593**
Cost	903	2,265	243	64	3,475
Accumulated depreciation	(408)	(1,425)	—	(49)	(1,882)
Balance at 31 December 2024	**495**	**840**	**243**	**15**	**1,593**

Assets under construction primarily relate to production lines and buildings.

The impairment charge recognised in 2024 mainly related to the intended closure of the production and research & development operations in Banbury, United Kingdom, and the impairment of the office building in Singapore, which was classified as held for sale in 2023.

3.4.2 RIGHT OF USE ASSETS

The movements of the right-of-use assets are as follows (in EUR million):

	Right-of-use real estate	Right-of-use vehicles	Right-of-use other	Total
Balance at 1 January 2023	**202**	**31**	**5**	**238**
Recognition right-of-use asset	76	13	1	90
Remeasurement/other	(2)	(2)	—	(4)
Foreign currency translation	(4)	(1)	(2)	(7)
Depreciation expense	(61)	(13)	(1)	(75)
Transfers	—	2	—	2
Balance at 31 December 2023	**211**	**30**	**3**	**244**
Cost	430	69	12	511
Accumulated depreciation	(219)	(39)	(9)	(267)
Balance at 31 December 2023[62]	**211**	**30**	**3**	**244**
Acquisitions in business combinations	3	—	—	3
Recognition right-of-use asset	66	25	1	92
Remeasurement/other	(2)	4	—	2
Foreign currency translation	8	—	1	9
Depreciation expense	(65)	(18)	(3)	(86)
Transfers	1	1	—	2
Balance at 31 December 2024	**222**	**42**	**2**	**266**
Cost	488	83	12	583
Accumulated depreciation	(266)	(41)	(10)	(317)
Balance at 31 December 2024	**222**	**42**	**2**	**266**

84 The opening balance was adjusted to reflect reclassifications between cost and accumulated depreciation.

Depreciation expense included in the income statement for the period is as follows (in EUR million):

	2024	2023
Cost of sales	(205)	(199)
Selling, general and administrative expenses	(80)	(71)
Total	**(285)**	**(270)**

JDE Peet's leases various offices, warehouses, coffee stores, equipment and vehicles. Expenses for short-term leases, low value leases and variable lease payments amounted to EUR 20 million (2023: EUR 20 million) and were charged to the income statement. There are no significant lease commitments for leases not commenced at year-end.

JDE Peet's incurred interest expenses on the lease liability of EUR 11 million (2023: EUR 9 million). For lease liabilities, refer to note 5.2. and for the contractual maturity analysis of lease liabilities refer to note 6.4.

The total cash outflow for leases amounted to EUR 111 million (2023: EUR 106 million).

4. WORKING CAPITAL

4.1 INVENTORIES

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the first-in, first-out method and includes the impact of rebates, discounts and other cash consideration received from a vendor related to inventory purchases and the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, and other direct costs, including transportation costs incurred in bringing inventories to their location immediately prior to external sale, and condition and related production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses (i.e. less all estimated costs of completion and costs necessary to make the sale). In addition, inventories include coffee machines that have not yet been leased.

The composition of inventories is as follows (in EUR million):

	2024	2023
Raw materials (including packaging)	923	560
Work in progress	184	191
Finished goods (including Out-of-Home machines)	597	534
	1,704	**1,285**
Provision for write downs	(29)	(37)
Total	**1,675**	**1,248**

The amount added to the provision is EUR 5 million (2023: EUR 3 million). Reference is made to note 2.3 for the amount of inventories directly recognised as an expense during the period.

4.2 TRADE AND OTHER RECEIVABLES

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in 12 months or less, they are classified as current. If not, then they are presented as non-current assets. Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less a provision for impairment.

The composition of trade and other receivables is as follows (in EUR million):

	2024	2023
Trade receivables	666	563
Provision for impairment of trade receivables	(23)	(25)
Trade receivables—net	**643**	**538**
Prepaid non-income taxes	122	94
Prepaid assets	61	54
Contingent assets recognised upon acquisition of a business	25	—
Lease receivable	2	2
Deposits	5	6
Other	35	35
Total	**893**	**729**

The charge to and release of the provision for impaired receivables are included in selling, general and administrative expenses in the income statement, whereby receivables are all assessed on an individual basis. During 2024, an amount of EUR 8 million was charged (2023: EUR 5 million) and an amount of EUR 11 million was released (2023: EUR 4 million) to the income statement. Amounts charged to the provision are generally written-off when there is no expectation of recovering.

At 31 December 2024, an amount of EUR 67 million (2023: EUR 66 million) was past due, of which EUR 11 million was due more than 30 days (2023: EUR 19 million). Trade receivables not past due at 31 December 2024, were fully performing. Information about the impairment of trade receivables and exposure to credit risk, market risk and liquidity risk can be found in note 6 Financial risk management.

The carrying amount of the trade and other receivables is considered a close approximation of their fair value due to their short maturity.

4.3 TRADE AND OTHER PAYABLES

Trade payables are obligations to pay for goods or services that were acquired in the ordinary course of business. Trade and other payables are classified as current liabilities if payment is due within 12 months or less. If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Key accounting estimate and judgement

In evaluating whether liabilities to suppliers who participate in a supply chain finance initiative, utilise notices of assignment, or act as intermediaries, qualify as trade payables (as opposed to borrowings) judgement is required as such arrangements could contain characteristics of both. JDE Peet's considers elements such as changes in the contractual relationship with the supplier, whether any seniority or collateral is granted on the amounts payable to the supply chain finance party, and the extent to which extended payment terms are customary.

Given the customary length of payment terms in the coffee & tea business, it is not uncommon for suppliers of JDE Peet's to use notices of assignment programmes of financial institutions. Such notices of assignment are all initiated by, and at the discretion of, the suppliers, and do not change the nature, terms and conditions, or payment terms of the amounts owed by JDE Peet's. Therefore, such arrangements of suppliers do not modify JDE Peet's classification of the trade payables.

Estimates are made in the determination of marketing (trade promotion) accruals. When trade promotions are provided to customers, these reduce the transaction price and consequently the revenue. The conditional discounts in revenue (refer to note 2.2) are estimated based on accumulated experience supported by historical and current sales information. Expected sales volumes are determined taking into account (historical) sales patterns and other relevant information. A trade promotion accrual is recognised for expected volume and year-end trade promotions payable to customers in relation to sales made until the end of the reporting period.

The composition of trade and other payables is as follows (in EUR million):

	2024	2023 restated
Trade payables	4,141	3,358
Accrued payroll and benefits	214	177
Accrued trade promotion	257	269
Non-income taxes payable	51	67
Deferred revenue: contract liability	89	90
Dividend payable	170	170
Other accrued expenses	189	155
Total	**5,111**	**4,286**

The carrying amount of the trade and other payables is considered a close approximation of their fair value due to their short-term maturity.

Deferred revenue—Deferred revenue includes the customer loyalty programmes as further described in accounting policy information (note 2.2). JDE Peet's implemented the amendments to IAS 1 regarding the classification of liabilities as either current or non-current. Consequently, the deferred revenue from the loyalty programmes was fully classified as current for the year 2024. In previous periods, this balance was divided between current and non-current. The transition guidance in IAS 1 was adhered to, and the reclassification of the 2023 non-current loyalty programme deferred revenue of EUR 61 million to current, was applied retrospectively. The deferred revenue, previously classified as non-current, was included in other non-current liabilities (note 9.4).

Certain suppliers are offered the opportunity to use supply chain financing arrangements (SCF), which allows them to collect the receivable before the invoice date subject to a discount. The applied discount is based on the average market interest rate plus a fixed margin. JDE Peet's repays the banks the full invoice amount on the scheduled payment date as required by the invoices. Supply contracts are evaluated against a number of indicators to assess whether the payables hold the characteristics of a trade payable or should be classified as borrowings. At 31 December 2024 and 2023 none of the payables subject to SCF met the criteria to be classified as borrowings. The amount outstanding under SCF at 31 December 2024 as paid by the banks amounted to EUR 488 million (2023: EUR 493 million). At 31 December 2024, there was an additional amount of EUR 171 million of vendor invoices offered to the SCF platforms but not yet paid by the banks.

The related transactions under SCF are reflected under cash flows from operating activities.

The composition of the financial liabilities that are subject to SCF is as follows (in EUR million)[85]:

	2024
Presented as part of trade payables	659
of which suppliers have received payment from finance provider	488

The average payment due dates is as follows:

	2024
Liabilities that are part of SCF	224 days after invoice date
Comparable trade payables that are not part of SCF	183 days after invoice date

During the Annual General Meeting of Shareholders on 30 May 2024, a dividend of EUR 0.70 per share was approved, payable in two instalments of EUR 0.35 on 12 July 2024 and 24 January 2025. The dividend payable at 31 December 2024 amounted to EUR 170 million, which was recognised within Trade and other payables.

85 The company applied transitional relief available under *Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements* and has not provided comparative information in the first year of adoption.

5. CAPITAL STRUCTURE

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence and to ensure future development of its business. The Company focuses on keeping a strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowing, if required, without impacting the risk profile of the Company. In May 2022, JDE Peet's repurchased EUR 500 million of ordinary shares from of Mondelēz International Holdings Netherlands B.V. The majority of these shares were cancelled on 28 July 2023. Other than this, there were no major changes made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023.

The capital structure is reviewed on a regular basis. The capital structure consists of net debt, which includes the borrowings disclosed in note 5.2, net of cash and cash equivalents and equity attributable to the shareholders of the Company, comprising issued share capital, reserves and retained earnings.

The capital structure is managed and adjusted in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares.

The Company is not subject to any externally imposed capital requirements other than the legal reserves.

5.1 SHAREHOLDERS' EQUITY

Translation reserve—The translation reserve comprises foreign currency differences arising from the translation of the assets and liabilities of foreign operations (excluding amounts attributable to non-controlling interests) as well as value changes of the hedging instruments in the net investment hedges.

Hedging reserve—This reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments where the hedged transaction has not yet occurred.

Other reserves—These reserves relate to the movements in share-based payments and retirement benefit obligations. Reference is made to the specific accounting policy information described within the respective section above.

Share capital and premium

The authorised share capital amounts to EUR 20,000,000, consisting of 2,000,000,000 shares, and is divided into 1,000,000,000 ordinary shares with a nominal value of EUR 0.01 each and 1,000,000,000 preference shares with a nominal value of EUR 0.01 each.

The number of outstanding shares (excluding treasury shares) and nominal value for the years ended 31 December 2024 and 2023 can be summarised as follows (value is stated in EUR million):

	Number of outstanding shares at 31 December 2024	Number of outstanding shares at 31 December 2023	Value in EUR million 2024	Value in EUR million 2023
Ordinary shares	488,178,642	486,042,837	9,593	9,590
Total share capital and share premium	**488,178,642**	**486,042,837**	**9,593**	**9,590**

No preference shares were outstanding at 31 December 2024 and 31 December 2023.

Holders of common shares are entitled to dividend distributions as declared from time to time. The Company may only make distributions to its shareholders if its equity exceeds the amount of the paid-in and called-up part of the issued capital plus the reserves as required to be maintained by the Articles of Association (if any) or Dutch law.

Movements in issued and outstanding ordinary shares (Nominal value, share premium and total in EUR million):

	Note	Number of outstanding shares	Nominal value	Share premium	Total
Balance at 1 January 2023		**485,235,677**	**5**	**9,997**	**10,002**
Release of treasury shares	(i)	807,160	—	—	—
Cancellation treasury shares	(ii)	—	—	(412)	(412)
Balance at 31 December 2023		**486,042,837**	**5**	**9,585**	**9,590**
Release of treasury shares	(i)	1,403,020	—	(11)	(11)
Issuance of shares		732,785	—	14	14
Balance at 31 December 2024		**488,178,642**	**5**	**9,588**	**9,593**

In 2024, 1,403,020 shares were released from treasury shares and 732,785 new shares were issued to settle vested share-based payment plans and an investment in relation to the Company's Option Plan (2023: 807,160 and 0 shares). More information on the share-based payment plans can be found in note 7.1 Share-based payments.

Treasury shares

During 2024, all treasury shares were released.

Movements in treasury shares (Nominal value in EUR million):

	Number of issued shares	Nominal value
Balance at 1 January 2023	**17,510,180**	**(471)**
Release of treasury shares	(807,160)	21
Cancellation of treasury shares	(15,300,000)	412
Balance at 31 December 2023	**1,403,020**	**(38)**
Release of treasury shares	(1,403,020)	38
Balance at 31 December 2024	**—**	**—**

Non-controlling interest

JDE Peet's consolidates JDE, with a 0.12% (2023: 0.16%) non-controlling interest and Peet’s with a 1.83% (2023: 1.75%) non-controlling interest. All other subsidiaries are fully owned or the non-controlling interests are not material. As the non-controlling interest is not material in 2024 and 2023, the financial information attributable to non-controlling interests is not disclosed.

5.2 BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

An exchange of debt instruments or modification of terms is accounted for as a substantial modification or non-substantial modification. For both a non-substantial and substantial modification, a gain or loss is recognised at the time of recognition. When accounted for as a non-substantial modification, the gain or loss is determined using the difference between the present value of the cash flows under the original and modified terms discounted at the original effective interest rate. When accounted for as a substantial modification, the original financial liability is derecognised and a new financial liability is recognised at fair value.

Borrowing facilities of JDE Peet's through the years 2023 and 2024 are summarised in the following tables (in EUR million):

	Currency	31 December 2022	Business combinations	Unwinding discount	Additions	Repaid	Remeasurement	Amortisation	Recognition of lease liability	Currency translation	31 December 2023
Unsecured notes - EU	EUR	3,091	—	—	995	—	—	2	—	—	4,088
Unsecured notes - US	USD	1,629	—	—	—	—	—	1	—	(49)	1,581
JDE: Other financing	Various	14	—	—	—	(3)	—	—	—	(3)	8
Leases	Various	256	—	12	—	(86)	—	(5)	91	(7)	261
Unamortised discounts and costs	Various	(23)	—	—	(6)	—	—	6	—	—	(23)
Total borrowings		**4,967**	**—**	**12**	**989**	**(89)**	**—**	**4**	**91**	**(59)**	**5,915**
Non-current		4,888									5,388
Current		79									527

	Currency	31 December 2023	Business combinations	Unwinding discount	Additions	Repaid	Remeasurement	Amortisation	Recognition of lease liability	Currency translation	31 December 2024
Unsecured notes - EU	EUR	4,088	—	—	—	—	4	3	—	—	4,095
Unsecured notes - US	USD	1,581	—	—	—	(450)	(4)	1	—	72	1,200
JDE: Other financing	Various	8	1	—	62	(65)	—	—	—	(3)	3
Leases	Various	261	—	13	—	(91)	—	(3)	97	10	287
Unamortised discounts and costs	Various	(23)	—	—	—	—	—	6	—	—	(17)
Total borrowings		**5,915**	**1**	**13**	**62**	**(606)**	**—**	**7**	**97**	**79**	**5,568**
Non-current		5,388									4,999
Current		527									569

Unsecured notes

In June 2021, the Company established a Euro Medium Term Note (EMTN) programme for a total amount of EUR 5,000 million under which three euro notes were issued on 16 June 2021 for EUR 2,000 million on the euro MTF market of the Luxembourg Stock Exchange, with the following conditions:

Notes	Pricing	Maturity	Issued amount	Initial fair value
Note 2026	0.000% interest	4.6 years	EUR 750 million	EUR 746 million
Note 2029	0.500% interest	7.6 years	EUR 750 million	EUR 745 million
Note 2033	1.125% interest	12.0 years	EUR 500 million	EUR 499 million

In September 2021, the Company issued USD 1,750 million aggregate principals of notes under rule 144A and Regulation-S, under the Securities Act of 1933 and as a result are not listed on an exchange and consequently not subject to rules applicable to the exchange, such as Sarbanes-Oxley. In September 2024, note 2024 for an amount of USD 500 million was repaid upon its maturity. The remaining notes comprise of the following two series:

Notes	Pricing	Maturity	Issued amount	Initial fair value
Note 2027	1.375% interest	5.3 years	USD 750 million	USD 745 million
Note 2031	2.250% interest	10.0 years	USD 500 million	USD 498 million

In November 2021, the Company issued two notes under the EMTN programme:

Notes	Pricing	Maturity	Issued amount	Initial fair value
Note 2028	0.625% interest	6.3 years	EUR 600 million	EUR 597 million
Note 2025	0.244% interest	3.2 years	EUR 500 million	EUR 500 million

In December 2023, the Company issued two notes under the EMTN programme:

Notes	Pricing	Maturity	Issued amount	Initial fair value
Note 2030	4.125% interest	6.2 years	EUR 500 million	EUR 497 million
Note 2034	4.500% interest	10.2 years	EUR 500 million	EUR 498 million

All notes were initially recognised at fair value and subsequently measured at amortised costs, the initial fair value of the notes, except for one euro tranche, was lower than their nominal value since they were offered at a discount. This discount will be amortised over the lifetime of the notes. All notes are unsecured.

Facility Agreements

JDE Peet's EUR 1,500 million revolving credit facility established in 2021 remained undrawn at 31 December 2024, similar to 31 December 2023. The agreement is unsecured and no covenants apply, however, certain sustainability targets were agreed as part of the pricing mechanism.

Other financing

Other financing refers to various trade and cash management non-committed facilities at local subsidiary level in France and Italy. There are no restrictions or covenants on these facilities.
Additionally, since the start of the war, JDE Peet's business in Russia is operated as a stand-alone business to the greatest extent possible. As a result, a local one-year facility was set-up in December 2023 for a total amount of RUB 3 billion (equivalent to approximately EUR 30 million at 31 December 2023). The facility is unsecured and no covenants apply. At 31 December 2024, the facility remained undrawn.
The local subsidiary in Brazil entered into a three-month short-term bank facility for an amount of BRL 160 million (EUR 25 million) at the end of September 2024, with a full draw-down in October 2024. The amount was fully repaid in December 2024.

Leases

The lease liabilities relate to the right-of-use assets as disclosed in note 3.4 Property, plant and equipment.

Interest rate swaps and cross-currency interest rate swaps

To hedge the foreign currency and US interest rate exposure associated with the US notes, cross-currency interest rate swaps were entered into including a part hedged through a net investment hedge. Given that the US note related to this net investment hedge was repaid in September 2024, the net investment hedge ceased to exist. To act upon economic developments pointing at a substantial shift in rate expectation, JDE Peet's has entered into some fixed-floating interest rate swaps for both EUR and USD to better manage the interest rate risk exposure of the notes portfolio. Hedge accounting, including fair value hedge accounting, under IFRS 9 is being applied for certain instruments, for which more information can be found in note 6 Financial risk management.

5.3 CASH AND CASH EQUIVALENTS

In the statements of financial position, cash and cash equivalents include cash on hand and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Any bank overdraft is included in trade and other payables. In the statements of cash flows, any bank overdraft is included as an offset to cash and cash equivalents.

The composition of cash and cash equivalents is as follows (in EUR million):

	2024	2023
Cash in bank and on hand	594	525
Cash equivalents	670	1,523
Total	**1,264**	**2,048**

At 31 December 2024 an amount of EUR 25 million was not at the free disposal of JDE Peet's (2023: EUR 23 million).

5.4 FINANCE INCOME AND EXPENSE

JDE Peet's receives finance income primarily representing interest on cash and cash equivalents, net interest income from cross-currency interest rate swaps and dividend income from equity derivatives. Interest income and expense on cashpool arrangements are considered to be an intercompany transaction and are therefore eliminated. Finance expense primarily relates to interest on borrowings and change in fair value of derivative financial instruments. The interest is recognised using the effective interest method.

Finance income and expense consist of the following (in EUR million):

	2024	2023
Interest income	83	91
Interest expense[86]	(147)	(94)
Net financing cost of financial debt	**(64)**	**(3)**
Interest income on plan assets	72	75
Interest expense on defined benefit obligation	(60)	(62)
Total pension finance (expense) / income	**12**	**13**
Foreign exchange gain / (loss)	(208)	45
Change in fair value of foreign exchange and interest derivatives	162	(142)
Change in fair value of total return equity swaps	(154)	(53)
Fair value changes financial liabilities	4	(3)
Net monetary gain / (loss)	(15)	—
Net finance expense	**(263)**	**(143)**

[86] Interest expense primarily includes interest on unsecured notes (2024: EUR (84) million; 2023: EUR (45) million, total return equity swaps (2024: EUR (26) million; 2023: EUR (23) million), lease liabilities (2024: EUR (11) million; 2023: EUR (9) million), bank overdrafts (2024: EUR (5) million; 2023: EUR (4) million), amortisation expenses (2024: EUR (6) million; 2023: EUR (6) million) and interest rate swaps (2024: EUR (5) million; 2023: EUR 0 million).

6. FINANCIAL RISK MANAGEMENT

In accordance with IFRS 9, financial assets are classified into the following categories: a) amortised costs, b) fair value through profit or loss and c) fair value through OCI. Classification under IFRS 9 for investments in debt instruments is driven by JDE Peet's model for managing financial assets and their contractual cash flow characteristics. Management determines the classification of its financial assets at their initial recognition.

Financial assets are classified as follows:
- **Financial assets at amortised cost—**Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the income statement and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the income statement.
- **Financial assets at fair value through OCI—**Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through OCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the income statement. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from Equity to the income statement and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the income statement.
- Assets and liabilities that do not meet the criteria for amortised cost or fair value through OCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the income statement (in finance expense except for the change in fair value of commodity derivative financial instruments which are included in the cost of sales) and presented net within other gains/(losses) in the period in which it arises.

The regular purchases and sales of financial assets are recognised on the trade-date, which is the date on which JDE Peet's commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and substantially all risks and rewards of ownership were transferred. Financial assets and liabilities are offset and the net amount is recognised in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Impairment of Financial Assets—Upon initial recognition of the financial asset the expected loss is assessed. Subsequently, at the end of each reporting period it is assessed whether there is objective evidence that a financial asset or group of financial assets is impaired. The impairment model for financial assets is based on expected credit loss. A broader range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. The impairment methodology applied, depends on whether there has been a significant increase in credit risk. In applying this forward-looking approach, a distinction is made between the following categories:
- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') - '12-month expected credit losses' are recognised for this category.
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2') - 'lifetime expected credit losses' are recognised for this category.
- ('Stage 3') would cover financial assets that have objective evidence of impairment at the reporting date.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument. For trade receivables, the simplified approach permitted by IFRS 9 is applied, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date for financial guarantee contracts, the exposure includes the amount drawn down at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to JDE Peet's in accordance with the contract and all the cash flows that are expected to be received, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

For a financial guarantee contract, as JDE Peet's is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that are expected to be received from the holder, the debtor or any other party.

