



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	951 284 629
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	JACOBS DOUWE EGBERTS NORGE AS
Forretningsadresse:	Midtunhaugen 6 5224 NESTTUN

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Alexander Beck
Dato for fastsettelse av årsregnskapet:	21.10.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 13.08.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		1 316 138 000	1 359 310 000
Annen driftsinntekt		66 143 000	59 816 000
Sum inntekter		1 382 281 000	1 419 126 000
Kostnader			
Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer		972 975 000	1 025 245 000
Endring i beholdning av egentilvirkede anleggsmidler		1 538 000	3 031 000
Lønnskostnad		182 112 000	176 055 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		47 604 000	28 710 000
Annen driftskostnad		137 843 000	141 439 000
Sum kostnader		1 342 072 000	1 374 480 000
Driftsresultat		40 209 000	44 646 000
Finansinntekter og finanskostnader			
Annen renteinntekt		4 057 000	5 679 000
Annen finansinntekt		234 000	4 104 000
Sum finansinntekter		4 291 000	9 783 000
Annen rentekostnad		1 472 000	3 286 000
Annen finanskostnad		3 495 000	3 394 000
Sum finanskostnader		4 967 000	6 680 000
Netto finans		-676 000	3 103 000
Resultat før skattekostnad		39 533 000	47 749 000
Skattekostnad		11 052 000	24 846 000
Årsresultat		28 481 000	22 903 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		239 000	1 061 000
Goodwill		0	9 885 000
Sum immaterielle eiendeler		239 000	10 946 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom		26 960 000	26 657 000
Maskiner og anlegg		175 482 000	84 038 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		8 234 000	17 247 000
Sum varige driftsmidler		210 676 000	127 942 000
Finansielle anleggsmidler			
Investering i datterselskap		124 862 000	124 862 000
Investeringer i aksjer og andeler		100 000	100 000
Andre fordringer		22 000	43 850 000
Sum finansielle anleggsmidler		124 984 000	168 812 000
Sum anleggsmidler		335 899 000	307 700 000
Omløpsmidler			
Varer			
Varer		4 178 000	3 456 000
Sum varer		4 178 000	3 456 000
Fordringer			
Kundefordringer		73 151 000	164 226 000
Andre fordringer		2 766 000	21 801 000
Konsernfordringer		125 044 000	193 092 000
Sum fordringer		200 961 000	379 119 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		43 989 000	0
Sum bankinnskudd, kontanter og lignende		43 989 000	0



Balanse

Beløp i: NOK	Note	2023	2022
Sum omløpsmidler		249 128 000	382 575 000
SUM EIENDELER		585 027 000	690 275 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		15 750 000	15 750 000
Annen innskutt egenkapital		199 850 000	199 850 000
Sum innskutt egenkapital		215 600 000	215 600 000
Opptjent egenkapital			
Annen egenkapital		196 810 000	168 330 000
Sum opptjent egenkapital		196 810 000	168 330 000
Sum egenkapital		412 410 000	383 930 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser		2 319 000	3 422 000
Andre avsetninger for forpliktelser		1 308 000	9 212 000
Sum avsetninger for forpliktelser		3 627 000	12 634 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		3 627 000	12 634 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner			6 364 000
Leverandørgjeld		46 857 000	39 592 000
Betalbar skatt		12 595 000	26 987 000
Skyldige offentlige avgifter		16 594 000	21 727 000
Utbytte			70 000 000
Kortsiktig konserngjeld		30 596 000	36 814 000
Other short term payables		56 119 000	83 616 000
Short term leasing debt		6 227 000	8 610 000
Sum kortsiktig gjeld		168 988 000	293 710 000



Balanse

Beløp i: NOK	Note	2023	2022
Sum gjeld		172 615 000	306 344 000
SUM EGENKAPITAL OG GJELD		585 025 000	690 274 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 754668

Enheten

Organisasjonsnummer: 951 284 629
Organisasjonsform: Aksjeselskap
Foretaksnavn: JACOBS DOUWE EGBERTS NORGE AS
Forretningsadresse: Midtunhaugen 6
5224 NESTUN

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

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Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Forenklet IFRS
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: -
Har utarbeidet 'land-for-land' rapport: Ja

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Alexander Beck
Dato for fastsettelse av årsregnskapet: 21.10.2024

Revisjon

Årsregnskapet er utarbeidet av ekstern
autorisert regnskapsfører: Ja
Ekstern autorisert regnskapsfører har i
løpet av regnskapsåret bistått ved den
løpende regnskapsføringen eller utført
andre tjenester for selskapet enn å
utarbeide årsregnskapet: Ja

Grunnlag for avgivelse

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År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

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Brønnøysundregistrene, 31.10.2024