When a loss allowance was measured for a financial instrument at an amount equal to lifetime expected credit loss (ECL) in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the loss allowance is measured at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

An impairment gain or loss is recognised in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through OCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

On assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, a comparison is made with the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, both quantitative and qualitative information are considered that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which JDE Peet’s debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to JDE Peet’s core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:
- An actual or expected significant deterioration in the financial instrument’s external (if available) or internal credit rating.
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost.
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor’s ability to meet its debt obligations.
- An actual or expected significant deterioration in the operating results of the debtor.
- Significant increases in credit risk on other financial instruments of the same debtor.
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor’s ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, JDE Peet's presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless JDE Peet's has reasonable and supportable information that demonstrates otherwise.

JDE Peet's considers a financial asset to have low credit risk when the asset has an external credit rating of ‘investment grade’ in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of ‘performing’. Performing means that the counterparty has a strong financial position and there are no past due amounts.

6.1 FINANCIAL RISK FACTORS

JDE Peet's activities are exposed to a variety of financial risks: market risk (including commodity price risk, foreign exchange risk, interest rate and equity risk), credit risk and liquidity risk. All these risks arise in the normal course of business. JDE Peet's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on financial performance. To mitigate the risk from interest rates, foreign currency exchange rates, equity and commodity price fluctuations, various derivative financial instruments are used in accordance with JDE Peet's policies and procedures.

Some of the (cross-currency) interest rate swaps and foreign currency components of non-derivative financial instruments are designated as hedging instruments and hedge accounting is applied. In addition, hedge accounting is applied for highly probable forecasted transactions like certain foreign currency exposures related to the purchase of commodities and investment transactions. Other derivatives are accounted for at fair value through the profit and loss. JDE Peet's does not enter into financial instruments for trading purposes and is not a party to any leveraged derivatives.

Risk management

JDE Peet's maintains risk management frameworks and control systems to monitor the foreign exchange, interest rate, equity and commodity price risk and its offsetting hedge positions. Periodically, sensitivity analyses are completed to evaluate the effect of any changes in interest rate, equity prices, commodity prices and foreign currencies and the associated risk derivatives.

6.2 MARKET RISK

Commodity price risk

Commodity price risk arises primarily from transactions related to global commodity markets. JDE Peet's objective is to minimise the impact of commodity price fluctuations. The exposure is hedged in accordance with JDE Peet's policies and risk management programme. The green coffee commodity risk is mainly managed at regional locations, being the US, the Netherlands, Brazil, Vietnam and Indonesia. The green coffee commodity price risk exposure of anticipated future purchases is managed primarily using futures, options and forward contracts, which are eventually rolled-over into physical contracts. Through these derivatives, JDE Peet's is able to fix a portion of its price for anticipated future deliveries of green coffee beans, for instance, for a specified period of time.

JDE Peet's only enters into futures contracts that are traded on established, well-recognised exchanges, named ICE and IFFE that offer high liquidity, transparent pricing, daily cash settlement and collateralisation through margin requirements.

In 2023, the Company expanded its financial hedging strategy to the coverage of other commodity price risks, such as energy and aluminium, evolving from fixed priced contracts with suppliers to (partially) variable priced contracts in combination with derivative instruments with global relationship banks in order to detach the supply from the financial risk. As a result of the short product business cycle, the majority of the anticipated future commodities transactions outstanding at the statement of financial position date are expected to occur in the next year.

The table below shows the estimated impact on profit before tax and equity reserves if underlying commodity prices would have changed by 10% (commodities for which JDE Peet's held material derivative exposures at 31 December 2024 and 31 December 2023):

	Change in year-end price	Effect on profit before tax In EUR million	Effect on equity In EUR million
Green coffee beans and other commodities - 2024	10%	20	—
Green coffee beans and other commodities - 2024	(10)%	(23)	—
Green coffee beans - 2023	10 %	7	—
Green coffee beans - 2023	(10)%	(7)	—

Foreign exchange risk

JDE Peet's operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises primarily from commercial transactions such as the purchase of commodities, recognised monetary assets and liabilities and net investments in foreign operations. JDE Peet's is exposed to numerous foreign currencies. The most important ones are the US dollar and the Pound sterling.

Mainly forward exchange contracts are used to reduce the effect of fluctuating foreign currencies on foreign currency denominated transactions, third-party product-sourcing transactions and other known foreign currency exposures. Gains and losses on the derivative instruments are intended to offset gains and losses on the associated transaction in an effort to reduce the earnings volatility resulting from fluctuating foreign currency exchange rates. Forward currency exchange contracts mature either at the anticipated invoice date or at the actual payment date of the associated transaction. Most of the transactions directly relate to the business-as-usual operations, but could also relate to ad-hoc strategic transactions such as the acquisition of Maratá's coffee & tea business in Brazil announced by JDE Peet's in July 2023 and completed in 2024.

Some foreign exchange derivatives are designated as hedging instruments for accounting purposes and cash flow hedge accounting on those hedges is applied. The fair value of these hedging instruments is recognised on the consolidated statement of financial position and the effective portion of fair value changes is recognised in the cash flow hedge reserve in the consolidated statement of comprehensive income. The change in fair value on the other foreign exchange derivatives is recognised directly in the consolidated income statement.

The Company also designates certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk related to the net investment in a foreign operation. These instruments hedge foreign operations in multiple foreign currencies, such as the US dollar, Swedish krone, Chinese yuan and others. Among others, JDE Peet's is exposed to fluctuations in US dollar as a result of entering into US-dollar denominated debt instruments. Next to hedging this risk via cross-currency interest rate swaps, JDE Peet's designated several derivative and non-derivative financial instruments as hedging instruments to net investment hedges. With the repayment of the USD note in September 2024 the net investment hedge ceased to exist.

A sensitivity analysis shows that if foreign exchange rates change by 10 percent profit and equity would have been affected as follows (in EUR million):

	Profit or Loss		Equity, pre-tax	
	Strengthening	Weakening	Strengthening	Weakening
31 December 2024				
+/-10%	9	(9)	(104)	104
31 December 2023				
+/-10%	(77)	77	(125)	135

Fair value movements related to the effective part of foreign exchange and interest rate contracts that are designated in hedging relationships are recognised directly in the cash flow hedge reserve (net of tax), a separate component within Equity.

Interest rate risk

JDE Peet's is primarily financed through bonds of which part denominated in US- dollar and at fixed interest rates which reduces the risk of fluctuations in the interest rate risk on JDE Peet's. The fixed unsecured US-dollar notes are swapped using cross-currency interest rate swaps with a fixed interest for which hedge accounting is applied.

In 2023, one of the hedge relationships to which hedge accounting was applied became ineffective, after which the results were directly recognised in profit and loss. Until the moment of ineffectiveness, the results remained in OCI until the instrument is derecognised. A gain, net of tax, of EUR 2 million was recognised in OCI during 2024 (2023: EUR 8 million loss).

Furthermore, in 2024, JDE Peet's has entered into some fixed-floating interest rate swaps for both EUR and USD to better manage the interest rate risk exposure of the notes portfolio. Fair value hedge accounting is applied for these instruments. The changes in the fair value of derivatives that are designated are recognised in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The sensitivity analysis on the foreign currency component of these swaps is included in the foreign exchange section above.

Equity price risk

JDE Peet's is exposed to an equity price risk on its shares upon vesting of its share-based payment plans (refer to note 7.1 Share-based payments). This risk could negatively impact future cash flows related to these plans. To mitigate this equity price risk, JDE Peet's hedges the price risk on its shares by entering into total return equity swaps with external parties. On a frequent basis, JDE Peet's compares and matches its equity derivatives position with its refreshed share-based payment plans exposure, reflecting the net impact from expiring and new grants. JDE Peet's has no obligation to purchase the underlying shares of this swap transaction and is entitled to receive the dividends on these underlying shares. Upon settlement of the swap, only the fair value changes of the underlying shares will be settled. This derivative is accounted for as a financial instrument through profit and loss and does not qualify for hedge accounting. All results related to this transaction are recognised directly in the consolidated income statement. At 31 December 2024, an exposure of an equivalent of 7.2 million shares (2023: 7.2 million shares) in the Company was hedged, resulting in the recognition of a liability of EUR 105 million (2023: EUR 49 million), dividend income of EUR 5 million (2023: EUR 5 million) and an unrealised result of EUR 56 million in financial income and expense (2023: EUR 19 million).

In addition and using similar total return equity swaps with external parties, the Company started a strategic equity hedging programme in 2022 with a maximum size of EUR 500 million. The intended purpose of this programme was to hedge the Company’s equity price risk related to future share repurchases (either exposure under future share-based payments programmes, management equity incentive schemes, share capital reduction or other future share delivery obligations, or a mix of these). As a result of these hedges, material movements in JDE Peet’s share price could result in a material gain or loss for the Company. All results related to this programme are recognised directly in the consolidated income statement. Upon maturity of instruments, the Company will decide whether to negotiate continuation or cash settle while executing a share repurchase. At 31 December 2024, 12.4 million (2023: 12.4 million) shares were hedged, resulting in the recognition of a liability of EUR 143 million (2023: EUR 45 million), dividend income of EUR 8 million (2023: EUR 8 million) and a loss of EUR 97 million (2023: EUR 34 million) in financial income and expense.

Total return equity swap

A sensitivity analysis shows that if the underlying share price changes by 10%, the fair value of the equity derivative instruments would have changed as follows (in EUR million):

	Change in year-end price	Effect on profit before tax In EUR million
Share price - 2024	10%	32
Share price - 2024	(10)%	(32)
Share price - 2023	10 %	48
Share price - 2023	(10)%	(48)

Cash-settled share-based payment plan Peet’s

A sensitivity analysis shows that if the underlying share price of Peet’s changes by 10%, this would have changed the share-based payment liability as follows (in EUR million):

	Change in year-end price	Effect on profit before tax In EUR million
Share price - 2024	10 %	2
Share price - 2024	(10)%	(2)
Share price - 2023	10 %	3
Share price - 2023	(10)%	(3)

6.3 CREDIT RISK

Credit risk arises because a counterparty may fail to perform its obligations. JDE Peet's is exposed to credit risk on financial instruments such as cash, derivative assets and trade receivables. Concentration of credit risk is avoided by managing financial assets across several institutions and sectors.

In relation to financial instruments, agreements are entered into with counterparties that meet stringent credit standards (at minimum investment grade), the amount of agreements or contracts it enters into with any party is limited and, where legally available, executed through master netting agreements. These positions are continuously monitored. In situations where a counterparty does not meet the minimum credit rating requirement the outstanding exposure with such counterparty is closely monitored and maintained at an absolute minimum. While JDE Peet's may be exposed to credit losses in the event of non-performance by individual counterparties, it has not recognised any losses with these counterparties in the past and does not anticipate material losses in the future.

All of JDE Peet's derivative instruments, with the exception of exchange traded coffee futures, are governed by International Swaps and Derivatives Association master agreements. JDE Peet’s trade receivables are subject to credit limits, controls and approval procedures. Due to its large geographic base and number of customers, JDE Peet's is not exposed to material concentrations of credit risk on its trade receivables. Nevertheless, commercial counterparties are monitored on a continuous basis. The maximum exposure to credit risk resulting from financial activities, without considering netting agreements and without taking into account any collateral held or other credit enhancements, is equal to the carrying amount of the financial assets.

6.4 LIQUIDITY RISK

Liquidity risk arises when a company encounters difficulties to meet commitments associated with liabilities and other payment obligations. Such risk may result from inadequate market depth or disruption or refinancing problems. Liquidity risk is managed by maintaining adequate reserves and banking facilities and by closely monitoring forecasted and actual cash flows and, where possible, matching the maturity profiles of financial assets and liabilities. Seasonality of operating cash flows, which includes the payable extension programme (refer to note 4.3 Trade and other payables for more details) and structured payables, could impact short-term liquidity.

JDE Peet's does not face a significant liquidity risk as a result of its supplier finance arrangements given the limited amount of liabilities subject to supplier finance arrangements, the good financial condition of the bank facilitating the supplier finance arrangements and JDE Peet's access to other sources of finance on similar terms.

JDE Peet’s strong risk management framework include continuous liquidity forecasting and planning, with advanced and punitive stress-testing. At 31 December 2024, the Company's liquidity position remained strong, with total liquidity of EUR 2.7 billion consisting of a cash position of EUR 1.2 billion (excluding restricted cash) and an undrawn committed Revolving Credit Facility of EUR 1.5 billion. Note 9.5 discloses the commitments at 31 December 2024.

The following disclosure details JDE Peet’s remaining contractual maturities for its non-derivative and derivative financial liabilities with agreed repayment periods. The disclosures have been prepared based on the undiscounted cash flows of financial liabilities based on the earliest date on which JDE Peet's can be required to pay. The disclosures include both interest and principal cash flows and were restated for the comparative figures to exclude any offsetting cash inflows from derivative financial instruments.

To the extent that interest rates are floating, the undiscounted amount is based on the (forward) interest rates at the end of 31 December 2024 and 31 December 2023, respectively.

At 31 December 2024 (in EUR million):

	Note	Less than 1 year	Between 1 and 5 years	Over 5 years	Total	Carrying amount
Financial liabilities						
Borrowings (excluding unamortised discounts and costs):						
Unsecured notes	5.2	(578)	(3,094)	(2,100)	(5,772)	(5,295)
Lease liabilities	5.2	(89)	(204)	(48)	(341)	(287)
Other financing	5.2	(2)	(1)	—	(3)	(3)
Trade and other payables (excluding deferred revenue)	4.3	(5,022)	—	—	(5,022)	(5,022)
Total		**(5,691)**	**(3,299)**	**(2,148)**	**(11,138)**	**(10,607)**
Derivative financial liabilities						
Foreign currency derivatives	6.7	(25)	(4)	—	(29)	(29)
Commodity derivatives	6.7	(8)	—	—	(8)	(8)
Net interest rate derivatives	6.7	(7)	(12)	(1)	(20)	(20)
Total return equity swap derivatives	6.7	(264)	—	—	(264)	(248)
Total		**(5,995)**	**(3,315)**	**(2,149)**	**(11,459)**	**(10,912)**

At 31 December 2023 (in EUR million):

	Note	Less than 1 year	Between 1 and 5 years	Over 5 years	Total	Carrying amount
Financial liabilities						
Borrowings (excluding unamortised discounts and costs):						
Unsecured notes	5.2	(491)	(2,787)	(2,893)	(6,171)	(5,669)
Lease liabilities	5.2	(79)	(176)	(31)	(286)	(261)
Other financing	5.2	(5)	(3)	—	(8)	(8)
Trade and other payables (excluding deferred revenue)	4.3	(4,196)	—	—	(4,196)	(4,196)
Total		**(4,771)**	**(2,966)**	**(2,924)**	**(10,661)**	**(10,134)**
Derivative financial liabilities						
Foreign currency derivatives	6.7	(63)	(13)	—	(76)	(76)
Commodity derivatives	6.7	(1)	(2)	—	(3)	(3)
Net interest rate derivatives	6.7	—	—	(47)	(47)	(25)
Total return equity swaps	6.7	(122)	—	—	(122)	(94)
Total		**(4,957)**	**(2,981)**	**(2,971)**	**(10,909)**	**(10,332)**

6.5 FAIR VALUE ESTIMATION

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used to determine fair value, financial instruments are classified into the three levels as prescribed under IFRS. An explanation of each level follows below:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The commodity coffee futures and unsecured notes are valued using Level 1 valuation methods. Substantially all of the other derivative assets and liabilities are valued using Level 2 valuation methods. Share-based payments are valued using Level 2 and Level 3 valuation methods, for details on this valuation see note 7.1 Share-based payments.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fairly value an instrument are observable, the instrument is included in Level 2.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value
- The fair value of total return equity swap is calculated based on the share price at the reporting date versus the average price for which the shares have been purchased times the volume purchased.

Management believes that the carrying amount of all other financial assets and financial liabilities recognised in the statement of financial position approximates its fair value. Unsecured notes, initially accounted for at fair value and subsequently at amortised cost, classify as Level 1, as these instruments are traded with publicly available prices. Other borrowings, initially accounted for at fair value and subsequently at amortised cost, classify as Level 2, as no similar instrument is available due to the specific profiles of the instruments.

The following tables present the assets and liabilities of JDE Peet's that are measured at fair value at 31 December 2024 and 31 December 2023, respectively.

At 31 December 2024 (in EUR million):

	Note	Level 1	Level 2	Level 3	Total
Assets					
Interest rate contracts	6.7	—	42	—	42
Foreign exchange contract	6.7	—	205	—	205
Commodity contracts	6.7	8	—	—	8
Total assets		**8**	**247**	**—**	**255**
Liabilities					
Unsecured notes - EU	5.2	4,095	—	—	4,095
Unsecured notes - US	5.2	1,200	—	—	1,200
Borrowings	5.2	—	273	—	273
	5.2				
Share-based payment liability	9.4	—	—	3	3
Management-owned shares liability	9.4	—	—	17	17
Interest rate contracts	6.7	—	20	—	20
Foreign exchange contracts	6.7	—	29	—	29
Commodity contracts	6.7	8	—	—	8
Total return equity swaps	6.7	—	248	—	248
Total liabilities		**5,303**	**570**	**20**	**5,893**

At 31 December 2023 (in EUR million):

	Note	Level 1	Level 2	Level 3	Total
Assets					
Interest rate contracts	6.7	—	15	—	15
Foreign exchange contracts	6.7	—	56	—	56
Commodity contracts	6.7	2	—	—	2
Total assets		**2**	**71**	**—**	**73**
Liabilities					
Unsecured notes - EU	5.2	4,088	—	—	4,088
Unsecured notes - US	5.2	1,581	—	—	1,581
Borrowings	5.2	—	246	—	246
Share-based payment liability	9.4	—	—	8	8
Management-owned shares liability	9.4	—	—	26	26
Interest rate contracts	6.7	—	25	—	25
Foreign exchange contracts	6.7	—	76	—	76
Commodity contracts	6.7	3	—	—	3
Total return equity swaps	6.7	—	94	—	94
Total liabilities		**5,672**	**441**	**34**	**6,147**

There were no transfers between different levels during 2024 and 2023.

6.6 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets subject to offsetting at 31 December 2024 (in EUR million):

	Financial instruments		Financial instruments		Trade receivables
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Current assets
Gross amount recognised in financial instruments	95	160	24	281	814
Gross amount offset	—	—	—	—	(148)
Net amount	**95**	**160**	**24**	**281**	**666**
Related amounts not offset in the statement of financial positions					
Gross financial instruments	71	(121)	(71)	121	—
Cash collateral – not offset	—	24	—	—	—
Net financial instruments	**71**	**(97)**	**(71)**	**121**	**—**

Financial assets subject to offsetting at 31 December 2023 (in EUR million:)

	Financial instruments		Financial instruments		Trade receivables
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Current assets
Gross amount recognised in financial instruments	16	57	41	157	690
Gross amount offset	—	—	—	—	(127)
Net amount	**16**	**57**	**41**	**157**	**563**
Related amounts not offset in the statement of financial positions					
Gross financial instruments	(25)	(100)	25	100	—
Cash collateral – not offset	—	7	—	—	—
Net financial instruments	**(25)**	**(93)**	**25**	**100**	**—**

6.7 DERIVATIVE FINANCIAL INSTRUMENTS

JDE Peet's uses derivative financial instruments, including forward exchange contracts, futures, options, commodity arrangements, interest rate swaps, total return equity swaps, net investment hedges and cross currency interest rate swaps in order to manage exposures from foreign exchange, commodity prices, equity prices and interest rate risks. The use of these derivative financial instruments intends to reduce the risk or cost and are in accordance with JDE Peet's financial policy and governance framework. Derivatives are not used for trading or speculative purposes and JDE Peet's is not a party to leveraged derivatives. Maturity of the foreign exchange and commodity derivatives is primarily within one year.

JDE Peet's applies the hedge accounting requirements in IFRS 9. Derivatives are initially recognised at fair value through profit and loss on the date a derivative contract is entered into and are subsequently remeasured at fair value. The method of recognising the resulting gain or loss from the measurement depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. To qualify for hedge accounting, the hedge relationship must meet all of the following requirements:

- There is an economic relationship between the hedged item and the hedging instrument
- The effect of credit risk does not dominate the value changes that result from that economic relationship
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

Hedge accounting is applied to certain derivatives to remove the accounting mismatch between the hedging instrument and hedged item.

At inception of the transaction, the relationship is documented between hedging instruments and hedged items when hedge accounting is applied. In addition to this, the risk management objectives and strategy for undertaking various hedging transactions are documented when hedge accounting is applied. In case hedge accounting is applied, the value of the assessment whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair value of the hedge items is performed and documented, both at hedge inception and on an ongoing basis.

The fair values of the derivative instruments are disclosed in note 6.5 Fair value estimation. Derivatives are classified as current when the settlement date is within 12 months from the period-end and all other derivatives as non-current in the statement of financial position. The change in fair value of commodity derivatives is recognised within cost of sales and the movement of all other derivatives within finance expense in the income statement unless hedge accounting is applied.

Fair value hedge—The changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Cash Flow hedge—Fair value movements of hedging instruments in a designated effective cash flow hedge are recognised directly in the cash flow hedge reserve (net of tax), a separate component within OCI, net of the foreign exchange and interest effective to the period.

Amounts accumulated in OCI are reclassified to the income statement in the periods when the hedged item affects profit or loss. Ineffectiveness on cash flow hedges is recognised where the cumulative change in the designated component value of the hedging instruments exceeds, on an absolute basis, the change in value of the hedged items attributable to the hedged risk. The gain or loss as a result of ineffectiveness is recognised in the income statement within Finance expense. When the forecasted transaction that is hedged, results in the recognition of a non-financial asset (for example, inventory or fixed assets), the gains and losses that were recognised in OCI are transferred from OCI and included in the initial measurement of the cost of the asset.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in OCI at that time remains in OCI and is recognised when the forecasted transaction is ultimately recognised in the income statement. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was recognised in OCI is immediately transferred to the income statement within Finance expense.

Net investment hedges—JDE Peet's partly mitigates exposures from its investments in foreign operations by using both derivative and non- derivative financial instruments as hedging instruments. Hedges of a net investment in foreign operations are accounted for in a similar way as cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in the currency translation reserve (equity component). The gain or loss relating to the ineffective portion is recognised in the income statement. When a net investment in foreign operation is (partly) disposed of, the amount in the currency translation reserve is (partly) released in the income statement.

In September 2024, the USD note included in the net investment hedge was repaid (2023: USD 500 million). The translation result of this part of the USD notes was recognised in the currency translation reserve within equity and amounted to a loss of EUR 3 million (2023: gain of EUR 14 million). In 2023, JDE Peet's partly hedged their CNY investment in foreign operations with a cross currency swap of CNY 231 million. In 2024, JDE Peet's extended the hedging of investment in operations with SEK and THB cross currency swaps to a total value of EUR 78 million.

Key accounting estimate and judgement—The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using the Discounted Cash Flow method. Judgement is used to select a variety of methods and to make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Information on the classification and fair values of derivatives in the statement of financial position at 31 December 2024 is as follows (in EUR million):

	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Derivatives designated as hedging instruments:				
– Interest rate contracts	—	38	—	5
– Foreign exchange contracts	—	53	—	—
Sub-total	**—**	**91**	**—**	**5**
Derivatives not designated as hedging instruments:				
– Interest rate contracts	—	4	—	15
– Foreign exchange contracts	152	—	25	4
– Commodity contracts	8	—	8	—
– Total return equity swap contracts	—	—	248	—
Sub-total	**160**	**4**	**281**	**19**
Total	**160**	**95**	**281**	**24**

	Interest rate contracts	Foreign exchange contracts	Commodity contracts	Total return equity swap contracts	Total
Derivatives not designated as hedging instruments:					
Amount of gain (loss) recognised in cost of sales	—	—	128	—	128
Amount of gain (loss) recognised in finance income/expense	31	130	—	(154)	7

Information on the classification and fair values of derivatives in the statement of financial position at 31 December 2023 is as follows (in EUR million):

	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Derivatives designated as hedging instruments:				
– Interest rate contracts	—	15	—	16
– Foreign exchange contracts	3	—	14	—
Sub-total	**3**	**15**	**14**	**16**
Derivatives not designated as hedging instruments:				
– Interest rate contracts	—	—	—	9
– Foreign exchange contracts	52	1	48	14
– Commodity contracts	2	—	1	2
– Total return equity swap contracts	—	—	94	—
Sub-total	**54**	**1**	**143**	**25**
Total	**57**	**16**	**157**	**41**

	Interest rate contracts	Foreign exchange contracts	Commodity contracts	Total return equity swap contracts	Total
Derivatives not designated as hedging instruments:					
Amount of gain (loss) recognised in cost of sales	—	—	70	—	70
Amount of gain (loss) recognised in finance income/expense	(48)	(95)	—	(53)	(196)

7. GOVERNANCE

7.1 SHARE-BASED PAYMENTS

The plans partially qualify as equity-settled and partially as cash-settled.

Equity-settled—JDE Peet's operates a number of equity-settled share-based payment plans, under which it receives services from directors and employees as consideration for equity instruments. For these plans, JDE Peet's does not have a present obligation to settle in cash or an obligation to repurchase the equity instruments.

The total amount to be expensed for services received is determined by reference to the grant date fair value of the share-based payment award made. For this purpose, analyses are made whether the price paid by a participant, if any, is in line with the market price of the underlying shares at the grant date. If a positive difference exists between (i) the actual market value of the shares and (ii) the purchase price; this results in a fair value to be recognised as a share-based payment expense.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimated number of shares that will eventually vest, with a corresponding credit to the share-based payment reserve within Equity. Compensation expense is recognised on a straight-line basis from the beginning of the service period, even when the grant date is subsequent to the service commencement date. During the period between service commencement date and grant date, the share-based payment expense recognised is based on an estimated grant date fair value of the award. Once the grant date has been established, the estimated fair value is revised so that the expense recognised is based on the actual grant date fair value of the equity instruments granted. Except for investments in the Executive Ownership Plan (the Company) as of 2023 and the Option Plan introduced in 2024, the only vesting condition for all other plans and investments is that the participant should still provide services for JDE Peet's.

When equity-settled share-based payment plans are modified to cash-settled, the share-based payment reserve is reclassified as a liability, using the share price at the date of the modification. The difference between the share price at the grant date and the fair value at the modification date for the pro-rata period since the grant date is recognised in retained earnings.

Cash-settled—If JDE Peet's has an obligation to settle in cash or an obligation to repurchase equity instruments awarded to directors or employees, the arrangement is classified as a cash-settled share-based payment arrangement.

For such an arrangement, the costs are recognised on a straight-line basis over the vesting period, whereby the fair value of the liability is remeasured at each reporting date and at the date of settlement, with any changes in fair value recognised in the income statement.

When cash-settled share-based payment plans are modified to equity-settled, the liability is reclassified to the share-based payment reserve within equity using the share price at the date of the modification. This share price is assumed to be the updated grant date fair value and used in determining the expense over the remaining vesting period.

Share-based payment expenses are recognised based on a number of estimated assumptions regarding forfeitures and measurement of the fair value share prices. A change in these assumptions may result in changes in the share-based payment reserve or liability in the future.

Description and amendments of Plans under which Awards were granted to Employees—Total share-based payment expenses were recognised of EUR 17.2 million in 2024 (2023: EUR 43.3 million). The total expense, which was recognised in selling, general and administrative expenses for EUR 20.9 million (2023: 40.5 million) and a benefit of EUR 3.8 million (2023: cost of EUR 2.8 million) was recognised with Finance expense, consisted of:

- EUR 8.8 million (2023: EUR 25.0 million) related to the Company's Executive Ownership Plan, Option Plan, Long-Term Incentive Share Plan and Share Purchase Plan Senior Management.
- EUR 1.6 million (2023: EUR 7.1 million) related to JDE's Executive Ownership Plan, Long-Term Incentive Share Plan and Share Purchase Plan Senior Management.
- EUR 6.8 million (2023: EUR 11.2 million) related to Peet's Executive Ownership Plan, Long-Term Incentive Share plan and Management Stock.

Executive Ownership Plan (the Company)

An Executive Ownership Plan was established, under which certain members of the Executive Committee of the Company were given the opportunity to invest in the Company through an indirect interest in JDEP Holding B.V. The investments are matched 1-for-1 and the costs are recognised over a five-year period or longer based on the service commencement date of the employee. There is no present obligation to settle in cash or to repurchase, and subsequently the RSU awards are accounted for as equity-settled. For investments made from 2023, the investment match is additionally subject to the achievement of performance conditions linked to the Company's ESG commitments.

Option Plan (the Company)

The Interim CEO was granted 2,500,000 call options on shares of the Company, with a strike price of EUR 20.94 and a three-year vesting period from the employment start date, with a maximum exercise period of five years after the employment start date. Upon departure of the Interim CEO, 2,222,223 options were forfeited.

The current CEO was granted, subject to approval by the 2025 Annual General Meeting of Shareholders, 1,630,000 call options, which can increase incrementally depending on the share price of the Company. The maximum number of options is 3,260,000 at a share price of EUR 37.00 at the vesting date, which is four years from the employment start date. The maximum exercise period is four years from the vesting date. As a vesting condition, the current CEO invested EUR 10 million in shares of the Company and will have to maintain this investment throughout the vesting period.

Long-Term Incentive Plan (the Company)

A Long-Term Incentive Plan was established, under which Restricted Stock Units (RSUs) were awarded to executive and non-executive board members and key employees of the Company. In 2024, Performance Stock Units (PSUs) were granted to the current CEO. Each RSU and PSU entitles the relevant participant to receive a certain number of shares in the Company based on the value at vesting. The PSUs are conditional upon meeting certain financial and sustainability performance criteria. A modification to the RSUs was made in September 2023, such that for certain participants in jurisdictions where vesting in shares poses regulatory challenges, vestings may be settled in cash. For all other participants, there is no present obligation to settle in cash or to repurchase, and subsequently these RSU awards are accounted for as equity-settled. Grants made since December 2021 have a vesting period of three years and grants prior to this date have a vesting period of five years.

Share Purchase Plan Senior Management (the Company)

In March 2023, a plan was introduced where Senior Management is given the opportunity to invest in shares of the Company, as a replacement of the Share Purchase Plan Senior Management (JDE). For every three shares purchased by the participant and held for a period of at least three years, the participant will be entitled to receive one RSU. Each RSU entitles the relevant participant to receive a share of the Company. This plan is governed under the same rules as the Long-Term Incentive Plan (the Company). As there is no present obligation to settle in cash or purchase the shares, this plan classified as equity-settled.

Executive Ownership Plan (JDE)

An Executive Ownership plan was established, under which certain members of the Executive Committee were given the opportunity to invest in JDE through an indirect share ownership in JDE Holdings Minority B.V. The investments are matched 1-for-1 and the costs recognised over a five-year period or longer based on the service commencement date of the employee. As there is no present obligation to settle in cash or purchase the shares, the EOP JDE is classified as equity-settled. No amendments were made to this plan.

Long-Term Incentive Plan (JDE)

A Long-Term Incentive Plan was established, under which RSUs were awarded to key employees of JDE. Each RSU entitles the relevant participant to receive certain number of shares in the Company based on the value of the RSU at vesting. A modification was made in September 2023, such that for certain participants in jurisdictions where vesting in shares poses regulatory challenges, vestings may be settled in cash. For all other participants, there is no present obligation to settle in cash or to repurchase, and subsequently these RSU awards are accounted for as equity-settled. The vesting period of all grants under this plan is five years. The last grants under this plan were made in September 2021.

Share Purchase Plan Senior Management (JDE)

Senior Management was given the opportunity to initially invest in JDE Certificates through a Foundation. For every three shares held for a period of at least five years, the participant will be entitled to receive one RSU. Each RSU entitles the relevant participant to receive the value of a JDE share, settled in an equivalent value in shares of the Company. This plan is governed under the same rules as the Long-Term Incentive Plan (JDE). During 2023, this plan was closed for new investments and replaced with the Share Purchase Plan Senior Management (the Company).

Executive Ownership Plan (Peet’s)

An Executive Ownership Plan was established, under which certain members of Senior Management of Peet's are given the opportunity to invest in Peet's through its immediate parent Peet's Coffee, Inc. (“Peet’s Inc.”). The investments are matched 1-for-1 and the costs recognised over a period of four and a half years or longer, based on the service commencement date of the employee. The matching of the awards vest in either Peet's shares or shares of the Company and partly qualifies as equity-settled and party as cash-settled. No amendments were made to this plan.

Long-Term Incentive Plan (Peet’s)

A Long-Term Incentive Plan was established, under which RSUs are awarded to key employees of Peet's. Each RSU entitles the relevant participant to receive a certain number of shares based on the value at vesting of the RSU. This plan and its Options (that become exercisable subject to vesting conditions) vest in either Peet's shares or shares of the Company and partly qualifies as equity-settled and party as cash-settled. No amendments were made to this plan.

Management Stock (Peet’s)

Management of Peet’s has the opportunity to invest in Peet’s shares directly or owns Peet’s shares as a result of vesting of RSUs or Options. This plan and its Options (that become exercisable subject to vesting conditions) vest in either Peet's shares or shares of the Company and partly qualifies as equity-settled and party as cash-settled. No amendments were made to this plan.

Summary of Awards Granted by Plan

Executive Ownership Plan (the Company)

New investments equalled a grant date fair value of EUR 0.5 million in 2024 (2023: EUR 2.0 million). The investments are generally recognised over a five-year period.

The weighted-average grant date fair value at 31 December 2024 of the outstanding share awards was EUR 32.19 (2023: EUR 32.76).

Details of the number of RSUs outstanding are as follows:

	2024	2023
In shares in the Company		
Balance at 1 January	**1,398,197**	**1,238,800**
Granted	25,252	159,397
Forfeited	(830,254)	—
Vested	(24,656)	—
Balance at 31 December	**568,539**	**1,398,197**

The Company's Executive Committee members financed their investments through own funds, loans issued by JDE Peet's, or a combination of own funds and loans. The total amount of loans provided to the Executive Committee members with respect to the share-based payment plans is disclosed in note 7.2 Related party transactions.

Option Plan (the Company)

Options were granted to the Interim and current CEOs in April and December 2024, respectively. The value of the options depends on the Company's share price, with a Black-Scholes model used to determine the fair value at the grant date. The grant date is the date on which the grant is approved by the Annual General Meeting of Shareholders (AGM). The grant awarded in April 2024 was approved in May 2024, whereas the December 2024 grant remains subject to approval at the next AGM. The fair value of an option granted in April 2024 was determined to be EUR 3.24, while the fair value of the options granted in December 2024 was estimated at EUR 7.12. This valuation will be remeasured if approved by the AGM.

Details of the number of options outstanding are as follows:

	2024 Equity-settled
In shares of the Company	
Balance at 1 January	**—**
Granted	4,130,000
Forfeited	(2,222,223)
Balance at 31 December	**1,907,777**

Long-Term Incentive Plan (the Company)

RSUs were granted to eligible employees in March and September of both 2024 and 2023. PSUs were granted in December 2024.

The value of the awards is based on the Company's share price. This resulted in a grant date fair value of EUR 18.6 million in 2024 (2023: EUR 20.8 million) to be recognised as a share-based payment expense over the applicable vesting period, taking into account an estimated forfeiture rate between 0% and 33% of awards that will eventually vest.

The weighted-average grant date fair value at 31 December 2024 of the outstanding share awards was EUR 23.78 (2023: EUR 28.02).

Details of the number of RSUs outstanding are as follows:

	2024 Cash-settled	2024 Equity-settled	2023 Cash-settled	2023 Equity-settled
In shares of the Company				
Balance at 1 January	**124,714**	**2,865,295**	**—**	**2,065,221**
Granted	26,541	1,406,908	15,181	1,040,906
Modified	(1,471)	1,471	109,533	(109,533)
Forfeited	(7,118)	(874,208)	—	(109,598)
Vested	(89,258)	(646,464)	—	(21,701)
Balance at 31 December	**53,408**	**2,753,002**	**124,714**	**2,865,295**

Details of the number of PSUs outstanding are as follows:

	2024 Equity-settled
In shares of the Company	
Balance at 1 January	**—**
Granted	217,038
Balance at 31 December	**217,038**

Share Purchase Plan Senior Management (the Company)

A total grant date fair value of EUR 0.2 million will be recognised as a share-based payment expense over the vesting period. For the awards made under this plan, a forfeiture rate between 0% and 33% was used when estimating the number of awards that will eventually vest.

The weighted-average grant date fair value at 31 December 2024 of the outstanding RSU share awards was EUR 25.49 (2023: EUR 27.47).

Details of the number of RSUs outstanding are as follows:

	2024 Cash-settled	2024 Equity-settled	2023 Cash-settled	2023 Equity-settled
In shares of the Company				
Balance at 1 January	**—**	**40,225**	**—**	**—**
Granted	6,757	5,314	—	40,225
Forfeited	—	(3,188)	—	—
Balance at 31 December	**6,757**	**42,351**	**—**	**40,225**

Long-Term Incentive Plan (JDE)
As the RSUs will be settled in shares in the Company based upon the value of JDE, the fair value of an RSU award equals the estimated share value of JDE of an ordinary share at the grant date. No grants were awarded in 2024 and 2023. An estimated forfeiture rate between 0% and 33% has been applied of awards that will eventually vest.

The latest available conversion ratio applicable to the number of JDE RSUs to be converted in shares in the Company is: 37.59.

The weighted-average grant date fair value at 31 December 2024 of the outstanding RSU share awards was EUR 1,489 (2023: EUR 1,539).

Details of the number of RSUs outstanding are as follows:

	2024 Cash-settled	2024 Equity-settled	2023 Cash-settled	2023 Equity-settled
In shares of JDE				
Balance at 1 January	**712**	**14,145**	**519**	**20,740**
Modified	—	—	841	(841)
Forfeited	(124)	(1,996)	—	(2,404)
Vested	(109)	(2,601)	(648)	(3,350)
Balance at 31 December	**479**	**9,548**	**712**	**14,145**

Executive Ownership Plan (JDE)
During 2024 and 2023 no new investments were made. The latest available conversion ratio applicable to the number of JDE RSUs to be converted in shares in the Company is: 37.59.

The weighted-average grant date fair value at 31 December 2024 of the outstanding share awards was EUR 1,317 (2023: EUR 1,471).

Details of the number of shares outstanding are as follows:

	2024	2023
In shares of JDE		
Balance at 1 January	**5,896**	**9,731**
Forfeited	(1,261)	(1,893)
Vested	(3,212)	(1,942)
Balance at 31 December	**1,423**	**5,896**

Participants financed their investment through own funds, loans issued by JDE Peet's, or a combination of own funds and loans. The total amount of loans provided to the Executive Committee members with respect to the share-based payment plans is disclosed in note 7.2 Related party transactions.

Share Purchase Plan Senior Management (JDE)
During 2024 and 2023 no new awards were granted. An estimated forfeiture rate between 0% and 33% has been applied of awards that will eventually vest.

The latest available conversion ratio applicable to the number of JDE RSUs to be converted in shares in the Company is: 37.59.

The weighted-average grant date fair value at 31 December 2024 of the outstanding RSU share awards was EUR 1,428 (2023: EUR 1,434).

Details of the number of RSUs outstanding are as follows:

	2024 Cash-settled	2024 Equity-settled	2023 Cash-settled	2023 Equity-settled
In shares of JDE				
Balance at 1 January	**10**	**1,733**	**—**	**1,823**
Modified	—	—	10	(10)
Forfeited	(10)	(62)	—	(19)
Vested	—	(146)	—	(61)
Balance at 31 December	**—**	**1,525**	**10**	**1,733**

Long-Term Incentive Plan (Peet's)
Regular RSUs were granted to eligible employees in March and September 2024 and 2023. The vesting dates of these grants are in March and September 2027 and 2026, respectively.

As described above, this plan partly qualifies as cash-settled and partly as equity-settled.

With respect to the equity settled plans, a grant date fair value of EUR 9 million in 2024 (2023: EUR 5 million) was recognised as a share-based payment expense over the applicable vesting period of generally five years, taking into account an estimated forfeiture rate between 2% and 16% of awards that will eventually vest.

The latest available conversion ratio applicable to the number of Peet's RSUs to be converted in shares in the Company is: 10.26 with respect to the equity-settled plans.

The weighted-average grant date fair value at 31 December 2024 of the outstanding RSU share awards was EUR 151 per share (2023: EUR 141 per share).

The weighted-average exercise price of the options at 31 December 2024 is EUR 98 per share (2023: EUR 91 per share) with a weighted-average remaining contractual life of 2.1 years (2023: 2.9 years).

Details of the number of RSUs outstanding are as follows (after restating the comparative information):

	2024 Cash-settled	2024 Equity-settled	2023 Cash-settled	2023 Equity-settled
In shares of Peet's				
Balance at 1 January	**1,795**	**129,191**	**59,188**	**181,207**
Granted	—	59,955	—	35,601
Modified	—	—	(19,352)	19,352
Vested	(234)	(10,815)	(37,724)	(60,218)
Forfeited	(1,561)	(28,262)	(317)	(46,751)
Balance at 31 December	**—**	**150,069**	**1,795**	**129,191**

Details of the number of options outstanding are as follows (after restating the comparative information):

	2024 Cash-settled	2024 Equity-settled	2023 Cash-settled	2023 Equity-settled
In shares of Peet's				
Balance at 1 January	**32,889**	**9,224**	**66,939**	**12,263**
Modified	—	—	(23,195)	23,195
Exercised	(3,580)	(472)	(10,514)	(26,234)
Forfeited	(457)	(825)	(341)	—
Balance at 31 December	**28,852**	**7,927**	**32,889**	**9,224**

All options were exercisable at 31 December 2024 and 31 December 2023.

Executive Ownership Plan (Peet's)
Eligible employees who made a pre-established minimum investment in Peet's Inc. under the EOP were eligible to receive a matching award grant of RSUs which vest in a similar manner to the RSU awards granted under the LTIP. These matching awards are valued and expensed in the same manner as other RSU grants.

As described above, this plan partly qualifies as cash-settled and partly as equity-settled.

With respect to the equity-settled plans, a grant date fair value of EUR 2.3 million (2023: EUR 0.8 million) was recognised as a share-based payment expense over the applicable vesting period of generally five years, taking into account an estimated forfeiture rate between 11% and 16% of awards that will eventually vest.

The latest available conversion ratio applicable to the number of Peet's Options to be converted in shares in the Company is: 10.26 with respect to the equity-settled plans.

The weighted-average grant date fair value at 31 December 2024 of the outstanding RSU share awards was EUR 150 per share (2023: EUR 141 per share).

Details of the number of RSU share awards outstanding are as follows regarding the EOP (after restating the comparative information):

	2024 Cash-settled	2024 Equity-settled	2023 Cash-settled	2023 Equity-settled
In shares of Peet's				
Balance at 1 January	**30,151**	**18,125**	**33,808**	**12,117**
Granted	—	15,091	—	6,008
Vested	(6,737)	—	(1,876)	—
Forfeited	(23,414)	(5,783)	(1,781)	—
Balance at 31 December	**—**	**27,433**	**30,151**	**18,125**

Eligible employees were provided the option to finance a portion of their investment under the EOP with a loan from Peet's Inc. All loans outstanding as of 31 December 2024 are limited recourse loans which may be prepaid by participants at any time. The total amount of loans provided to the Executive Committee members with respect to the share-based payment plans is disclosed in note 7.2 Related party transactions.

Management Stock (Peet's)
Management of Peet's has the opportunity to invest in Peet's Inc. shares directly or receive Peet's shares due to the vesting of their RSUs. The value of these investments is classified as a liability as Peet's has the obligation to buy back these investments, which amounted to EUR 17 million at 31 December 2024 (2023: EUR 26 million). The number of outstanding Management Stock that qualifies as a liability was 96,591 at 31 December 2024 (2023: 153,635).

Management of Peet's has the opportunity to invest in shares in the Company directly or received such shares following the vesting of their RSUs. The value of these investments is classified as equity as the Company does not have an obligation to buy back these investments. This is valued against the fair value of the share upon the issuance of the shares. The number of outstanding Management Stock that is classified as equity was 35,484 at 31 December 2024 (2023: 23,972).

7.2 RELATED PARTIES

Key management compensation

The compensation related to key management and non-executive Directors of JDE Peet's for employee services is as follows (in EUR million):

	2024	2023
Salaries	17	16
Share-based payment compensation	1	24
Other, including pensions	8	1
Total	**26**	**41**
Executive Director	(16)	12
Non-executive Directors (the Board)	4	3

The amount for the Executive Director is negative following Mr. Simon stepping-down, where the majority of his share-based payment compensation lapsed and the expense recognised in prior years was reversed in line with the Remuneration Policy. The definition of key management in this note differs from the definition as applied in the Remuneration Report as this definition includes senior management while the Remuneration Report only applies to the executive and non-executive Directors. The Remuneration Report is presented on page 62.

Caribou acquisition — On 26 March 2024, JDE Peet's completed a long-term global license agreement to manufacture, market and sell Caribou consumer and foodservice coffee products, excluding Caribou coffeehouses, from Caribou Coffee Operating Company, Inc., an entity within the Panera Brands, Inc. group of companies. At JDE Peet's N.V. and Panera Brands, Inc. JAB is the controlling shareholder. In line with the Company's Related Party Transaction Policy, the JAB affiliated members of the Board did not participate in the decision making. For further details, refer to note 3.1 Business combinations.