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673



Organisasjonsnr: 951 284 629
JACOBS DOUWE EGBERTS NORGE AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
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Organisasjonsnr: 951 284 629
JACOBS DOUWE EGBERTS NORGE AS

BALANSE

Beløp i: NOK	Note	2023	2022
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Anleggsmidler			
Immaterielle eiendeler			
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Investering i datterselskap		124 862 000	124 862 000
Investeringer i aksjer og andeler		100 000	100 000
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Sum finansielle anleggsmidler		124 984 000	168 812 000
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SUM EIENDELER		585 027 000	690 275 000



BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Selskapskapital	15 750 000	15 750 000
Annen innskutt egenkapital	199 850 000	199 850 000
Sum innskutt egenkapital	215 600 000	215 600 000

Opptjent egenkapital

Annen egenkapital	196 810 000	168 330 000
Sum opptjent egenkapital	196 810 000	168 330 000

Sum egenkapital	412 410 000	383 930 000

Gjeld

Langsiktig gjeld

Pensjonsforpliktelser	2 319 000	3 422 000
Andre avsetninger for forpliktelser	1 308 000	9 212 000
Sum avsetninger for forpliktelser	3 627 000	12 634 000
Annen langsiktig gjeld		

Sum langsiktig gjeld	3 627 000	12 634 000

Kortsiktig gjeld

Gjeld til kredittinstitusjoner		6 364 000
Leverandørgjeld	46 857 000	39 592 000
Betalbar skatt	12 595 000	26 987 000
Skyldige offentlige avgifter	16 594 000	21 727 000
Uthytte		70 000 000
Kortsiktig konserngjeld	30 596 000	36 814 000
Other short term payables	56 119 000	83 616 000
Short term leasing debt	6 227 000	8 610 000
Sum kortsiktig gjeld	168 988 000	293 710 000

Sum gjeld	172 615 000	306 344 000

SUM EGENKAPITAL OG GJELD	585 025 000	690 274 000



Organisasjonsnr: 951 284 629
JACOBS DOUWE EGBERTS NORGE AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Regnskapsprinsipper
In attached pdf of the financial statement

Note
9

Antall årsverk i regnskapsåret
144.00

Note
9

Spesifisering av resultatregnskapet

Lønnskostnader

Lønn	Årets	Fjorårets
	97340000.00	101254000.00
Folketrygdavgift	Årets	Fjorårets
	16922000.00	18133000.00
Pensjonskostnader	Årets	Fjorårets
	9382000.00	8333000.00
Andre ytelser	Årets	Fjorårets
	58467000.00	49428000.00

Note

Ekstraordinære inntekter og kostnader

Sum	Beløp
Balanseført verdi 31.12.	Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn



Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.



Årsregnskap 2023

Jacobs Douwe Egberts Norge AS

Org.nr.: 951 284 629



Jacobs Douwe Egberts Norge AS

Resultatregnskap

NOTER	DRIFTSINNTEKTER OG DRIFTSKOSTNADER	2023	2022
8	Salgsinntekter	1.316.138	1.359.310
	Annen driftsinntekt	66.143	59.816
15	Sum driftsinntekter	<u>1.382.281</u>	<u>1.419.126</u>
5, 8	Varekostnad	-972.975	-1.025.245
9, 10	Lønnskostnad	-182.112	-176.055
	Tap ved salg av driftsmidler	-1.538	-3.031
1, 2	Avskrivning av driftsmidler og immaterielle eiendeler	-47.604	-28.710
8, 9	Annen driftskostnad	-137.843	-141.439
	Sum driftskostnader	<u>-1.342.072</u>	<u>-1.374.480</u>
	Driftsresultat	<u>40.209</u>	<u>44.646</u>
FINANSINNTEKTER OG FINANSKOSTNADER			
8	Annen renteinntekt	4.057	5.679
	Annen finansinntekt	234	4.104
	Annen rentekostnad	-1.472	-3.286
	Annen finanskostnad	-3.495	-3.394
	Resultat av finansposter	<u>-676</u>	<u>3.103</u>
	Ordinært resultat før skattekostnad	<u>39.533</u>	<u>47.749</u>
11	Skattekostnad på ordinært resultat	<u>-11.052</u>	<u>-24.846</u>
14	Årsresultat	<u>28.481</u>	<u>22.904</u>
OVERFØRINGER			
14	Avsatt til annen egenkapital	28.481	22.904
	Foreslått utbytte	0	-70.000
14	Overføring fra egenkapital	-28.481	47.096
	Sum overføringer	<u>0</u>	<u>0</u>



Jacobs Douwe Egberts Norge AS

Statement of other comprehensive income

Notes	Comprehensive income	2023	2022
	Profit for the year	28.481	22.904
	Net other comprehensive income	<u>0</u>	<u>0</u>
	Total comprehensive income for the year	<u>28.481</u>	<u>22.904</u>
	Total comprehensive income for the year		
	Equity holders of the company	<u>28.481</u>	<u>22.904</u>
		<u>28.481</u>	<u>22.904</u>