Shares in JDE Peet's — At 31 December 2024, Olivier Goudet held 1,451,849, Peter Harf 1,764,412, Joachim Creus 35,000, Khaled Rabbani 7,005, Carolyn Adams 943 and Tatiana Efremova 31,643 ordinary shares in JDE Peet's. In addition, certain non-executive Directors have indirect interests in JDE Peet's through shareholdings in the parent companies.

Contribution by parent and distribution to parent — During 2024, no contributions were made by or distributed to the shareholders other than dividends.

Share-based payments—As described in note 7.1, directors and employees of JDE Peet's participate in share-based payment plans. The costs related to these plans are reflected as part of the selling, general and administrative expenses in the income statement.

Trading transactions

During the year, JDE Peet's entities entered into the following transactions with related parties outside the group of JDE Peet's (in EUR million):

	Sales to related parties		Purchases from related parties	
	2024	2023	2024	2023
Keurig Dr Pepper	5	5	98	90
Caribou[83]	10	—	26	34
Mondelēz Group	—	—	40	44
Total	**15**	**5**	**164**	**168**

The following amounts were outstanding from/to related parties at reporting date (in EUR million):

	Owed by related parties		Owed to related parties	
	2024	2023	2024	2023
Keurig Dr Pepper	2	1	52	41
Caribou	—	—	24	4
Mondelēz Group	—	—	8	8
Total	**2**	**1**	**84**	**53**

Sales of goods to related parties were made at JDE Peet's usual list prices, less usual discount provided to customers. Purchases were made at market price discounted to reflect the quantity of goods purchased and the relationships between the parties. The amounts outstanding are unsecured and will be settled in cash. No guarantees were given or received. No provisions were made for doubtful debts in respect of the amounts owed by related parties.

Transactions with Mondelēz International Inc. Group—There were transactions with Mondelēz Group as part of the normal course of business, such as rental of office space. On 29 November 2024, Mondelēz International Inc. completed the sale of its remaining shares in JDE Peet's to JAB Holdings Company. Consequently, from this date, Mondelēz Group is no longer considered a related party. Transactions with Mondelēz Group between 1 January and 29 November 2024 are disclosed.

Transactions with Keurig Dr Pepper—There were transactions with Keurig Dr Pepper (an entity ultimately partially owned by JAB) as part of the normal course of business, such as the purchase of coffee by Keurig Dr Pepper and subsequent purchase of K-cups.

Transactions with Caribou—There were transactions with Caribou as part of the normal course of business, such as the sale of coffee and royalty payments to Caribou. JDE Peet's acquired part of the Caribou business on 26 March 2024, which changed the nature of the transactions between Peet's and the remaining Caribou business, such as the elimination of the royalty payments.

Transactions with various pension funds—JDE Peet's has several transactions with the pension funds as further disclosed in note 9.1 Post-employment benefits. All transactions are related to payments to and/or to fund the pension funds.

Loans to related parties

Loans to key management—As described in note 7.1 Share-based payments, loans were granted to members of the executive committee for the sole purpose of participating in the Executive Ownership Plans of JDE Peet's. The loans bear interest at 3% and early repayment is allowed. The total amount of loans outstanding to Executive Committee members amounted to EUR 15 million at 31 December 2024 (2023: EUR 19 million).

Loans from related parties

At 31 December 2024, the Company had no outstanding loans with related parties.

Fiscal unity

Certain subsidiaries of the Company were included with affiliates not part of JDE Peet's in a combined group tax filing. The Company, together with certain of its Dutch subsidiaries, is part of a tax grouping for Dutch corporate income tax purposes.

8. INCOME TAXES

Income tax expense for the period comprises of current and deferred tax. Current and deferred tax is recognised in the income statement, except when it relates to a business combination or for items recognised in OCI or directly in Equity.

Current income tax—Current income tax is the expected income tax payable or receivable in respect of taxable income or loss for the current year in the countries where JDE Peet's operates and generates taxable income, using the tax rates enacted or substantially enacted at the reporting date, and any adjustments thereto in respect of previous years.

Deferred income tax—Deferred income tax is a tax payable or receivable in the future and is recognised on temporary differences arising from differences between the tax bases of assets and liabilities and their carrying amounts, unused tax losses and unused tax credits.

Deferred income tax is not recognised on temporary differences related to: (i) the initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, (ii) the investments in subsidiaries, branches and associates, and interests in joint ventures, to the extent that JDE Peet's is able to control the timing and reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future, and (iii) the initial recognition of goodwill.

Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised. The criteria that are considered in assessing the probability that sufficient taxable profit will be available include: (i) the existence of taxable temporary differences that relate to the same taxation authority and the same taxable entity, (ii) expected future taxable profits and (iii) tax planning opportunities. In case a history of recent losses is present, it is considered whether convincing other evidence exists, such as the nature of the (historical) losses and changes in activities to support recognising the deferred tax asset.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

JDE Peet's applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023. As a result, JDE Peet's neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

Uncertain tax treatments—An uncertain income tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the taxation authority. Such uncertainty can relate to all aspects of income tax accounting, including taxable profit or loss, the tax bases of assets and liabilities, tax losses, tax credits and tax rates. If JDE Peet's concludes it is probable that the taxation authority will not accept an uncertain tax treatment, a liability is recognised to reflect the effect of the uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates, to the extent that a reliable estimate can be made.

If JDE Peet's concludes it is possible but not probable that a taxation authority will not accept an uncertain tax treatment, JDE Peet's shall determine whether to disclose the potential effect of the uncertainty as a tax-related contingency, see note 9.5.

Key accounting estimate and judgement—JDE Peet's is subject to taxation in the many countries in which it operates. The tax legislation of these countries differs, is often complex and is subject to interpretation by management and the government authorities. These matters of judgement give rise to the need to create provisions for income tax payments that may arise in future years with respect to transactions already undertaken. Judgment is made about whether each uncertainty should be considered independently or whether some uncertainties can be considered together, when recognising and measuring provision for income tax payments. The income tax provision is estimated based on either of the following methods, depending on which method JDE Peet's expects to better predict the resolution of the uncertainty: (i) the most likely amount - the single most likely amount in a range of possible outcomes, or (ii) the expected value - the sum of the probability-weighted amounts in a range of possible outcomes.

If new information becomes available, this may cause JDE Peet's to change its judgement regarding the adequacy of existing income tax liabilities; such changes to income tax liabilities will impact the income tax expense in the period that such determination is made.

For the utilisation of tax losses and recognition of other deferred tax assets, management uses judgement to assess whether there will be sufficient future taxable profits to utilise such deferred tax assets.

Other—Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions JDE Peet's operates. The legislation is effective for the financial year beginning 1 January 2024. JDE Peet's is in scope of the enacted or substantively enacted legislation and has performed an assessment of the potential exposure to Pillar Two income taxes. The assessment of the potential exposure to Pillar Two income taxes is based on the current year information available regarding the financial performance of the constituent entities within JDE Peet's. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which JDE Peet's operates are above 15%. However, there are a limited number of jurisdictions where the transitional safe harbour relief does not apply, and the Pillar Two effective tax rate is close to 15%. The total amount of Pillar Two income taxes recognised at year-end 2024 is considered immaterial.

Income Tax Expense

The components of the income tax expense are as follows (in EUR million):

	2024	2023
Current tax (expense) / benefit	(218)	(220)
Deferred tax (expense) / benefit	(29)	47
Total income tax expense	**(247)**	**(173)**

Reconciliation of the effective tax rate (in EUR million):

	2024		2023	
Profit before income taxes	790		537	
	Tax	%	Tax	%
Income tax using JDE Peet's calculated weighted-average statutory income tax (a)[87]	(167)	21.2 %	(120)	22.3 %
Differences between computed rate of tax and effective tax rate due to:				
– Tax exempt and non-taxable income	4	(0.5)%	11	(2.0)%
– Non-deductible expenses	(64)	8.1 %	(34)	6.3 %
Tax rate changes	2	(0.2)%	—	0.0 %
– Repatriation taxation of earnings and withholding	(9)	1.1 %	(8)	1.5 %
– Recognition/(non-recognition) of deferred tax assets	(5)	0.6 %	(13)	2.4 %
– Tax reserves and prior year related tax adjustments	(7)	0.9 %	(4)	0.7 %
– Other taxes	(1)	0.1 %	(5)	1.0 %
Effective tax rate	**(247)**	**31.3 %**	**(173)**	**32.2 %**

In 2024, JDE Peet's effective income tax rate of 31.3% (tax expense of EUR 247 million) was higher (10.1%, tax expense of EUR 80 million) than the calculated weighted-average statutory income tax rate of 21.2% (tax expense of EUR 167 million) due to various items increasing the tax expense (in total EUR 86 million with increasing effect of 10.8%), which are partly offset by various tax exempt and non-taxable items decreasing the tax expense (in total EUR 6 million with decreasing effect of 0.7%). The tax expense primarily increased as a result of non-deductible expenses, such as change in fair value of derivative financial instruments and interest (increasing the tax expense by EUR 64 million, increasing effect of 8.1%).

In 2023, the JDE Peet's effective income tax rate of 32.2% (tax expense of EUR 173 million) was higher (9.9%, tax expense of EUR 53 million) than the calculated weighted-average statutory income tax rate of 22.3% (tax expense of EUR 120 million) due to various items increasing the tax expense (in total EUR 64 million with increasing effect of 11.9%), which are offset by the various items decreasing the tax expense (in total EUR 11 million with decreasing effect of 2.0%).

Deferred Income Tax Assets and Liabilities

The analysis of the deferred income tax assets and liabilities is as follows (in EUR million):

	2024	2023
Deferred income tax assets	57	49
Deferred income tax liabilities	(1,235)	(1,226)
Net deferred income tax	**(1,178)**	**(1,177)**

[87] JDE Peet's calculated weighted-average statutory income tax is the average of the standard rate of tax (including the impact of tax rate attributes) applicable in the countries in which JDE Peet's operates, weighted by the amount of underlying profit before taxation generated in each of those countries. For this reason, the rate may vary from year to year according to the mix of profit and related tax rates.

Deferred tax assets and deferred tax liabilities are attributable to the following items (in EUR million):

			2024			2023
	Deferred tax assets	Deferred tax liabilities	Net deferred tax asset/ (liability)	Deferred tax assets	Deferred tax liabilities	Net deferred tax asset/ (liability)
Property, plant and equipment	6	(76)	(70)	4	(81)	(77)
Goodwill and other intangible assets	46	(1,302)	(1,256)	11	(1,301)	(1,290)
Other non-current financial assets	103	—	103	112	(1)	111
Retirement benefit asset/ obligations	30	(126)	(96)	33	(108)	(75)
Share-based payments	3	—	3	4	—	4
Borrowings	40	(1)	39	40	—	40
Derivative financial instruments	—	(15)	(15)	3	—	3
Provisions and other	15	3	18	18	1	19
Trade and other receivables/ payables	45	—	45	39	—	39
Inventories	9	(1)	8	10	(3)	7
Tax on repatriation of earnings	—	(51)	(51)	—	(49)	(49)
Tax loss carry forwards	94	—	94	91	—	91
Subtotal	**391**	**(1,569)**	**(1,178)**	**365**	**(1,542)**	**(1,177)**
Offset of deferred tax positions	(334)	334	—	(316)	316	—
Net deferred tax asset/ (liability)	**57**	**(1,235)**	**(1,178)**	**49**	**(1,226)**	**(1,177)**

The tax effect relating to temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised amounts to EUR 48 million (2023: EUR 50 million). This is because JDE Peet’s is able to control the timing of the reversal of the temporary differences, and it is probable that such differences will not reverse in the foreseeable future.

Movement in deferred tax balances during the year

In 2024, the net deferred tax liability position of EUR 1,178 million remained largely unchanged compared to EUR 1,177 million in 2023, as increases in the net deferred tax liability were offset by decreases.

The main increase of net deferred tax liability resulted from fair value changes of retirement benefit assets /obligations and derivative financial instruments (increasing the net deferred tax liability by EUR 39 million). This increase was offset by acquired deferred tax assets in the US reduced by the effect of recurring amortisation of other intangible fixed assets (decreasing the net deferred tax liability with EUR 34 million) and an increase of recognised deferred tax assets from tax loss carried forward (decreasing the net deferred tax liability by EUR 5 million).

In 2023, the net deferred tax liability position decreased by EUR 53 million from a net deferred tax liability of EUR 1,230 million in 2022 to a net deferred tax liability of EUR 1,117 million in 2023. The decrease was mainly the result of impairment of an intangible asset and a less repatriation of earnings (decreasing the net deferred tax liability by EUR 51 million).

Changes in the application of hyperinflationary accounting have been booked directly through equity, resulting in an increase of the net deferred tax liability by EUR 7 million in 2024 and EUR 4 million in 2023.

The movements during 2024 and 2023 are as follows (in EUR million):

	Balance at 31 December 2023	(Charged) Credited to the income statement	(Charged) Credited directly to other comprehensive income	(Charged) Credited directly to equity	Currency translation	Business combinations	Balance at 31 December 2024
Property, plant and equipment	(77)	7	—	1	(2)	1	(70)
Goodwill and other intangible assets	(1,290)	(27)	—	(1)	3	59	(1,256)
Other non-current financial assets	111	(8)	—	—	—	—	103
Retirement benefit asset/obligations	(75)	(5)	(10)	—	(6)	—	(96)
Share-based payments	4	(1)	—	—	—	—	3
Borrowings	40	(2)	—	—	1	—	39
Derivative financial instruments	3	—	(17)	—	(1)	—	(15)
Provisions and other	19	5	—	(5)	(1)	—	18
Trade and other receivables/payables	39	9	—	—	(4)	1	45
Inventories	7	3	—	(2)	—	—	8
Tax on repatriation of earnings	(49)	(2)	—	—	—	—	(51)
Tax loss carry forwards	91	(8)	7	—	4	—	94
Net deferred tax asset/(liability)	**(1,177)**	**(29)**	**(20)**	**(7)**	**(6)**	**61**	**(1,178)**

	Balance at 31 December 2022	(Charged) Credited to the income statement	(Charged) Credited directly to other comprehensive income and equity	(Charged) Credited directly to equity	Currency translation	Balance at 31 December 2023
Property, plant and equipment	(98)	19	—	2	—	(77)
Goodwill and other intangible assets	(1,306)	13	—	(2)	5	(1,290)
Other non-current financial assets	118	(7)	—	—	—	111
Retirement benefit asset/ obligations	(75)	(7)	9	—	(2)	(75)
Share-based payments	7	(2)	—	(1)	—	4
Borrowings	39	1	—	—	—	40
Derivative financial instruments	8	—	(5)	—	—	3
Provisions and other	10	10	—	—	(1)	19
Trade and other receivables/ payables	40	1	—	—	(2)	39
Inventories	7	3	—	(3)	—	7
Tax on repatriation of earnings	(61)	12	—	—	—	(49)
Tax loss carry forwards	81	4	2	—	4	91
Net deferred tax asset/(liability)	**(1,230)**	**47**	**6**	**(4)**	**4**	**(1,177)**

Tax losses, tax credits and other carried forwards

JDE Peet's had tax losses carried forward of EUR 769 million at 31 December 2024 (2023: EUR 736 million), for which EUR 94 million was recognised as a deferred tax asset (2023: EUR 91 million). Unrecognised deferred tax assets on tax losses amounted to EUR 87 million in 2024 (2023: EUR 89 million).

These (un)recognised tax losses carried forward expire as to the table below (in EUR million):

	Tax losses unrecognised		Tax losses recognised		Total tax losses	
	2024	2023	2024	2023	2024	2023
Within 1 year	6	9	—	—	6	9
1 to 2 years	8	6	—	—	8	6
2 to 3 years	12	8	—	—	12	8
3 to 4 years	44	13	—	—	44	13
4 to 5 years	30	16	10	7	40	23
Later	16	20	76	67	92	87
Unlimited	215	277	352	313	567	590
Balance at 31 December	**331**	**349**	**438**	**387**	**769**	**736**

JDE Peet's had tax credits carried forward in the US and Netherlands of EUR 21 million at 31 December 2024 (2023: EUR 22 million), for which no deferred tax asset was recognised as it is not expected they will be utilised. The tax credits carried forward expire within 4 to 8 years (EUR 16 million), while the remaining EUR 5 million can be carried forward indefinitely.

The tax effect of other deductible temporary differences that have not been recognised amounted to EUR 29 million in 2024 (2023: EUR 32 million) as it is not expected they will be utilised.

9. OTHER DISCLOSURES

9.1 POST EMPLOYMENT AND OTHER LONG-TERM EMPLOYEE BENEFIT PLANS

JDE Peet's contributes to defined contribution retirement benefit plans that are recognised as expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to OCI in the period in which they arise. Past service cost is recognised immediately in the income statement. For defined benefit plans, the operating and finance expense are recognised separately in the income statement. The amount recognised as operating cost in the income statement is the cost of accruing pension benefits promised to employees over the year, plus the costs of individual events such as past service benefit enhancements, settlements and curtailments (such events are recognised immediately in the income statement). The amount recognised as finance income includes a credit equivalent to the interest income on the pension plans' assets over the year, offset by a charge equal to the interest expense in the plans' liabilities over the year.

The retirement benefit obligations recognised in the statement of financial position represent the present value of the defined benefit obligation, as adjusted for past service cost, and as reduced by the fair value of plan assets.

Key accounting estimate and judgement—JDE Peet's sponsors defined benefit plans and provides other post-employment benefits. Assumptions are an important element in the actuarial methods that are used to measure the expense and obligations relative to employee benefits. The assumptions utilised include discount rate, inflation and indexation, life expectancy, payroll increase and health-care trends. Any change in these assumptions could potentially result in a significant change to the pension assets, pension liabilities, commitments and pension costs in future periods.

JDE Peet's operates a number of defined benefit and defined contribution plans for its employees.

Defined Contribution Plans

JDE Peet's sponsors defined contribution pension plans for its employees. The cost is determined by the contributions to these plans and is recognised when it becomes due. The amount of expense recognised during the year 2024 was EUR 36 million (2023: EUR 35 million).

Defined Benefit Plans (Pension, Jubilee and Post-Employment Medical)

JDE Peet's sponsors defined benefit plans in a number of countries, with the most significant plans in the UK and Germany. The defined benefit plans include pension plans, jubilee plans and post-employment medical benefit plans.

United Kingdom — This plan only includes deferred members and retirees/dependants. All entitlements have been made paid-up and are only indexed in accordance with the plan rules. Pension benefits are not linked in any way to the pensionable salary of the participants.The UK Pension Plan is fully funded on a technical provisions basis.

The Trustee of the plan implemented an investment strategy in which 90% of the plan assets are invested in matching assets (corporate credits and – index linked – gilts) and 10% of plan assets are invested in worldwide equity. The overall investment portfolio is structured in such a way that the volatility of the funded status is within 2% per year. The target return of the investments is 50 – 75bps above gilts (excl. manager fees), while the technical provisions basis is set at Gilts +50bps. Under UK Pensions Law, the sponsoring companies remain liable in case of future deficits in the pension plan.

The past service costs of EUR 11 million recognised as a benefit in the income statement for the year ending 31 December 2023 was a result of the change in legal view of the treatment of one the Plan Sections' (Courtaulds) pension increases. These are based on the Consumer Price Index (CPI) going forward for all Courtaulds-members who up until 2023 had increases based on the Retail Price Index (RPI). The Trustee of the Plan confirmed that the CPI is a better measure of inflation, which should be used to value the pension liabilities. All affected plan members were informed about the change in April 2023. In June 2023, the UK High Court (Virgin Media Ltd versus Pension Trustees Ltd) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation notice. The case was subsequently reviewed by the Court of Appeal in July 2024 which upheld the High Court's decision. At this stage, JDE Peet's concluded that the potential impact is not material.

The value of the UK Plan at 31 December 2024 amounted to a net asset of EUR 504 million (2023: EUR 432 million). No asset ceiling applies to this plan.

The funding of the plan was 135.8% at 31 December 2024 (2023: 132.9%).

Germany — There are six (largely) unfunded defined benefit plans in Germany. These include five Final Pay Plans, of which two are closed to new entrants (but participants still accrue benefits) and two are frozen (meaning no further accruals, but existing entitlements remain). The fifth, a Final Pay Plan, is still open to new entrants and is also the only funded pension plan (via a Contractual Trust Agreement). Lastly, the sixth arrangement is a provision for service anniversaries (a so-called Long-Term Benefits Plan). Over 1,000 employees (2023: 1,000) accrue benefits in the fifth and sixth plans. The total defined benefit obligation at 31 December 2024 was EUR 137 million (2023: EUR 145 million) of which EUR 86 million (2023: EUR 81 million) was funded by means of a Contractual Trust Agreement.

A summary of the amounts recognised in the financial statements related to the pension, jubilee and post-employment medical plans is as follows (in EUR million):

	2024	2023
Defined benefit obligation of funded plans	(979)	(1,120)
Fair value of plan assets	1,483	1,552
Funded defined benefit plans with a surplus	**504**	**432**
Defined benefit obligation of funded plans	(278)	(280)
Fair value of plan assets	122	119
Funded defined benefit plans with a deficit	**(156)**	**(161)**
Post-employment medical & jubilee benefits	(9)	(9)
Defined benefit liability	**(165)**	**(170)**

The following provides detailed disclosures regarding the pension, jubilee and the post-employment medical plans.

Pension Benefits — The reconciliation of the amounts recognised in the table above to the total defined benefit obligation and fair value of plan assets is as follows (in EUR million):

	2024	2023
Total defined benefit obligation	(1,257)	(1,400)
Total fair value of plan assets	1,605	1,671
Net defined benefit position	**348**	**271**

Information on plan assets and defined benefit obligation per country

The defined benefit obligation at 31 December per country and the plan assets per country can be specified as follows (in EUR million):

	Plan assets		Defined benefit obligations	
	2024	2023	2024	2023
United Kingdom	1,483	1,552	(979)	(1,120)
Germany	86	81	(223)	(226)
Other	36	38	(55)	(54)

The weighted-average duration of the defined benefit obligations for the UK at 31 December 2024 is 10.8 years (2023: 11.6 years) and for Germany at 31 December 2024 is 16.2 years (2023: 16.8 years).

The movement in the defined benefit obligation over the year is as follows (in EUR million):

	2024	2023
Defined benefit obligation at 1 January	**1,400**	**1,365**
Employer service costs	5	5
Interest expense	60	62
Past service costs	—	(11)
Administration costs	3	2
Actuarial (gain)/loss due to experience	(63)	(2)
Actuarial (gain)/loss due to demographic assumption changes	(18)	(14)
Actuarial (gain)/loss due to financial assumption changes	(99)	40
Foreign currency translation	50	25
Benefits paid	(81)	(72)
Defined benefit obligation at 31 December	**1,257**	**1,400**

The movement in the fair value of plan assets is as follows (in EUR million):

	2024	2023
Fair value of plan assets at 1 January	**1,671**	**1,639**
Employer contributions	8	8
Benefits paid	(81)	(72)
Interest income	74	75
Return on plan assets greater/(less) than interest income	(138)	(14)
Foreign currency translation	71	35
Fair value of plan assets at 31 December	**1,605**	**1,671**

The amounts recognised in the income statement are as follows (in EUR million):

	2024	2023
Employer service costs	5	5
Past service costs	—	(11)
Interest expense on defined benefit obligation	60	62
Interest income on plan assets	(74)	(76)
Administration costs	3	2
Total defined benefit cost recognised in the consolidated income statement	**(6)**	**(18)**

Of the total defined benefit recognised in the income statement, a cost of EUR (5) million (2023: benefit of EUR 6 million) was recognised in selling, general and administrative expenses and cost of sales for the period.

The amounts recognised in the statements of comprehensive income (before tax) are as follows (in EUR million):

	2024	2023
Balance at 1 January	**(293)**	**(325)**
Actuarial (gains) / losses on the defined benefit obligation	(180)	24
Actuarial (gains) / losses on the plan assets	138	14
Foreign currency translation	(14)	(6)
Balance at 31 December	**(349)**	**(293)**

The experience adjustments and actuarial gains and losses due to change in actuarial assumptions are as follows and relate to the plans included in the statement of financial position at the end of the year (in EUR million):

	2024	2023
Liability (gain) or loss due to experience	(63)	(2)
Liability (gain) or loss due to demographic and financial assumptions changes	(117)	26
Actuarial (gains) / losses on the defined benefit obligation	**(180)**	**24**
Asset (gain) or loss due to experience	138	14
Actuarial (gain) or loss recognised	**(42)**	**38**

The weighted-average actual assumptions used in measuring the defined benefit cost recognised in the consolidated income statement of the year and plan obligations at the end of the year are as follows:

	2024		2023	
	UK	Germany	UK	Germany
Discount rate	5.40%	3.40%	4.50%	3.20 %
Indexation rate inactive participants - deferred	2.90%	N/A	2.75%	N/A
Indexation rate inactive participants - pensioners	2.85%	2.00%	2.75%	2.00 %
Inflation rate	3.30%	2.00%	3.20%	2.50 %
Future salary increases	N/A	2.75%	N/A	2.75 %

The discount rate is determined by utilising a yield curve based on high-quality, fixed-income investments that have an AA bond rating to discount the expected future benefit payments to plan participants. Salary increase assumptions are based upon historical experience and anticipated future management actions.

Assumptions regarding future mortality experience are set, based on actuarial advice in accordance with published statistics and experience in each territory. Mortality assumptions for the most important countries are based on the following mortality tables:

- UK: SAPS S3 Pensioners with CMI Core Projection Model 2023 update, with a 1.25% long-term trend and default weightings on experience between 2020 and 2023 experience, respectively
- Germany: Heubeck 2018G.

Sensitivity to changes in individual parameters used at 31 December 2024 can be estimated as follows:
- A 50 basis point decrease in the discount rate of interest would increase the defined benefit obligation by approximately EUR 75 million (2023: EUR 88 million)
- A 50 basis point increase in inflation assumption would increase the defined benefit obligation by approximately EUR 48 million (2023: EUR 56 million)
- A 50 basis point increase in the salary growth rate would increase the defined benefit obligation by approximately EUR 5 million (2023: EUR 5 million).

The pension plan asset allocation differs per plan. On a weighted-average basis, the allocation was as follows:

	2024	2023
Equity instruments	7.5%	7.5%
Bond instruments	5.3%	4.8%
Other	87.2%	87.7%
Total	**100.0%**	**100.0%**

Investment strategies are based on the composition of the plan liabilities. With the aid of asset liability management modelling, analyses are made of possible future economic scenarios and investment portfolios. Based on these analyses, investment strategies are determined for each plan to produce optimal investment returns at acceptable funding ratio risk levels. Less favourable years can be part of these scenarios. The strategic targets changed substantially from 2009 since one of the pension plans in the United Kingdom with significant assets is inactive and therefore the plan assets are mainly invested in fixed-income securities and cash instruments only, which are included in 'Other' in the table above.

Expected cash contributions to retirement benefit plans for the year 2025 are EUR 8 million (2024: EUR 10 million). The exact amount of cash contributions made to pension plans in any year is dependent on a number of factors including minimum funding requirements in the jurisdictions in which JDE Peet's operates the tax deductibility of amounts funded and arrangements made with the trustees of certain foreign plans.

Jubilee and Post-Employment Medical Benefits—JDE Peet's operates a post-employment medical benefit scheme in the Netherlands and Jubilee schemes in the Netherlands, Austria and Germany. The method of accounting, assumptions and the frequency of valuations are similar to those used for defined benefit pension schemes except for the treatment of actuarial gains and losses which are recognised immediately in the income statement. The plans are unfunded.

The movement in the defined benefit obligation is as follows (in EUR million):

	2024	2023
Balance at 1 January	**9**	**10**
Employer service cost	1	—
Employer contribution	(1)	(1)
Balance at 31 December	**9**	**9**

9.2 PROVISIONS

Termination Benefits—Termination benefits are payable when employment is terminated by JDE Peet's before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. Termination benefits are recognised when it is demonstrably committed to a termination and when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value. The estimated costs associated with these benefits are reflected in the restructuring provisions.

Provisions—Provisions, which are primarily for restructuring costs, legal claims, medical claims and environmental obligations are recognised when JDE Peet's has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Restructuring provisions primarily comprise employee termination payments. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

When the carrying amount of a provision is an estimate of a single amount to be received or paid in the future, the cost of debt is used to discount the provision. When an expected cash flow approach is used to determine the carrying amount of the provision (the sum of probability-weighted amounts in a range of possible estimated amounts), the risk-free rate will be used to discount the provision.

Key accounting estimate and judgement:

Restructuring provisions—A provision for restructuring costs is recognised when a detailed formal plan for the restructuring has been determined and the plan has been communicated to the parties that may be affected by it. The provision is based on a number of assumptions including the timing of the payments and the number of employees that will ultimately receive the termination benefits. A change in these assumptions may result in a significant change in the liability in future periods. Adjustments to previously recognised charges resulting from a change in estimate are recognised in the period in which the change is identified.

In assessing the likelihood of occurrence of restructuring provisions, judgement is required to determine if an outflow of economic resources is probable. Where it is probable, a liability is recognised and further judgement is used to determine the level of the provision.

Legal and other provisions—JDE Peet's is involved in certain litigation and other legal proceedings. These claims involve highly complex issues, damages and other matters. In assessing the likelihood of occurrence of legal provisions, there is uncertainty as to estimating likely outcomes or ranges of possible loss, as investigations are not conducted in a consistent manner across jurisdictions and each country and agency has different set of laws, rules and regulations. Accordingly, the outcome of these matters cannot be predicted. However, the unfavourable resolution of one or more of these proceedings could have a material adverse effect on the business, results of operations, financial conditions and/or cash flows. Where it is probable, a liability is recognised and further judgement is used to determine the level of the provision.

The change in provisions was as follows (in EUR million):

	Restructuring	Legal and other	Total
Balance at 1 January 2023	**22**	**50**	**72**
Additions charged to income statement	54	6	60
Payments	(20)	(6)	(26)
Reductions related from remeasurement or settlement without cost	(2)	(1)	(3)
Currency translation differences	—	1	1
Balance at 31 December 2023	**54**	**50**	**104**
Non-current	7	29	36
Current	47	21	68
Balance at 31 December 2023	**54**	**50**	**104**
Acquired in business combinations	—	28	28
Additions charged to income statement	7	5	12
Payments	(38)	(6)	(44)
Reductions related from remeasurement or settlement without cost	(2)	(14)	(16)
Currency translation differences	1	(4)	(3)
Balance at 31 December 2024	**22**	**59**	**81**
Non-current	4	23	27
Current	18	36	54
Balance at 31 December 2024	**22**	**59**	**81**

Restructuring—During the periods presented, several initiatives were taken to improve the efficiency of operations which resulted in reduction in headcount. In connection with these actions, expenses of EUR 7 million were recognised during the year ended 31 December 2024 (2023: EUR 54 million). The 2023 restructuring expenses mainly related to the actions to right-size the former CPG and Out-of-Home segments following the announcement to combine these former separate segments into one segment Europe and the intended closure of the production and research & development operations in Banbury, United Kingdom.

Legal and other provisions

The composition of legal and other provisions is as follows (in EUR million):

	2024	2023
Branded Apparel	8	9
Other	51	41
Total	**59**	**50**

Branded Apparel—The provision relates to Branded Apparel, a previously divested business. The provision includes medical claims related to injuries caused to former employees as a result of noise-induced hearing loss and asbestos exposure, which may result in payments to those individuals for their related medical expenses. The expense related to this provision was recognised in selling, general and administrative expenses in the income statement.

Other—Includes items such as:

- Decommissioning provisions related to property, plant and equipment
- Environmental provisions
- Non-income tax provisions
- Provisions for labour and insurance claims
- Warranty provisions
- Contingent liabilities assumed in and indemnifications resulting from business combinations.

9.3 OTHER NON-CURRENT ASSETS

For the accounting policy on investments in associates reference is made to section 1.4 of this report. The composition of other non-current assets is as follows (in EUR million):

	2024	2023
Lease receivables	3	3
Advance to related parties	18	24
Investment in associates	13	15
Other non-current assets	20	30
Total	**54**	**72**

The advance to related parties represent loans granted to key management members in relation to their share-based payment plans. The investments in associates presented are classified as other (non-strategic) investments in accordance with JDE Peet's accounting policies.

9.4 OTHER NON-CURRENT LIABILITIES

The composition of other non-current liabilities is as follows (in EUR million):

	Note	2024	2023
Deferred revenue		3	—
Share-based payment liability	7.1	3	8
Management-owned shares liability	7.1	17	26
Other		9	12
Total non-current liabilities		**32**	**46**

Deferred revenue—Deferred revenue includes the customer loyalty programmes as further described in accounting policy information (note 2.2). JDE Peet's implemented the amendments to IAS 1 regarding the classification of liabilities as either current or non-current. Consequently, the deferred revenue from the loyalty programme was fully classified as current for the year 2024. In previous periods, this balance was divided between current and non-current. The transition guidance in IAS 1 was adhered to, and the reclassification of the 2023 non-current loyalty programme deferred revenue of EUR 61 million to current, was applied retrospectively. The deferred revenue, classified as current, is included in trade and other payables (note 4.3).

Share-based payment and Management-owned shares liability—All fair value changes were recognised in the profit and loss account for a benefit of EUR 1 million (2023: EUR 1 million expense) in the selling, general and administrative expenses and an expense of EUR 2 million (2023: benefit of EUR 4 million) in the finance expenses for the share-based payment liability and the management-owned shares liability, respectively. For more information about these plans reference is made to note 7.1.

The change in the management-owned shares was as follows (in EUR million):

	2024	2023
Balance at 1 January	**26**	**25**
Fair value through income statement	(2)	4
Repayments	(10)	—
Vesting of share-based payments	3	—
Exercises	—	14
Shares cancelled	—	(4)
Shared sold	—	(5)
Reclassification from / (to) equity	—	(8)
Balance at 31 December	**17**	**26**

9.5 COMMITMENTS AND CONTINGENCIES

Commitments—The off-balance sheet commitments consist of the following (in EUR million):

	2024	2023
Purchase commitments	1,928	817
Operating leases	3	5
Guarantees	4	1
	1,935	**823**

Purchase commitments — Purchase commitments primarily consist of commitments related to the purchases of green coffee, packaging, other raw materials/commodities and services.

Operating lease commitments — JDE Peet's leases certain facilities, equipment and vehicles under agreements that are classified as operating leases. The building leases have various lease terms, while the equipment and vehicle leases have terms of generally less than seven years. Leases of assets with a low value, or term of less than 12 months are included in the operating lease commitments.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows (in EUR million):

	2024	2023
Not later than one year	2	3
Later than one year and not longer than five years	1	2
Later than five years	—	—
	3	**5**

Guarantees — JDE Peet's is party to a variety of agreements under which it may be obligated to indemnify a third party against losses arising from a breach of representation and covenants related to matters such as title to assets sold, the collectability of receivables, specified environmental matters, lease obligations assumed and certain tax matters. In each of these circumstances, payment by JDE Peet's is conditioned on the other party making a claim pursuant to the procedures specified in the contract. These procedures allow JDE Peet's to challenge the other party's claims. In addition, the obligations under these agreements may be limited in terms of time and/or amount, and in some cases JDE Peet's may have recourse against third parties for certain payments it made. Historically, payments made by JDE Peet's under these agreements have not had a material effect on its business, financial condition or results of operations.

Contingencies—JDE Peet's has various contingent liabilities. The most significant contingencies are described below:

- JDE Peet's is involved from time to time in legal and arbitration proceedings arising in the ordinary course of business; in the judgement of management no losses, in excess of provisions made, which could be material in relation to JDE Peet's financial position are likely to arise in respect of these matters. Furthermore, the exposures cannot be reliably estimated.

- Taxes—JDE Peet's operates in many jurisdictions and is subject to a wide variety of taxes per jurisdiction. Tax legislation can be highly complex and subject to interpretation. As such, the recognition and measurement of tax positions and determination of contingent tax liabilities requires significant judgement. Contingent liabilities cover tax risks for which the outflow is assessed lower than probable but possible and may be challenged in tax disputes and proceedings arising in the ordinary course of business.

  JDE Peet's contingent liabilities that arise in respect of tax litigation or investigations by fiscal authorities mainly relate to tax positions in Brazil and include a large number of cases with a risk assessment lower than probable but possible not to be accepted, one of which arose in 2023 with an exposure in excess of EUR 50 million for the years 2019 to 2022 attributable to non-income tax matters for which JDE Peet's already received a favourable non-final decision from the first-level administrative courts of the State of São Paulo for the years 2019 up to and including 2022. In addition, litigation arose in 2024 with an exposure in excess of EUR 20 million for years 2019 to 2023, also attributable to non-income tax matters in relation to the import of capsules. Furthermore, an ongoing transfer pricing audit in Spain for the years 2017 to 2019 was closed in 2024, which resulted in a final assessment in excess of EUR 10 million. As the Company does not agree with the assessment, the decision was made to go to court. Simultaneously, a dispute resolution procedure between authorities in both Spain and the Netherlands was initiated.

  Assessing the amount of tax contingencies is highly judgemental, and the timing of possible outflows is uncertain. Management believes they will prevail in further proceedings with the tax authorities, however there can be no guarantee of success in court. In each case we believe the position is strong so they have not been provided for.

Any exposures assessed possible, not probable, were measured at their fair value upon a business combination transaction.

JDE Peet's considered the impact of climate risk on the recognition and measurement of provision and contingencies. No such provision or contingency has been recognised to date.

9.6 SUBSEQUENT EVENTS

In the press release on JDE Peet's full-year results 2024, issued on 26 February 2025, the Company announced that it intends to initiate a multi-year share buyback cycle of up to EUR 1 billion, with up to EUR 250 million for share buybacks in 2025. On 3 March 2025, the Company announced the start of its share buyback programme to return up to EUR 250 million to shareholders in 2025 with a maximum duration of the programme up to the end of 2025, barring unforeseen circumstances.

The main purpose of the programme is to reduce the capital of the Company, by cancelling virtually all the ordinary shares acquired through the programme. A small portion will be used to cover share-based remuneration obligations. At the share price on 3 March 2025, the programme represents a maximum of approximately 13.9 million shares, or 2.8% of total shares outstanding.

JDE Peet's signed an engagement letter with ING Bank N.V. (ING) to act as the broker for the first tranche of the share buyback programme. During the period commencing 3 March 2025 and ending the earliest on 3 July 2025 and the latest on 3 September 2025, ING will purchase JDE Peet's common stock from the market within ESMA guidelines up to a value of EUR 125 million. JDE Peet's provides regular updates on the progress of the share buyback programme by means of press releases and a dedicated section on the JDE Peet's website.

In the period from 3 March 2025 through the end of March 2025, JDE Peet's repurchased shares for a total consideration of approximately EUR 63 million.

9.7 LEGAL ENTITIES

Below is a list of significant subsidiaries at 31 December 2024. A full list of legal entities is filed with the Chamber of Commerce. Ownership percentages have been based on the number of issued and outstanding shares, except for JDE Holdings Minority B.V. where profit allocation rights are used since that reflects ownership of the entity more accurately.

Name of subsidiary	Country of incorporation	Ownership percentage 2024	Ownership percentage 2023
INDÚSTRIAS ALIMENTÍCIAS MARATÁ LTDA.	Brazil	99.8%	0.0%
JACOBS DOUWE EGBERTS ZA PROPRIETARY LIMITED	South Africa	99.8%	99.7%
Jacobs Deutschland Holding GmbH	Germany	99.8%	99.7%
JACOBS DOUWE EGBERTS AU Pty. Ltd.	Australia	99.8%	99.7%
JACOBS DOUWE EGBERTS B.V.	The Netherlands	99.8%	99.7%
JACOBS DOUWE EGBERTS BR Comercialização de Cafés Ltda.	Brazil	99.8%	99.7%
Jacobs Douwe Egberts Coffee Trade GR EPE	Greece	99.8%	99.7%
JACOBS DOUWE EGBERTS DE GmbH	Germany	99.8%	99.7%
JACOBS DOUWE EGBERTS DK ApS	Denmark	99.8%	99.7%
JACOBS DOUWE EGBERTS ES, S.L.U.	Spain	99.8%	99.7%
JACOBS DOUWE EGBERTS Export NL B.V.	The Netherlands	99.8%	99.7%
Jacobs Douwe Egberts FR (SAS)	France	99.8%	99.7%
Jacobs Douwe Egberts FR (SNC)	France	99.8%	99.7%
JACOBS DOUWE EGBERTS GB LTD	United Kingdom	99.8%	99.7%
Jacobs Douwe Egberts Holdings Asia NL B.V.	The Netherlands	99.8%	99.7%
JACOBS DOUWE EGBERTS Holdings B.V.	The Netherlands	99.8%	99.7%
JACOBS DOUWE EGBERTS International B.V.	The Netherlands	99.8%	99.7%
JACOBS DOUWE EGBERTS NL B.V.	The Netherlands	99.8%	99.7%
JACOBS DOUWE EGBERTS NORGE AS	Norway	99.8%	99.7%
JACOBS DOUWE EGBERTS NZ limited	New Zealand	99.8%	99.7%
JACOBS DOUWE EGBERTS OPS CZ s.r.o.	Czech Republic	99.8%	99.7%
Jacobs Douwe Egberts OPS GB Ltd	United Kingdom	99.8%	99.7%
JACOBS DOUWE EGBERTS PL sp. z o.o.	Poland	99.8%	99.7%
JACOBS DOUWE EGBERTS PRO NL B.V.	The Netherlands	99.8%	99.7%
JACOBS DOUWE EGBERTS RO SRL	Romania	99.8%	99.7%
JACOBS DOUWE EGBERTS RTL SCC SG PTE. LTD.	Singapore	99.8%	99.7%
JACOBS DOUWE EGBERTS RUS LLC	Russia	99.8%	99.7%
JACOBS DOUWE EGBERTS S.E. AB	Sweden	99.8%	99.7%
JACOBS DOUWE EGBERTS TH Ltd.	Thailand	99.8%	99.7%
JACOBS DOUWE EGBERTS Treasury B.V.	The Netherlands	99.8%	99.7%
JOBmeal Group AB	Sweden	99.8%	99.7%
Koninklijke Douwe Egberts B.V.	The Netherlands	99.8%	99.7%
L2M Holding FR	France	99.8%	99.7%
LLC Jacobs Douwe Egberts Ukraina	Ukraine	99.8%	99.7%
Maison Lyovel (SAS)	France	99.8%	99.7%
Of Çaysan Tarım Ürünleri Entegre Tesisleri Sanayi ve Ticaret Anonim Şirketi	Turkey	69.9%	69.8%
Old Town Kopitiam Sdn. Bhd.	Malaysia	99.8%	99.7%
SCML (Thailand) Co., Ltd.	Thailand	99.8%	99.7%
Super Coffeemix Ltd.	Myanmar	59.9%	59.8%
Super FI (M) Sdn. Bhd.	Malaysia	99.8%	99.7%
Super Food Technology Sdn. Bhd.	Malaysia	99.8%	99.7%
Super Foods Specialists (M) Sdn. Bhd.	Malaysia	99.8%	99.7%
White Cafe Sdn. Bhd.	Malaysia	99.8%	99.7%
Wuxi Super Food Technology Co., Ltd.	China	99.8%	99.7%

In addition to these significant subsidiaries, JDE Peet's has other consolidated entities in the countries listed, and also in the following countries: United Kingdom, Finland, Georgia, France, Hungary, Germany, Greece, Ireland, Isle of Man, Italy, Kazakhstan, Lithuania, Malaysia, Mexico, Morocco, Myanmar, New Zealand, Norway, Poland, Philippines, Romania, Russia, Portugal, Singapore, Slovakia, Spain, Sweden, South Africa, Thailand, Turkey, Ukraine, Switzerland, Vietnam.

Apart from certain cash restrictions (refer to note 5.3 Cash and Cash Equivalents), there are no significant restrictions on JDE Peet's ability to access or use assets, and to settle liabilities within these subsidiaries.

The financial statements of the parent and the subsidiaries used in the preparation of the consolidated financial statements have the same reporting date.

STATEMENTS ON RELEASE FROM THE DUTY TO DISCLOSE FINANCIAL STATEMENTS

The following German entities are included in the financial statements of the JDE Peet's N.V., Amsterdam, the Netherlands, and make use of the release from the duty to disclose financial statements and reports pursuant § 264 (3) and § 291 of the German Commercial Code:
- Jacobs Deutschland Holding GmbH, Bremen/Germany
- JACOBS DOUWE EGBERTS REAL ESTATE DE GmbH, Bremen/Germany
- JACOBS DOUWE EGBERTS DE GmbH, Bremen/Germany
- JACOBS DOUWE EGBERTS SERVICES DE GmbH, Bremen/Germany

The Company issued a guarantee under Article 403 of Part 9 of Book 2 of the Dutch Civil Code in favour of the following Dutch entities:
- JACOBS DOUWE EGBERTS B.V.
- Global Joure Brands B.V.
- JACOBS DOUWE EGBERTS Holdings B.V.
- JACOBS DOUWE EGBERTS International B.V.
- Koninklijke Douwe Egberts B.V.
- JACOBS DOUWE EGBERTS Treasury B.V.
- JACOBS DOUWE EGBERTS Minority B.V.
- Jacobs Douwe Egberts Holdings Asia NL B.V.
- JACOBS DOUWE EGBERTS Export NL B.V.
- JACOBS DOUWE EGBERTS PRO NL B.V.
- JACOBS DOUWE EGBERTS NL B.V.
- JACOBS DOUWE EGBERTS Holdings Nordics NL B.V.
- D.E Global Finance B.V.
- JDEP Holding B.V.
- New Oak 2 B.V.
- New Oak Holding B.V.
- Oak 1753 B.V.
- DE US, Inc.
- Oak Holdco B.V.
- Oak International B.V.
- Oak InvestCo B.V.
- Douwe Egberts Finance B.V.
- JDE Holdings Minority B.V.
- Delta Charger Holdco B.V.
- Oak InvestCo 2 B.V.

In addition, JACOBS DOUWE EGBERTS International B.V. issued comfort letters in favour of the following entities:
- JACOBS DOUWE EGBERTS FRANCE SNC
- Maison Lyovel SAS
- JACOBS DOUWE EGBERTS IE Ltd
- D.E. Holding UK Ltd
- Courtaulds Textiles (Holdings) Ltd
- Jacobs UK Ltd
- JACOBS DOUWE EGBERTS GB Ltd
- JACOBS DOUWE EGBERTS OPS GB Ltd
- JACOBS DOUWE EGBERTS R&D GB Ltd
- JACOBS DOUWE EGBERTS UK Pension Trustees Ltd
- LLC Jacobs Douwe Egberts Ukraine

Jacobs Douwe Egberts Holdings Asia NL B.V. issued a comfort letter in favour of JACOBS DOUWE EGBERTS HLD SGP SG Pte. Ltd.

COMPANY FINANCIAL STATEMENTS

COMPANY INCOME STATEMENT

For the years ended 31 December 2024 and 31 December 2023

In EUR million

	Note	2024	2023
Selling, general and administrative expense		(2)	(40)
Operating profit		**(2)**	**(40)**
Finance income		108	59
Finance expense		(301)	(154)
Share of profit of subsidiaries		745	488
Profit before income taxes		**550**	**353**
Income tax benefit		11	14
Profit for the period		**561**	**367**

COMPANY BALANCE SHEET

At 31 December 2024 and 31 December 2023

Before appropriation of profit in EUR million

	Note	2024	2023
Non-current assets:			
Investments in subsidiaries	3	11,688	11,458
Loans receivable	5	5,002	5,480
Deferred tax asset		—	4
Derivative financial instruments		40	13
Other financial assets		—	2
		16,730	**16,957**
Current assets:			
Trade and other receivables	4	92	32
Loans receivable	5	500	425
Income tax receivable		14	14
Derivative financial instruments		2	4
		608	**475**
Total assets		**17,338**	**17,432**

	Note	2024	2023
Equity and liabilities			
Equity:			
Share capital	6	5	5
Share premium		9,588	9,585
Treasury shares		—	(38)
Legal reserves:			
– Cash flow hedge reserve		43	10
– Foreign currency translation reserve		(904)	(730)
– Other legal reserves		213	194
Other reserves		1,582	1,642
Profit for the period		561	367
		11,088	**11,035**
Non-current liabilities:			
Borrowings	8	4,778	5,193
Deferred income tax liabilities		1	3
Derivative financial instruments		19	25
		4,798	**5,221**
Current liabilities:			
Borrowings	8	946	872
Trade and other payables	7	258	210
Derivative financial instruments		248	94
		1,452	**1,176**
Total equity and liabilities		**17,338**	**17,432**

NOTES TO THE COMPANY FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The Company applies the option provided in Section 2:362 (8) of the Dutch Civil Code for the principles for the recognition and measurement of assets and liabilities and determination of the result for its Company Financial Statements. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result of the Company Financial Statements of the Company are the same as those applied for the Consolidated Financial Statements under IFRS Accounting Standards as endorsed for use in the European Union by the European Commission.

The Company Financial Statements are prepared to comply with the requirements of the Dutch Civil Code. There are no differences between total Shareholders' Equity and Net profit for the period determined under the Dutch Civil Code and that determined in accordance with IFRS. In concluding, the Company has accounted for its investments in subsidiaries using the net asset value method of accounting versus the cost method or fair value method.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The principles of valuation and determination of result for the Company's annual financial statements and consolidated financial statements are the same. For the principles of valuation of assets and liabilities and for the determination of result reference is made to the notes to the consolidated financial statements.

The investments in subsidiaries, other than affiliates, are carried at net asset value. The net asset value is determined by measuring the assets, provisions and liabilities and calculating the result according to the accounting policies applied in the Consolidated financial statements.

3. INVESTMENTS IN SUBSIDIARIES

The movements of the investments in subsidiaries are as follows (in EUR million):

	2024	2023
Balance at 1 January	**11,458**	**11,415**
Net result	745	488
Dividends	(346)	(351)
Cash flow hedges	31	39
Foreign currency translation	(162)	(109)
Other reserves	(60)	(22)
Other	22	(2)
Balance at 31 December	**11,688**	**11,458**

4. TRADE AND OTHER RECEIVABLES

The composition of trade and other receivables is as follows (in EUR million):

	2024	2023
Receivable from other JDE Peet's companies	91	27
Other receivables	1	5
Total	**92**	**32**

All trade and other receivables are due within one year, no amounts are provided for.

5. LOANS RECEIVABLE

The outstanding amount of loans provided to New Oak 2 B.V. and JACOBS DOUWE EGBERTS International B.V. at 31 December 2024 was EUR 4,502 million (including a loan denominated in US dollars for an amount of USD 385 million) and EUR 1,000 million, respectively (2023: EUR 4,905 million and EUR 1,000 million, respectively). The weighted-average interest rate was 1.67% (2023: 1.53%) with maturity dates from 2025 to 2034. At 31 December 2024, an amount of EUR 500 million was maturing within 12 months (2023: EUR 425 million). We have assessed the credit risk associated with these loans and concluded that there was no material risk identified.

In EUR millions

	31 December 2023	Additions	Repayments	Currency translation	31 December 2024
New Oak 2 B.V.	4,905	—	(425)	22	4,502
JACOBS DOUWE EGBERTS International B.V.	1,000	—	—	—	1,000
Total	**5,905**	**—**	**(425)**	**22**	**5,502**

	1 January 2023	Additions	Repayments	Currency translation	31 December 2023
New Oak 2 B.V.	4,944	—	(28)	(11)	4,905
JACOBS DOUWE EGBERTS International B.V.	—	1,000	—	—	1,000
Total	**4,944**	**1,000**	**(28)**	**(11)**	**5,905**

6. SHAREHOLDERS' EQUITY

The movements of the shareholders' equity are as follows (in EUR million):

	Share capital	Share premium	Treasury shares	Legal reserves	Other reserves	Profit for the period	Total equity
Balance at 31 December 2022	**5**	**9,997**	**(471)**	**(610)**	**1,360**	**771**	**11,052**
– Application of hyperinflationary accounting	—	—	—	—	(2)	—	(2)
Balance at 1 January 2023	**5**	**9,997**	**(471)**	**(610)**	**1,358**	**771**	**11,050**
– Profit for the period	—	—	—	—	—	367	367
– Retirement benefit obligation related items	—	—	—	—	(28)	—	(28)
– Foreign currency translation	—	—	—	(109)	6	—	(103)
– Foreign currency contracts	—	—	—	31	—	—	31
– Net investment hedge	—	—	—	14	—	—	14
Total Comprehensive Income / (Loss)	**—**	**—**	**—**	**(64)**	**(22)**	**367**	**281**
– Shared-based payment transactions	—	—	—	—	24	—	24
– Dividends	—	—	—	—	(339)	—	(339)
– Appropriation of profit 2022	—	—	—	—	771	(771)	—
– Release of treasury shares	—	—	21	—	—	—	21
– Cancellation of treasury shares	—	(412)	412	—	—	—	—
– Other	—	—	—	—	(2)	—	(2)
– Other changes in legal reserves	—	—	—	148	(148)	—	—
Balance at 31 December 2023	**5**	**9,585**	**(38)**	**(526)**	**1,642**	**367**	**11,035**

	Share capital	Share premium	Treasury shares	Legal reserves	Other reserves	Profit for the period	Total equity
Balance at 31 December 2023	**5**	**9,585**	**(38)**	**(526)**	**1,642**	**367**	**11,035**
– Application of hyperinflationary accounting	—	—	—	—	50	—	50
Balance at 1 January 2024	**5**	**9,585**	**(38)**	**(526)**	**1,692**	**367**	**11,085**
– Profit for the period	—	—	—	—	—	561	561
– Retirement benefit obligation related items	—	—	—	—	40	—	40
– Foreign currency translation	—	—	—	(178)	9	—	(169)
– Foreign currency contracts	—	—	—	33	—	—	33
– Net investment hedge	—	—	—	4	—	—	4
Total Comprehensive Income / (Loss)	**—**	**—**	**—**	**(141)**	**49**	**561**	**469**
– Shared-based payments	—	—	—	—	(8)	—	(8)
– Dividends	—	—	—	—	(341)	—	(341)
– Appropriation of profit 2023	—	—	—	—	367	(367)	—
– Capital contribution by shareholder	—	—	—	—	(163)	—	(163)
– Release of treasury shares	—	(11)	38	—	—	—	27
– Issuance of shares	—	14	—	—	—	—	14
– Other	—	—	—	—	5	—	5
– Other changes in legal reserves	—	—	—	19	(19)	—	—
Balance at 31 December 2024	**5**	**9,588**	**—**	**(648)**	**1,582**	**561**	**11,088**

The legal reserves at 31 December 2024 consisted of a Currency translation reserve of EUR (904) million (2023: EUR (730) million), a Cash flow hedge reserve of EUR 43 million (2023: EUR 10 million) and reserves for self-developed capitalised software of EUR 66 million (2023: EUR 60 million) and unremitted profits of subsidiaries on which there exist distribution restrictions of EUR 147 million (2023: EUR 134 million).

7. TRADE AND OTHER PAYABLES

The composition of trade and other payables is as follows (in EUR million):

	2024	2023
Trade and other payables	85	39
Dividend payable	170	170
Payable to group companies	3	1
Total	**258**	**210**

The carrying amount of the trade and other payables is considered a close approximation of their fair value due to their short maturity.

During the Annual General Meeting of Shareholders on 30 May 2024, a dividend of EUR 0.70 per share was approved, payable in two instalments of EUR 0.35 on 12 July 2024 and 24 January 2025.

8. BORROWINGS

The Company has unsecured notes outstanding, please refer to note 5.2 Borrowings in the consolidated financial statements for more details.

At 31 December 2024, the Company had a bank overdraft with a group company for a total of EUR 446 million (2023: EUR 420 million).

9. COMMITMENTS AND CONTINGENCIES

Contingencies and commitments to which the Company is exposed, are disclosed in note 9.5 of the Consolidated financial statements. The legal entities to which the declarations of joint and several liability relate, are listed in the statements on release from the duty to disclose financial statements in the consolidated financial statements.

10. RELATED PARTIES

Loans from related parties

See note 8 Borrowings for any loans, including the overdraft balance in the cashpool, from related parties.

Loans to related parties

See note 5 Other (non-)current assets for any loans to related parties.

Other

In note 7.2 Related-party transactions of the Consolidated financial statements, the other relevant disclosures in relation to Related Parties (such as fiscal unity, loans to management and contribution of the parent) are further disclosed.

11. BOARD REMUNERATION

The Board remuneration is disclosed in note 7.2 Related-party transactions of the Consolidated financial statements, where the provision in art 2:383.1 DCC is applied.

12. SUBSEQUENT EVENTS

Refer to note 9.6 of the consolidated financial statements for the disclosure of events after the reporting period.

27 March 2025

R. Oliveira
Executive Director

G.P. Harf
Chairman, non-executive Director

J.J.B.C. Creus
Non-executive Director

O.C.G. Goudet
Non-executive Director

A.M. García Fau
Non-executive Director

F.A. Engelen
Non-executive Director

S. MacFarlane
Non-executive Director

A. Richards
Non-executive Director

D. Hennequin
Non-executive Director

P.N. Lindenberg
Non-executive Director

P. Abadie Capel
Non-executive Director

OTHER INFORMATION

PROFIT APPROPRIATION

Articles of association provisions governing the distribution of profit:

Article 27 of the articles of association states the following:

27.1 After adoption of the annual accounts, but no later than within six months from the end of the financial year concerned, a cash distribution will be made on the Preference Shares in respect of the previous financial year, which distribution will be calculated as follows:

a. if the Preference Shares are paid up at the expense of the Company's reserves, the annual distribution will be one thousand euro (EUR 1,000) for all outstanding Preference Shares together;
b. in other cases, the distribution will be a percentage equal to three (3) months' Euribor (Euro Interbank Offered Rate) – weighted to reflect the number of days for which the payment is made – plus a premium, to be determined by the Board of at least one percentage point and at most five percentage points, depending on the prevailing market conditions.

The distributions referred to under (a) and (b) will be calculated over the proportionate period of time if the relevant Preference Shares were issued and outstanding for a part of the financial year. Distributions in respect of the Preference Shares are calculated over the paid-up part of their nominal value. The making of such distributions is subject to the provision of Article 27.8.

The amounts of such distributions will be charged to the profits realised during the financial year in respect of which it is made or, if and to the extent such profits are insufficient, any other part of the Company's distributable equity.

No further distributions will be made on the Preference Shares.

27.2 The Board may decide that the profits realised during a financial year, and remaining after application of Article 27.1 are used to increase and/or form reserves.

27.3 The profits remaining after application of Articles 27.1 and 27.2 shall be put at the disposal of the General Meeting. The Board shall make a proposal for that purpose. A proposal to pay a dividend shall be dealt with as a separate agenda item at the General Meeting of Shareholders.

27.4 Distributions from the Company's distributable reserves are made pursuant to a resolution of the General Meeting on the proposal of the Board.

27.5 Provided it appears from an interim statement of assets signed by the Board that the requirement mentioned in Article 27.8 concerning the Company's equity has been fulfilled, the Board may make one or more interim distributions to the holders of Ordinary Shares and/or to the holders of Preference Shares, with regard to Preference Shares, however, subject to the maximum distribution amount set forth in Article 27.1.

27.6 The Board may decide that a distribution on Ordinary Shares shall not take place as a cash payment but in kind, or as a payment in Ordinary Shares, or decide that holders of Ordinary Shares shall have the option to receive a distribution as a payment in cash or in kind and/or as a payment in Ordinary Shares, out of the profit and/or at the expense of reserves, provided that the Board is designated by the General Meeting pursuant to Article 6.2. The Board shall determine the conditions applicable to the aforementioned choices.

27.7 The Company's policy on reserves and dividends shall be determined and may be amended by the Board. The adoption, and thereafter each amendment of the policy on reserves and dividends, shall be discussed and accounted for at the General Meeting of Shareholders under a separate agenda item.

27.8 Distributions may be made only insofar as the Company's equity exceeds the amount of the paid-in and called-up part of the issued capital, increased by the reserves which must be kept by virtue of the law or these Articles of Association.

27.9 All distributions may be made in another currency than euro.

PROPOSED PROFIT APPROPRIATION

JDE Peet's Board proposes a cash dividend of EUR 0.73 per share for FY24, to be distributed in two instalments. The first instalment of EUR 0.37 will be paid on Friday, 11 July 2025, with the ex-dividend date on Monday, 7 July 2025, and the record date on Tuesday, 8 July 2025. The second instalment of EUR 0.36 will be paid on Friday, 23 January 2026, with the ex-dividend date on Monday, 19 January 2026, and the record date on Tuesday, 20 January 2026. The proposed dividend is subject to approval by the Annual General Meeting of Shareholders, scheduled for Thursday, 19 June 2025.

INDEPENDENT AUDITOR'S REPORT

To the shareholders and the Board of JDE Peet's N.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2024 INCLUDED IN THE ANNUAL REPORT

Our opinion

We have audited the financial statements 2024 of JDE Peet's N.V., based in Amsterdam. The financial statements comprise the consolidated and company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of JDE Peet's N.V. as at 31 December 2024, and of its result and its cash flows for 2024 in accordance with IFRS Accounting Standards as endorsed by the European commission and with Part 9 of Book 2 of the Dutch Civil Code.
- The accompanying company financial statements give a true and fair view of the financial position of JDE Peet's N.V. as at 31 December 2024, and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. The consolidated statement of financial position as at 31 December 2024.
2. The following statements for 2024: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows.
3. The notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

1. The company balance sheet as at 31 December 2024.
2. The company income statement for 2024.
3. The notes comprising a summary of the material accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of JDE Peet's N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INFORMATION IN SUPPORT OF OUR OPINION

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgment we determined the materiality for the financial statements as a whole at EUR 50 million (2023: EUR 48 million). The materiality is based on 6.3% of profit before tax (2023: 6.5% of normalised profit before tax). We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

Audits of group entities (components) were performed using materiality levels determined by the judgement of the group engagement team, having regard to the materiality of the consolidated financial statements. Component materiality did not exceed EUR 26.2 million (2023: EUR 25.0 million) and for the majority of the components materiality is significantly less than this amount.

We agreed with the Board that misstatements in excess of EUR 2.5 million (2023: EUR 2.4 million), which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

JDE Peet's N.V. is at the head of a group of entities (components). The financial information of this group is included in the consolidated financial statements of JDE Peet's N.V.

Because we are ultimately responsible for our opinion, we determined the nature, timing and extent of audit procedures to be performed, including determining the components at which to perform audit procedures.

Our assessment of components included in our audit scope was done as part of our audit planning and was aimed to obtain sufficient coverage of the risks of material misstatement for significant account balances, classes of transactions, and disclosures that we have identified. In addition, we considered qualitative factors as part of our assessment. We also responded to changes relevant to the group in 2024 in determining the components in our scope and the nature of procedures to be performed. As result, we involved component auditors for audit procedures in Belgium, Brazil, France, Germany, Russia (non-Deloitte), United Kingdom and the United States. Furthermore, we selected other components requiring audit procedures on specific significant account balances, classes of transactions and disclosures that we considered had the potential for the greatest impact on the group financial statements, either because of the size of these accounts or their risk profile. We directed and supervised the work of component auditors as part of the group audit.

For component audit teams, the group engagement team provided detailed written instructions, which, in addition to communicating the requirements of component audit teams, detailed significant audit areas and information obtained centrally relevant to the audit of individual components including awareness for risk related to management override of controls. We developed a plan for overseeing each component audit team based on its relative significance and specific risk characteristics. Our oversight procedures included physical or remote working paper reviews for, amongst others, the majority of the components listed above, holding conference calls, attending meetings and reviewing component audit team deliverables to gain sufficient understanding of the work performed. The nature, timing and extent of our oversight procedures varied based on both quantitative and qualitative considerations.

We have performed audit procedures ourselves at JDE Peet’s N.V. corporate entities and operations managed from the Netherlands. Furthermore, we performed audit procedures at group level on areas such as the group consolidation, the financial statement and its disclosures, impairment testing for goodwill and other intangible assets, accounting for business combinations, treasury, specific material deferred tax balances, hyperinflation as well as share-based payments, and critical accounting positions subject to management estimates. Specialists were involved, amongst others, in areas such as sustainability, treasury, information technology, tax accounting, pensions and valuations.

The coverages achieved in our audit are outlined in the table below:

Audit coverage of consolidated revenues	69%
Audit coverage of consolidated operating profit	70%
Audit coverage of consolidated total assets	93%

In addition, we performed analytical procedures at group level for other components.

By performing the procedures mentioned above at components, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the Board exercises oversight, as well as the outcomes. We refer to the risk management section of the annual report for management's fraud risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks. Further, for certain selected speak up cases, we evaluated management’s response and remedial actions and measures.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Presumed risk of management override of controls
We considered such risk in relation to management override of controls, including evaluating whether there was evidence of bias by the Board or other members of management. Our procedures include an assessment of the selection and application of accounting policies by the group, particularly those related to subjective measurements and complex transactions, as these may be indicative of fraudulent financial reporting. We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We considered available information and made enquiries of management, those charged with governance and others in the group, including but not limited to, in-house legal teams, compliance officers, the Director of Internal Audit and the Group Controller.

We evaluated whether the selection and application of accounting policies by the group, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting.

Other fraud risks identified
We evaluated whether the judgments and decisions made by management in making the accounting estimates included in the financial statements indicate a possible bias that may represent a risk of material misstatement due to fraud. Management insights, estimates and assumptions that might have a major impact on the financial statements are disclosed in Note 1.2 of the financial statements. We performed a retrospective review of management judgments and assumptions related to significant accounting estimates reflected in prior year financial statements. Impairment testing of intangible assets is a significant area to our audit as the determination whether these assets are not carried at more than their recoverable amounts is subject to significant management judgment.

For significant transactions, such as the business combinations entered into during 2024 as disclosed in Note 3.1 of the financial statements, we evaluated whether the business rationale of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets and where applicable assessed that the related party nature is appropriately disclosed in Note 7.2.

This led to the following indications for fraud potentially resulting in material misstatements:
- Goodwill annual impairment assessment - LARMEA segment.
- The continued control (IFRS 10) of its Russian operations.

Reference is made to the section 'Our key audit matters', where we have further described the audit work performed to mitigate these risks as part of our audit.

Audit approach compliance with laws and regulations

We assessed the laws and regulations relevant to the company through discussion with amongst others, the Board, and Group Legal Counsel, reading minutes of board meetings, reports of internal audit and discussions with our component audit teams.

As a result of our risk assessment procedures, and while realising that the effects from non-compliance could considerably vary, we considered the following laws and regulations: adherence to (corporate) tax law, the requirements under IFRS Accounting Standards and Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the financial statements.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognised to have a direct effect on the financial statements.

Apart from these, JDE Peet's N.V. is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Given the nature of JDE Peet's N.V.'s business and the complexity of these other laws and regulations, there is a risk of non-compliance with the requirements of such laws and regulations. In addition, we considered major laws and regulations applicable to listed companies.

Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to JDE Peet's N.V.'s ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses, permits or compliance with environmental regulations and human rights and sanctions associated with the war in Ukraine) and therefore non-compliance with such laws and regulations may have a material effect on the financial statements.

Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Our procedures are limited to:

i. inquiry of management, those charged with governance, group legal counsel, internal audit and others within JDE Peet's N.V. as to whether JDE Peet's N.V. is in compliance with such laws and regulations and
ii. inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

Audit approach going concern

Our responsibilities, as well as the responsibilities of the Board, related to going concern under the prevailing standards are outlined in the “Description of responsibilities regarding the financial statements” section below. In fulfilling our responsibilities, we performed procedures including evaluating management’s assessment of the company’s ability to continue as a going concern and considering the impact of financial, operational, and other conditions. Based on these procedures, we did not identify any reportable findings related to the entity’s ability to continue as a going concern. Management’s conclusion on the company's ability to continue as a going concern is outlined in the Statement of the Board, and in Note 1.1 of the consolidated financial statements.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Board. The key audit matters are not a comprehensive reflection of all matters discussed.

Goodwill and Other Intangible Assets Impairment Analysis - Significant Estimates and Judgements	
Key audit matter	As per December 31, 2024, the Group’s balance sheet includes EUR 12,640 million of goodwill (2023: EUR 12,300 million) and EUR 4,483 million of other intangible assets (2023: EUR 4,417 million), as disclosed in Note 3.2 Goodwill and other intangible assets. Of this amount, the goodwill associated with the LARMEA segment amounts to EUR 945 million (2023: EUR 663 million). As disclosed in Note 3.3, management performs an annual impairment test on goodwill and indefinite lived brands and trademarks. The Company is required to estimate the recoverable amount of the cash generating units and applies judgements in forecasting future cash flows. The key assumptions and sensitivities are disclosed in Note 3.3. to the consolidated financial statements. We identified the valuation of goodwill as a key audit matter, because of the significant estimates and judgements management makes to determine the recoverable amount, specifically for the LARMEA segment. This segment is impacted by the ongoing war in Ukraine and the 2024 Maratá acquisition, whereby both Russia and Brazil are significant for the LARMEA segment. Due to the war there is an increased level of estimation uncertainty associated with the recoverable amount of Russia. The ongoing war in Ukraine and the related geopolitical and macroeconomic circumstances, increase the level of estimation uncertainty associated with the Russian country-risk premiums and underlying business assumptions. In addition, there is an increased sensitivity linked to the assessment of retaining control over such operations (refer to separate key audit matter below). Maratá was added in 2024 to the Brazilian cash generating unit as part of the LARMEA segment (refer to separate key audit matter below) representing a material portion of the total recoverable and carrying amount.

Goodwill and Other Intangible Assets Impairment Analysis - Significant Estimates and Judgements	
How our audit responded to the key audit matter	We have obtained an understanding of the internal processes including the Board approved budget and controls regarding management's annual impairment test (including their use of third-party valuation experts), how they arrived at their estimates and how they assessed the effect of estimation uncertainty. In our audit we have evaluated the reasonableness of the applied valuation assumptions in the LARMEA segment, the methodologies applied and the data used by the company. We have engaged internal valuation specialists to assist us in evaluating the discount rates and long-term growth rates applied; this evaluation included benchmarking against independent external information and peers in the industry. We paid specific attention to the sensitivity of possible outcomes of the business and valuation assumptions and evaluated alternative scenarios addressing underlying uncertainties. Throughout our procedures (and until the date of the financial statements) we have maintained a high level of professional skepticism by, for example, remaining alert for indications of contradictory evidence, including, amongst others, retrospective assessments. We have also assessed the adequacy of the company's disclosure Note 3.3 in the JDE Peet's N.V. consolidated financial statements related to the impairment assessment, including whether sensitivities and assumptions have been appropriately disclosed. .
Observation	We observe that the annual test of goodwill was conducted in line with the requirements of the reporting framework. The estimated recoverable amount for the LARMEA segment is negatively impacted by the segment WACC rates which remained higher in 2024 than in the period precenting the war in Ukraine. Based on our procedures we have not identified any reportable matters. We have communicated the outcome of our procedures to those charged with governance.

Accounting for the acquisition of Maratá (Brazil) – Significant Estimates and Judgements	
Key audit matter	On January 4, 2024, JDE Peet's completed the acquisition of the Brazilian coffee & tea business Indústrias Alimentícias Maratá Ltda (Maratá). Accounting for these acquisitions in accordance with IFRS 3 requires management to apply estimates to determine the fair value of the identifiable assets and liabilities. The purchase price allocation resulted in the recognition of goodwill (EUR 399 million) and intangible assets other than goodwill (EUR 186 million). Further details on the accounting and disclosures under IFRS 3 Business Combinations are included in Note 3.1 to the financial statements. We identified the accounting for this acquisition as a key audit matter, given the significance of the acquisition transaction, the complexity of accounting for business combinations, and the significant management assumptions in the valuation of the (intangible) assets identified, performing procedures to evaluate the purchase price allocation required higher degree of auditor judgement and a need to involve valuation, real estate and tax specialists.
How our audit responded to the key audit matter	We have gained an understanding of the main processes and procedures in place at the company for acquisitions that are relevant for our audit. For the opening balance audit, we engaged and instructed the component auditor in Brazil. We have visited JDEP Brazil to meet with local management and component auditor. We involved at valuation specialists (at group level), and real estate and tax specialists (at component level in Brazil) for the evaluation and challenge of management's position regarding the methodology and valuation of trademarks, property, plant & equipment, and tax approach as part of the provisional purchase price allocation. We challenged the business assumptions used in the forecast period underlying the valuation of the intangible fixed assets (revenue, royalty) including the useful lives of the intangible assets, by management. We have also assessed the adequacy of the company's disclosure in Notes 1.2 and 3.1 in the JDE Peet's N.V. consolidated financial statements related to the business combination.
Observation	Based on our procedures performed and our assessment of the disclosures made, we have not identified any reportable matters. Our audit procedures are deemed appropriate and sufficient to address the risk of material misstatements related to the accounting for the business combination of Maratá. We have communicated the outcome of our procedures to those charged with governance.

JDE Peet's N.V. assessment of continued control of its Russian operations – Significant Judgement

Key audit matter	IFRS 10 sets out that an investor has control over another entity if and only if the investor has all of the following elements: • power over the investee, i.e. the investor has existing rights that give it the ability to direct the relevant activities (the activities that significantly affect the investee's returns) • exposure, or rights, to variable returns from its involvement with the investee • the ability to use its power over the investee to affect the amount of the investor's returns. As of 31 December 2024, the company has concluded that it continued to retain control over its Russian operations, and as such the company has continued to consolidate the results and financial position of its Russian operations throughout the period. As a result of the war in Ukraine, and increased complexity associated with conducting business in Russia for foreign-owned groups, significant judgement exists as to whether these elements are satisfied and the company is able to continue to consolidate the results and financial position of its Russian operations. Russian operations amount to 6% of the consolidated revenue of the group and 1% of the total assets of the group. The company has disclosed this significant judgement in Note 1.6 to the consolidated financial statements.

JDE Peet's N.V. assessment of continued control of its Russian operations – Significant Judgement

How our audit responded to the key audit matter	We have inspected the company's evaluation of the requirements of IFRS 10; with specific reference to those elements of control as required by the reporting framework. The timing of our procedures was increased to reflect the dynamic nature of developments in the year, including developments in the international sanction environment over the course of the year. We have evaluated the company's direction of the activities of its Russian operations throughout the year, including group management's interactions with local Russian management teams and the impact of such interactions on the activity of the Russian business. We have made specific inquiries with the company internal and external legal counsel with reference to the company's continued exposure, or rights, to variable returns and the impact from evolving sanctions. These inquiries included consideration of the Group's ability to obtain dividends from Russia, and the impact of relevant sanctions. The procedures performed centrally have been supported by collaboration with the Russian component auditor. Throughout our procedures we have maintained a high level of professional skepticism by, for example, remaining alert for indications of contradictory evidence. We have also assessed the adequacy of the company's disclosure in Notes 1.2 and 1.6 of the consolidated financial statements outlining the situation and the judgements of management. We draw attention to Note 1.6 of the consolidated financial statements, which describes the EU sanction environment, outlining that the company obtained a license to continue providing services to its Russian subsidiary which is valid until May 31, 2026. The company has highlighted that if future license renewals are not granted, JDE Peet's assessment regarding control over its Russian subsidiary could be materially impacted.
Observation	Based on our procedures performed and our assessment of the disclosures made, we have not identified any reportable matters. Our audit procedures are deemed appropriate and sufficient to address the risk of material misstatements related to control over the Russian operations of JDE Peet's N.V. We have communicated the outcome of our procedures to those charged with governance.

In the prior year, a key audit matter was identified relating to the impairment recognised against the JACOBS brand intangible asset as a result of the withdrawal of the brand from Russia.

REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

The other information consists of:
- Management Board's Report as defined in section Report of the non-executive directors in this Annual Report.
- Report of the non-executive Directors.
- Remuneration Report.
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:
- Is consistent with the financial statements and does not contain material misstatements.
- Contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard on Auditing 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS AND ESEF

Engagement

We were engaged by the annual meeting of shareholders as auditor of JDE Peet's N.V. on 25 May 2020, as of the audit for the year December 31, 2020 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Format (ESEF)

JDE Peet's N.V. has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report, prepared in XHTML format, including the (partly) marked-up consolidated financial statements, as included in the reporting package by JDE Peet's N.V. complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby management combines the various components into one single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N ‘Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument’ (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance and the XBRL extension taxonomy files has been prepared in accordance with the technical specifications as included in the RTS on ESEF;
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of management and the Board for the financial statements

The board is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and in conformity with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management and the Board is responsible for such internal control as management and the Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management and the Board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management and the Board should prepare the financial statements using the going concern basis of accounting unless management and the Board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error, during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the Board.
- Concluding on the appropriateness of management and the Board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor’s report.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 2 April 2025

Deloitte Accountants B.V.

M.J. van der Vegte

LIMITED ASSURANCE REPORT OF THE INDEPENDENT AUDITOR ON JDE PEET'S N.V. SELECTED SUSTAINABILITY KPIs

To: The shareholders and the Board of JDE Peet's N.V.

Our conclusion

We have performed a limited assurance engagement on the sustainability statement for 2024 of JDE Peet's N.V. based in Amsterdam (hereinafter: the company) in the section Sustainability Statements of the accompanying management report including the information incorporated in the sustainability statement by reference (hereinafter: the sustainability statement).

Based on our procedures performed and the assurance evidence obtained, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects:

- Prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and in accordance with the double materiality assessment process carried out by the company to identify the information reported pursuant to the ESRS.
- Compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Basis for our conclusion

We have performed our limited assurance engagement on the sustainability statement in accordance with Dutch law, including Dutch Standard 3810N, 'Assurance-opdrachten inzake duurzaamheidsverslaggeving' (Assurance engagements relating to sustainability reporting) which is a specified Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information'.

Our responsibilities in this regard are further described in the section 'Our responsibilities for the limited assurance engagement on the sustainability statement' of our report.

We are independent of JDE Peet's N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphases of matter

Emphasis on the most significant uncertainties affecting the quantitative metrics and monetary amounts

We draw attention to section "Value chain estimation and uncertainties" in the sustainability statement section "Basis for preparation" that identifies the quantitative metrics and monetary amounts that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the company has made in measuring these in compliance with the ESRS.

The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

Emphasis on the use of third-party information

We draw attention to section "Value chain estimation and uncertainties" in the sustainability statement section "Basis for preparation" that indicates that certain metrics and calculations are (partly) based on assumptions and sources from third parties. The assumptions and sources ("third-party information") used are disclosed in the Accounting Policies of the respective metric. Validations of such third-party information and certifications is not common market practice.

Our conclusion is not modified in respect of these matters.

Comparative information not subject to assurance procedures

In the sustainability statement prepared in accordance with ESRS, the comparative information has not been subject to reasonable or limited assurance. Our conclusion is not modified in respect of this matter. For the metric "engaging smallholder farmers" we have reviewed the number of smallholders reached during the year but not the cumulative metric.

Our conclusion is not modified in respect of this matter.

Limitations to the scope of our assurance engagement

In reporting forward-looking information in accordance with the ESRS, the Board of the company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. Forward-looking information relates to events and actions that have not yet occurred and may never occur. We do not provide assurance on the achievability of this forward-looking information.

The references to external sources or websites in the sustainability statement are not part of the sustainability information as included in the scope of our assurance engagement. We therefore do not provide assurance on this information.

Our conclusion is not modified in respect of these matter.

Responsibilities of the Board for the sustainability statement

The Board is responsible for the preparation of the sustainability statement in accordance with the ESRS, including the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of material impacts, risks and opportunities in accordance with the ESRS. As part of the preparation of the sustainability statement, the Board is responsible for compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

The Board is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the company's sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, management is responsible for such internal control as it determines necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error.

Our responsibilities for the limited assurance engagement on the sustainability statement

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance that the sustainability statement is free from material misstatements. The procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We apply the applicable quality management requirements pursuant to the 'Nadere voorschriften kwaliteitsmanagement' (NV KM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1 and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our limited assurance engagement included among others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of the company, its activities and the value chain and its key intangible resources in order to assess the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRS.
- Obtaining through inquiries a general understanding of the internal control environment, the company's processes for gathering and reporting entity-related and value chain information, the information systems and the company's risk assessment process relevant to the preparation of the sustainability statement and for identifying the company's activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), without obtaining assurance information about the implementation, or testing the operating effectiveness, of controls.

- Assessing the double materiality assessment process carried out by the company and identifying and assessing areas of the sustainability statement, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise ('selected disclosures'). We designed and performed further assurance procedures aimed at assessing that the sustainability statement is free from material misstatements responsive to this risk analysis.
- Considering whether the description of the double materiality assessment process in the sustainability statement made by the Board appears consistent with the process carried out by the company.
- Performing analytical review procedures on quantitative information in the sustainability statement, including consideration of data and trends in the information submitted for consolidation at corporate level.
- Assessing whether the company's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. We considered data and trends; however, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Board's estimates.
- Analysing, on a limited sample basis, relevant internal and external documentation available to the company (including publicly available information or information from actors throughout its value chain) for selected disclosures.
- Reading the other information in the annual report to identify material inconsistencies, if any, with the sustainability statement.
- Considering whether:
  - the disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) for each of the environmental objectives, reconcile with the underlying records of the company, are consistent or coherent with the sustainability statement and appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met; and
  - the key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework as defined in Appendix 1 Glossary of Terms of the CEAOB Guidelines on limited assurance on sustainability reporting adopted on 30 September 2024 and in compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), including the format in which the activities are presented.
- Considering the overall presentation, structure and the fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the sustainability statement, including the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).
- Considering, based on our limited assurance procedures and evaluation of the assurance evidence obtained, whether the sustainability statement as a whole is free from material misstatements and prepared in accordance with the ESRS.

Amsterdam, 2 April 2025

Deloitte Accountants B.V.

M.J. van der Vegte

SUPPLEMENTARY INFORMATION

INVESTOR RELATIONS

INVESTOR RELATIONS POLICY

JDE Peet's is committed to supporting investors and analysts become better acquainted with JDE Peet's and its management. We are also dedicated to maintaining a long-term relationship of trust with the investment community at large, while complying with applicable rules and regulations on fair disclosure. To ensure this, we have put in place a detailed communication programme to maintain proper communication with (potential) shareholders and analysts. Events related to Investor Relations are available in the Financial Calendar section on our corporate website.

Consistent with JDE Peet's Policy on Bilateral Contacts with Investors and Analysts, no meetings with (potential) shareholders or equity analysts will be held in a pre-defined period between the end of the reporting period and the dates at which the semi-annual and annual results are published. During these periods, the company refrains from making presentations at financial conferences, or one-on-one meetings with equity analysts or investors. Exceptions may apply, for example, if communication relates to factual clarifications of previously disclosed information.

SHAREHOLDER ENGAGEMENT

We attach great value to maintaining an open dialogue with shareholders, investors and analysts. This promotes transparency and enables us to receive valuable feedback. Moreover, we apply an active investor relations approach aimed at supporting the company's long-term ambitions by keeping (potential) shareholders and analysts well-informed about our strategy and the latest operational and financial developments. JDE Peet's reports a full set of financial results on a semi-annual basis, supported by conference calls for analysts and institutional investors, to discuss these results, which can be accessed and replayed on the Investor Relations website.

JDE Peet's also conducts extensive investor outreach throughout the year, involving members of the Investor Relations team and members of the Global Leadership team, to ensure that areas of interest which matter most to (potential) shareholders can be addressed effectively.

INFORMATION ABOUT THE SHARES AND THE SHAREHOLDER BASE

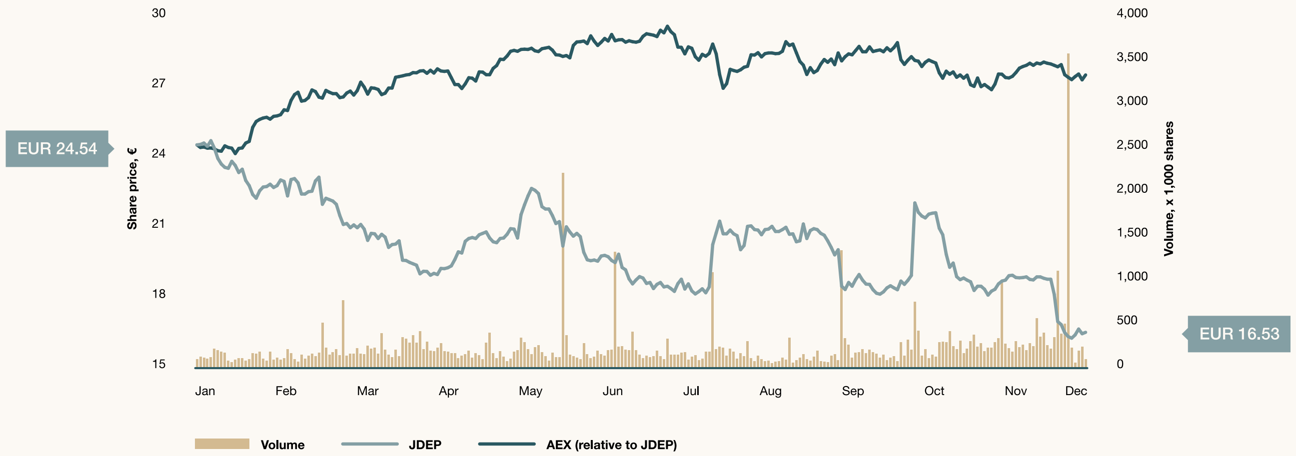
JDE Peet's was listed and began trading on the Euronext Amsterdam stock exchange on 29 May 2020 under the ticker "JDEP" and ISIN code NL0014332678. Options on JDE Peet's ordinary shares began trading on the European Option Exchange in Amsterdam (Euronext.Liffe) on 14 August 2020. JDE Peet's is included in various indices, such as the MSCI Standard Developed Europe index, the STOXX index, the Euronext AMX midcap index and the Dow Jones Best-in-Class World Index.

On 31 December 2023, the total number of issued ordinary shares in the share capital of JDE Peet's amounted to 487,445,857. During the year, the company issued 732,785 ordinary shares, mainly as a result of ordinary shares granted to certain employees under the Long-Term Incentive Plan and other share incentive plans. As a result, the total number of issued ordinary shares in the share capital of JDE Peet's amounted to 488,178,642 on 31 December 2024.

On 21 October 2024, Acorn Holdings B.V. acquired Mondelēz International Holdings Netherlands B.V.'s entire holding of 85,876,095 ordinary shares in JDE Peet's. Subsequently, Acorn Holdings B.V. distributed 43 million shares to over 70 limited partners of JAB Consumer Partners, representing approximately 9% of the total issued and outstanding share capital of JDE Peet's, increasing the free float from 23% to 32%. On 31 December 2024, Acorn Holdings B.V. held 330,391,671 ordinary shares of the company's total shares outstanding, representing 68% of the company's total shares outstanding. This percentage will be updated, if and when applicable, in the Share Info section of JDE Peet's investor relations website

The Dutch Financial Supervision Act requires institutions and individuals holding a (potential) capital and/or voting interest of 3% or more in JDE Peet's, to disclose such to the Netherlands Authority for the Financial Markets (AFM). The AFM processes these disclosures in its publicly available register, which can be found at www.afm.nl. Based on the filings to the AFM, and to the best of our knowledge, on 31 December 2024, shareholders with (potential) holdings of 3% or more were Agnaten SE, Lucresca SE and Mawer Investment Management Ltd.

The following graph depicts the evolution of JDE Peet's share price and volumes traded since the start of 2024.



The average daily trading volume in JDE Peet's shares at Euronext Amsterdam in 2024 was 233,808 shares, compared to 245,572 shares in 2023.

On the basis of a total number of issued ordinary shares of 488,178,642 and the closing share price on 31 December 2024 of EUR 16.53, JDE Peet's market capitalisation was EUR 8.1 billion at the end of 2024.

CAPITAL ALLOCATION POLICY

JDE Peet's capital allocation framework guides the company in the creation of long-term value for its shareholders. The company has a disciplined approach to capital allocation, with the aim of generating an ecosystem of growth, financial flexibility, and returns. It is on the foundation of these principles that JDE Peet's established the following capital allocation priorities, in decreasing order of importance:

1. **Investing behind the organic growth opportunities within its existing businesses** — These investments are made in JDE Peet's portfolio of brands and appliances, capabilities, environmental and social ambitions, and the company's talent, which are crucial to support the long-term growth and health of its businesses.

2. **Deleveraging** — JDE Peet's targets an optimal leverage of around 2.5 times net-debt to adjusted EBITDA. Since 2019, the company has significantly reduced its debt level. At the end of 2024, the company's leverage stood at 2.73 times net debt to adjusted EBITDA.

3. **Inorganic growth opportunities** — JDE Peet's continues to consider inorganic opportunities, such as M&A and partnerships, as part of the company's growth agenda. However, while JDE Peet's leverage is above its optimal leverage of around 2.5 times, the company will not prioritise transformational cash or debt-funded acquisitions.

4. **Return of cash to shareholders through dividends** — JDE Peet's expects its excess cash to contribute to shareholder remuneration by aiming for a stable or increasing dividend per share, while the pace will be determined by the company's capital allocation priorities. More information on dividends can be found in the company's Dividend Policy below.

5. **Share repurchases** — JDE Peet's will not consider share repurchases while the company's leverage is above its optimal level of around 2.5 times. JDE Peet's will assess market dynamics while managing its prioritisation.

DIVIDEND POLICY AND PROPOSED DIVIDEND

The Dividend Policy of JDE Peet's intends to preserve the independence of the company and maintain a healthy financial structure. Dividend distribution will be done in a prudent and disciplined manner, ensuring that the company retains sufficient earnings to fulfil its first three capital allocation priorities, which are key to the sustainable development of the business. The ability and intention of the company to declare and pay dividends in the future will mainly depend on its financial position, results of operations, capital requirements, investment prospects, the existence of distributable reserves and available liquidity, and such other factors as the Board may deem relevant; and are subject to factors that are beyond the company's control. Subject to the aforementioned limitations, the company intends to provide a stable or increasing dividend per share, while the pace will be determined by the company's capital allocation priorities. These dividends will be paid in two equal instalments.

JDE Peet's Board proposes to increase the 2024 dividend by 4.3% to EUR 0.73 per share in cash. The dividend will be paid in two instalments. The first payment, of EUR 0.37, will be made on Friday, 11 July 2025, with the ex-dividend date on Monday, 7 July 2025, and the record date on Tuesday, 8 July 2025. The second payment, of EUR 0.36, will be made on Friday, 23 January 2026, with the ex-dividend date on Monday, 19 January 2026, and the record date on Tuesday, 20 January 2026. The dividend proposal is subject to approval by the Annual General Meeting of Shareholders to be held on Thursday, 19 June 2025. More information on the upcoming AGM can be found in the next section.

Dividend in cash is, in principle, subject to 15% Dutch dividend withholding tax, which will be deducted from the dividend in cash paid to shareholders. A shareholder's claim to payments of dividends lapses five years after the day on which the claim became payable. Any dividends that are not collected within this period revert to the company.

ANNUAL GENERAL MEETING 2025

The AGM is scheduled for Thursday, 19 June 2025. The agenda and the explanatory notes to the agenda will be published on the company's corporate website.

FINANCIAL CALENDAR 2025 AND 2026

	2025
Annual General Meeting of Shareholders	19 June
Capital Markets Day	1 July
Ex-dividend date (first instalment)	7 July
Dividend record date (first instalment)	8 July
Dividend payment date (first instalment)	11 July
First-half results 2024	30 July

	2026
Ex-dividend date (second instalment)	19 January
Dividend record date (second instalment)	20 January
Dividend payment date (second instalment)	23 January

ADDITIONAL INFORMATION & CONTACT

JDE Peet's corporate website provides comprehensive information about the company and its shares, including company announcements, annual and semi-annual reports, financial data, investor presentations, webcasts and transcripts, and a financial calendar. At the end of 2024, JDE Peet's was covered by 16 equity research analysts. The analysts' names and consensus estimates can also be found on the website.

CONTACT

Shareholders, investors and equity & debt analysts are invited to contact Investor Relations with any information requests they have:

JDE PEET'S INVESTOR RELATIONS

IR@JDEPeets.com

+31 20 558 1212

OTHER SUSTAINABILITY METRICS

The following metrics are related to topics that have not been identified as 'material topics' based on the outcome of our double materiality assessment. However, they are part of our Common Grounds strategy and relevant to a select group of stakeholders.

RESPONSIBLE SOURCING

Animal welfare metrics	2024	2023	2022
Directly purchased eggs that are cage-free Peet's USA	100 %	100 %	100 %
Directly purchased eggs that are cage-free Peet's China	96 %		
Directly purchased eggs that are cage-free JDE Peet's	3.2 %	2 %	3 %

MINIMISING FOOTPRINT

	2024	2023	2020
Operations			
Manufacturing facilities certified against ISO 14001	27		
Revenue from low-carbon products or services	3 %		
Packaging			
Total renewable packaging materials (in kt)	135.25	126.81	117.39
Total non-renewable packaging materials (in kt)	167.75	162.56	179.09
Total virgin plastics, excluding bioplastic (in kt)	44.43	47.99	51.57
Packaging Intensity (PI) consumer unit (g/cup)	1.39	1.55	1.51
Packaging Intensity (PI) total (g/cup)[88]	2.18	2.20	2.03

	2024	2023	2020
Percentage of packaging material Circular By Design per fraction (%)	79 %	79 %	73 %
Contribution to the total per material fraction:			
- Glass	36 %	37 %	38 %
- Paper & Cardboard	24 %	29 %	22 %
- Plastics (aggregated)	2 %	2 %	2 %
- Aluminium	2 %	2 %	2 %
- Steel	— %	— %	— %
- Textile	— %	— %	— %
- Wood	15 %	9 %	10 %
- Other	— %	— %	— %
Percentage of recycled content per fraction (%)	33 %	35 %	27 %
Contribution to the total per material fraction:			
- Glass	17 %	17 %	13 %
- Paper & cardboard	15 %	18 %	14 %
- Plastics (aggregated)	— %	— %	— %
- Aluminium	— %	— %	— %
- Steel	— %	— %	— %
- Textile	— %	— %	— %
- Wood	— %	— %	— %
- Other	— %	— %	— %

88 Total PI includes all the packaging levels (i.e., Primary or consumer, secondary or trading, and tertiary or transport). PI covers JDE only excluding Yangon, Arsin and Duzce.

CONNECTING PEOPLE

	2024	2023
Our workforce at 31 December		
Share of women at 31 December		
People managers	40.9 %	40.2 %
Junior people managers	40.4 %	39.5 %
People managers - revenue generating functions[89]	46.8 %	38.5 %
All employees STEM[90]	58.0 %	54.8 %
Nationalities at 31 December		
All employees (Total)	104	101
Human Capital		
Internal fill rate - All employees	39.7 %	27.6 %
Total number of new employee hires	4,106	*
Voluntary employee turnover rate	17.5 %	*
Engagement[91]		
Engagement survey participation rate	89.7 %	*
Overall engagement score	4.09	*
Talent		
Average training hours per employee	15	23
Average spent for training per employee[92]	€308	€ 280
Average spent for recruitment per employee	€1,006	€ 1.182
% of target population covered to date by Rise Leadership programme (top talent senior managers)	47 %	35 %
% of target population covered to date by Elevate Leadership programme (top talent directors)	49 %	51 %
Collective bargaining		
People covered by collective bargaining agreements	34.2 %	34.0 %

Ethnicity (%) at 31 December 2024 (Peet's Coffee US)	Asian	Black or African American	Hispanic or Latino	White	Other	Non specified
All employees (Total)	11.1 %	5.2 %	24.7 %	43.5 %	7.4 %	8.1 %
Global Leadership Team	— %	— %	4.0 %	82.0 %	— %	14.0 %

NUMBER OF EMPLOYEES COVERED BY THESE METRICS

All data of Connecting People on this page is based on actual data and no estimates are applied. Therefore 81% of employees of the JDE Peet's employees are covered by the metrics on this page, due to non-integrated systems.

89 All employees holding Sales & Marketing functions.
90 All employees holding R&D functions.
91 The scope coverage for the two Engagement KPIs differs from the rest and includes part of our non-integrated companies, amounting to a coverage of 77% of JDE Peet's employees.
92 The scope coverage for this KPI differs from the rest and includes part of our non-integrated companies, amounting to a coverage of 88% of JDE Peet's employees.

UPHOLDING STANDARDS

Occupational health and safety[93]	2024	2023
Total Recordable Incidents Rate (per 200,000 hours worked) - total	0.52	0.59
Number of work-related injuries - total	51	60
– Number of work-related injuries - Employees	39	44
– Number of work-related injuries - Contractors	12	16
Lost-Time Injury Frequency Rate (LTIFR) - total	0.42	0.31
– LTIFR - Employees[50]	0.44	0.25
– LTIFR - Contractors[50]	0.35	0.48
Workplace fatalities - employees	0	1[94]
Workplace fatalities - contractors[95]	0	0
Manufacturing facilities with ISO 45001 certification	28	22

Food safety and quality		
Production volume from sites certified to internationally recognised food safety and quality standards (%)	85 %	86 %

93 Occupational Health & Safety section only includes data related to JDE Peet's manufacturing units.
94 This incident corresponds to the supply chain area, the scope of the rest of OH&S indicators covers manufacturing units.
95 There was one fatal accident involving a subcontractor of a contractor at one of our stores in 2023.

OTHER REPORTING PRINCIPLES

This integrated report has been developed with reference to the reporting principles defined by the GRI Universal Standards 2021. A detailed overview of the GRI indicators can be found in the GRI content index on our corporate website, 'Sustainability - Resources' section.

FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control and all of which are based on our current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as “aim”, “annualised”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “goal”, “hope”, “intend”, “may”, “objective”, “plan”, “position”, “potential”, “predict”, “project”, “risk”, “seek”, “should”, “target”, “will” or “would” or the highlights or the negatives thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. These forward-looking statements and other statements contained in this report regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing us. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. Forward-looking statements in this report speak only as of the date of this report. Except as required by applicable laws and regulations, we expressly disclaim any obligation or undertaking to update or revise the forward-looking statements contained in this report to reflect any change in our expectations or any change in events, conditions or circumstances on which such statements are based.

GLOSSARY

SELECTED INDUSTRY AND COMPANY-SPECIFIC TERMS

- **Away-from-Home:** coffee & tea products purchased for consumption outside of the home at offices, hotels, bars, restaurants etc. as well as in coffee stores.
- **Carbon footprint**: the amount of carbon dioxide released into the atmosphere as a result of the activities of a particular individual, organisation, or community or the manufacturing, use and disposal of a product.
- **Certified or verified:** coffee or tea that a third party (for example, the Rainforest Alliance or Ethical Tea Partnership) has independently certified or verified as meeting its sustainability requirements.
- **The Coffee Sustainability Reference Code:** provides a foundation to support the primary principles of sustainable coffee production. This reference code offers a common language to enable farmers, producer organisations and their business partners, as well as donors, NGOs, financial institutions and governments to advance their coffee sustainability efforts, collaboratively and effectively.
- **CSRD:** Corporate Sustainability Reporting Directive.
- **Developed market:** developed economies as defined by the United Nations Conference on Trade and Development (Development Status Groups and Composition, 12 July 2019).
- **Direct (Scope 1) GHG emissions:** The sum of all on-site GHG emissions at JDE Peet's manufacturing facilities which arise from combustion processes used to manufacture products. These GHG emissions can result from burning of fuels in boilers, roasters, dryers or from electric generators. This indicator corresponds to Scope 1 of the GHG Protocol. GHG included in the calculation are CO2, CH4, N2O, HFCs, PFCs, SF6 and NF3. The CO2 equivalents from refrigerants losses were deemed immaterial and are excluded. Emissions are calculated using fuel-specific factors from DEFRA and IEA and purchased energy quantities. Biogenic emissions from the combustion of spent coffee grounds and other biomass are assumed to be zero. The consolidation follows the operational control method outlined in the 'GHG Protocol Corporate Standard'.
- **Emerging markets**: transition economies and developing economies as defined by the United Nations Conference on Trade and Development (Development Status Groups and Composition, 12 July 2019).
- **Energy indirect (Scope 2) GHG emissions:** GHG emissions arising from the generation of electricity, heating, cooling and steam which is purchased by JDE Peet's manufacturing facilities or otherwise brought into our organisational boundaries. The emissions physically occur at the facility where the electricity, heating/cooling carriers or steam are generated. Publicly available country-specific default factors or supplier-specific factors when available are used to calculate this from the purchased energy quantities. This indicator corresponds to Scope 2 of the GHG Protocol. GHG included in the calculation are CO2, CH4, N2O, HFCs, PFCs, SF6 and NF3.
- **Energy intensity ratio:** the energy used for the manufacturing of our products at our manufacturing facilities, including all fuels, electricity, heating, cooling and steam, in gigajoules per tonne of production.
- **Enveritas:** a non-profit that provides sustainability assurance for the coffee industry.
- **EU CSRD:** Corporate Sustainability Reporting Directive.
- **Fairtrade:** a leader in the global movement to make trade fair, the organisation supports and challenges businesses and governments and connects farmers and workers with the people who buy their products.
- **4C:** an independent, stakeholder-driven, internationally recognised sustainability standard for the coffee sector.
- **GCP:** Global Coffee Platform.
- **GHG intensity ratio:** The GHG emissions arising from the complete value chain in tonnes of CO2e per tonne of production. This covers direct (Scope 1), energy indirect (Scope 2 market based), and indirect value chain (Scope 3) GHG emissions.
- **Glyphosate:** a widely used herbicide that controls broadleaf weeds and grasses.
- **Green coffee:** raw coffee beans that have not been roasted.
- **HRDD:** Human Rights Due Diligence.
- **In-Home:** packaged coffee & tea products purchased for consumption at home.
- **MSU**: Marketing sales unit (our markets, so retail and Away-from-Home in some countries).
- **MU:** Manufacturing unit (our factories/plants).
- **Multi-serve:** coffee products for multi-cup use, as opposed to single-cup use.
- **NFRD:** the Non-Financial Reporting Directive which lays down the rules on disclosure of non-financial and diversity information by large companies.
- **One Planet Business for Biodiversity (OP2B):** an international cross-sectorial, action-oriented business coalition on biodiversity with a specific focus on agriculture.
- **Out-of-Home:** coffee & tea products purchased for consumption outside of the home through our Out-of-Home coffee solutions.
- **Pay equity-gap:** The average difference between the pay of all men and all women, after taking into account factors such as the level of each role and pay differences by work location.
- **Playbooks:** we use playbooks across the company, and they contain processes, policies, and operating procedures relevant to specific departments.
- **Rainforest Alliance:** an international non-governmental organisation working to create a more sustainable world by using social and market forces to protect nature and improve the lives of farmers and forest communities.
- **Ready-to-drink:** beverages that are sold in a prepared form, ready for consumption by consumers.

- **Responsibly sourced green coffee[96]:** Responsibly sourced green coffee covered by a sustainability scheme recognised by the coffee industry, such as GCP Equivalence Mechanism, including, Enveritas, Rainforest Alliance, 4C, Fairtrade, etc.
- **Responsible sourced palm oil[87]:** Direct responsibly sourced palm oil refers to the purchased palm oil with Roundtable on Sustainable Palm Oil (RSPO) certification.
- **Responsibly sourced tea[87]:** Responsibly sourced tea (Camellia sinensis) and rooibos (Aspalathus linearis) refer to the tea (processed tea from sensitive origin) and rooibos purchased or manufactured by JDE Peet's for which the supplier has been independently audited by a recognised third party as meeting its sustainability requirements.
- **RSPO (Roundtable on Sustainable Palm Oil):** aims to promote the growth and use of sustainable palm oil products through global standards and multistakeholder governance.
- **SBTi (Science Based Targets initiative)**: Defines and promotes best practice in emissions reduction and net-zero targets in line with climate science. Provides technical assistance and expert resources to companies who set science-based targets in line with the latest climate science.
- **SBTN (Science Based Targets Network):** a group of organisations working to shape private sector and city impacts on nature by using science-based targets.
- **Scope 1 GHG emissions:** The sum of all on-site GHG emissions at JDE Peet's manufacturing facilities which arise from combustion processes used to manufacture products. This indicator corresponds to Scope 1 of the GHG Protocol. GHG included in the calculation are CO2, CH4, N2O, HFCs, PFCs, SF6 and NF3.
- **Scope 2 GHG emissions:** GHG emissions arising from the generation of electricity, heating, cooling and steam which is purchased by JDE Peet's manufacturing facilities or otherwise brought into our organisational boundaries. This indicator corresponds to Scope 2 of the GHG Protocol. GHG included in the calculation are CO2, CH4, N2O, HFCs, PFCs, SF6 and NF3.
- **Scope 3 GHG emissions:** are the result of activities from assets not owned or controlled by the reporting organisation, but that the organisation indirectly affects in its value chain. Scope 3 emissions include all sources not within an organisation's Scope 1 and 2 boundary. These cover both upstream and downstream value chains, and are reported in line with the GHG protocol, using the operational control approach
- **Sedex (Supplier Ethical Data Exchange):** the largest collaborative platform for sharing ethical supply chain data.
- **Smallholder farmer:** small-scale agricultural producers that primarily rely on family or household labour or workforce exchange with other members of the community
- **SHE Expert:** Subject matter expert focused on Safety, Health and Environment topics.
- **Single-serve:** coffee products for single-cup use, as opposed to multi-cup use.
- **The Taskforce on Climate-related Financial Disclosures (TCFD):** a market-led, science-based and government-backed initiative providing organisations with the tools to act on evolving climate-related issues.
- **The Taskforce on Nature-related Financial Disclosures (TNFD):** a market-led, science-based and government-backed initiative providing organisations with the tools to act on evolving nature-related issues.
- **Volume:** servings of coffee that can be made from various forms of coffee products.
- **Waste intensity ratio:** The waste generated in the manufacturing of our products at our manufacturing facilities in tonnes per tonne of production. Volumes are typically based on recorded volumes by a third party managing the waste.
- **Water stressed areas:** Locations for which WRI's Aqueduct Water Risk Atlas tool shows Baseline Water Stress as high or extremely high.
- Water withdrawal ratio: The water withdrawal (in cubic meter) required to make one tonne of product.
- **World Environment Day:** An annual platform for environmental public outreach led by the United Nations Environment Programme (UNEP)

96 As used in this Annual Report, a product or material which is "responsibly sourced" means that such product or material satisfies the applicable definition contained in the section BASIS OF PREPARATION of the Annual Report.

SELECTED ABBREVIATIONS

- **AGM:** Annual General Meeting of Shareholders
- **APAC:** Asia Pacific
- **CHRO:** Chief Human Resources Officer
- **CO2e:** Carbon dioxide equivalent, a standard unit for measuring GHG emissions
- **CPG:** Consumer packaged goods
- **COSO:** Committee of Sponsoring Organizations of the Treadway Commission
- **CSRD:** Corporate Sustainability Reporting Directive
- **DSD:** Direct store delivery
- **EBIT:** Earnings before interest and tax
- **ERM:** Enterprise Risk Management
- **ERP:** Enterprise resource planning
- **ESG:** Environmental, social and governance
- **ETP:** The Ethical Tea Partnership
- **FMCG:** Fast Moving Consumer Goods
- **GAIN:** Global Alliance for Improved Nutrition
- **GCC:** Global Compliance Council
- **GCP:** Global Coffee Platform
- **GHG:** Greenhouse gas
- **GRI:** Global Reporting Initiative, an organisation that publishes international standards for non-financial reporting
- **HACCP:** Hazard Analysis and Critical Control Point
- **ICO:** The International Coffee Organization
- **ICS:** Internal Control Supervisor
- **IDH:** The Sustainable Trade Initiative
- **IFRS:** International Financial Reporting Standards
- **IIRC:** International Integrated Reporting Council
- **ILO:** The International Labour Organisation
- **IPCC:** The Intergovernmental Panel on Climate Change, the United Nations body for assessing the science related to climate change
- **IPO:** Initial Public Offering
- **LCA:** Life Cycle Analysis
- **LARMEA:** Latin America, Eastern Europe, Middle East and Africa
- **OP2B:** The One Planet Business for Biodiversity coalition
- **PPP:** Public-private partnership
- **QMS:** Quality Management System
- **RSPO:** Roundtable on Sustainable Palm Oil
- **S&OP:** Standardised sales and operation planning
- **SBTi:** the Science Based Target initiative
- **SCC:** The Sustainable Coffee Challenge
- **SDGs:** The United Nations Sustainable Development Goals
- **SHE:** Safety, health and environment.
- **SKU:** Stock keeping unit
- **TCFD:** Task Force on Climate-related Financial Disclosures
- **TNFD:** Task Force on Nature-related Financial Disclosures
- **TRIR:** Total Recordable Incidents Rate
- **USAID:** United States Agency for International Development
- **VOR**: Verklaring Omtrent risicobeheersing
- **WCR:** World Coffee Research

NON-IFRS DEFINITIONS

- **Adjusted depreciation and amortisation (adjusted D&A)**: Adjusted depreciation and amortisation is defined as depreciation, amortisation and impairment, adjusted for the depreciation, amortisation and impairment already included in the adjusting items as included in adjusted EBIT.
- **Adjusted EBITDA:** Adjusted EBITDA are defined as operating profit before depreciation, amortisation and impairment, adjusted for the same factors as listed under adjusted EBIT.
- **Adjusted EBIT:** Adjusted EBIT are defined as profit for the period, adding back finance income, finance expense, share of net profit of associates and income tax expense adjusted for alternative performance measures as included in the consolidated financial statements for the year, note 2.1.
- **Adjusted gross profit:** Adjusted gross profit is defined as reported gross profit adjusted for the same factors as listed under adjusted EBIT to the extent related to revenue and cost of sales.
- **Adjusted income tax expense:** Adjusted income tax expense is defined as income tax expense adjusted for the effect of tax rate changes on deferred tax assets/liabilities and the non-recurring items, such as tax reserves and tax audit adjustments.
- **Adjusted non-controlling interest:** Adjusted non-controlling interest is defined as non-controlling interest adjusted for the effect of non-recurring items.
- **Free cash flow:** Free cash flow is defined as net cash provided by operating activities less purchases of property, plant and equipment and intangible assets.
- **Net debt:** Net debt is defined as total borrowings less cash and cash equivalents, excluding cash not at the free disposal of the Company.
- **Net leverage ratio:** Net leverage ratio is defined as net debt divided by adjusted EBITDA of the last twelve months.
- **Operating working capital:** Operating working capital is defined as inventories and net trade receivables net less trade payables.
- **Organic adjusted EBIT:** Organic adjusted EBIT is defined as adjusted EBIT translated at the prior year average foreign exchange rate and adjusted for scope changes (a.o. M&A and divestitures) and other items. To determine organic adjusted EBIT in a given year, adjusted EBIT in that year is translated at the average foreign exchange rate of the comparable year and excludes adjusted EBIT from acquired/divested companies until 12 months following the transaction date.
- **Organic adjusted gross profit:** Organic adjusted gross profit is defined as adjusted gross profit translated at the prior year average foreign exchange rate and adjusted for scope changes (a.o. M&A and divestitures) and other items. To determine organic adjusted gross profit in a given year, adjusted gross profit in that year is translated at the average foreign exchange rate of the comparable year and excludes gross profit from acquired/divested companies until 12 months following the transaction date.
- **Organic adjusted selling, general and administrative expenses:** Organic adjusted selling, general and administrative (SG&A) expenses are defined as reported SG&A expenses translated at the prior year average foreign exchange rate and adjusted for scope changes (a.o. M&A and divestitures) and adjusted for alternative performance measures.
- **Organic sales:** Organic sales are defined as revenue translated at the prior year average foreign exchange rate and adjusted for scope changes (a.o. M&A and divestitures) and other items. To determine organic sales in a given year, revenue in that year is translated at the average foreign exchange rate of the comparable year and excludes revenue from acquired/divested companies until 12 months following the transaction date.
- **Organic sales growth:** Organic sales growth is defined as the growth in organic sales between the given and comparable year.
- **Total liquidity:** JDE Peet's considers total liquidity to be the available cash and cash equivalents recognised on the balance sheet (excluding restricted cash) and the undrawn amount under the revolving credit facility.
- **Underlying effective tax rate:** The underlying effective tax rate is determined based on the reported effective tax rate adjusted for the tax rate effect of tax reserves, audit adjustments and the tax effect of adjusting items.
- **Underlying income tax expense:** Underlying income tax expense is determined as the reported tax expense normalised for the tax effect of tax reserves, audit adjustments, reversals of previous recognised deferred tax assets and the tax effect of adjusting items.
- **Underlying profit:** Underlying profit is defined as adjusted EBIT for the period including adjusted financial income and expenses, adjusted income tax expense and adjusted non-controlling interest.

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