Jacobs Douwe Egberts Norge AS

Balanse pr. 31. desember

NOTER	EIENDELER	2023	2022
	Anleggsmidler		
	Immaterielle eiendeler		
11	Utsatt skattefordel	239	1.061
1	Kundeforhold og merkenavn	0	0
1	Goodwill	0	9.885
	Sum immaterielle eiendeler	239	10.946
	Varige driftsmidler		
	Tomter, bygninger o.a. fast eiendom	26.960	26.657
	Maskiner og inventar	175.482	84.038
	Bruksrettigheter	8.234	17.247
2	Sum varige driftsmidler	210.676	127.941
	Finansielle anleggsmidler		
	Andre langsiktige fordringer	22	43.850
4	Investeringer i aksjer og andeler	100	100
3	Investeringer i datterselskap	124.862	124.862
	Sum finansielle anleggsmidler	124.984	168.812
	Sum anleggsmidler	335.899	307.700
	Omløpsmidler		
5	Lager av varer og annen beholdning	4.178	3.456
	Fordringer		
6	Kundefordringer	73.151	164.226
7	Fordring på selskap i samme konsern	125.044	193.092
	Andre kortsiktige fordringer	2.766	21.801
	Sum fordringer	200.961	379.119
12	Bankinnskudd, kontanter o.l.	43.989	0
	Sum omløpsmidler	249.128	382.575
	SUM EIENDELER	585.027	690.275



Jacobs Douwe Egberts Norge AS

Balanse pr. 31. Desember

NOTER	EGENKAPITAL OG GJELD	2023	2022
	Egenkapital		
	Innskutt egenkapital		
13, 14	Aksjekapital	15.750	15.750
	Annen innskutt egenkapital	199.850	199.850
	Sum innskutt egenkapital	215.600	215.600
	Opptjent egenkapital		
14	Annen egenkapital	196.810	168.330
	Sum opptjent egenkapital	196.810	168.330
	Sum egenkapital	412.410	383.930
	Gjeld		
	Avsetning for forpliktelser		
10	Pensjonsforpliktelser	2.319	3.422
	Finansielle leieforpliktelser	1.308	9.212
	Sum avsetning for forpliktelser	3.628	12.634
	Kortsiktig gjeld		
7	Gjeld til samarbeidende selskap	30.596	36.814
	Leverandørgjeld	46.857	39.592
11	Betalbar skatt	12.595	26.987
	Utsatt skatt	0	0
	Skyldig offentlige avgifter	16.594	21.727
12	Gjeld til kreditinstitusjoner	0	6.364
	Reservert utbytte	0	70.000
	Finansielle leieforpliktelser	6.227	8.610
	Annen kortsiktig gjeld	56.119	83.616
	Sum kortsiktig gjeld	168.988	293.710
	Sum gjeld	172.616	306.344
	SUM EGENKAPITAL OG GJELD	585.027	690.275

Bergen, 21. Oktober 2024
Styret i Jacobs Douwe Egberts Norge AS

Christian Boas Linde
Styrets leder

Tomas Andersen
Styremedlem

Lasse Søgaaard
Styremedlem



Jacobs Douwe Egberts Norge AS

Indirekte kontantstrøm

Kontantstrømmer fra operasjonelle aktiviteter	2023	2022
Resultat før skattekostnad	39.533	47.749
Periodens betalte skatt	-24.621	-8.270
Tap/gevinst ved salg av anleggsmidler	1.538	3.031
Ordinære avskrivninger	47.604	28.710
fx	-977	1.058
Endring i varelager	-723	-62
Endring i kundefordringer	92.082	-72.066
Endring i fordring på selskap i samme konsern	61.830	-15.988
Endring i leverandørgjeld	7.265	7.855
Endring i andre tidsavgrensningsposter	-24.985	27.869
Netto kontantstrøm fra operasjonelle aktiviteter	<u>198.546</u>	<u>19.886</u>
Kontantstrømmer fra investeringsaktiviteter		
Innbetalinger ved salg av varige driftsmidler	11.066	3.644
Utbetalinger ved kjøp av varige driftsmidler	-133.086	-24.454
Utbetalinger til investeringer i andre finansielle anleggsmidler	43.828	-16.260
Netto kontantstrøm fra investeringsaktiviteter	<u>-78.192</u>	<u>-37.070</u>
Kontantstrømmer fra finansieringsaktiviteter		
Utbetalinger ved nedbetaling av langsiktig gjeld	0	0
Utbetalt utbytte	-70.000	0
Netto kontantstrøm fra finansieringsaktiviteter	<u>-70.000</u>	<u>0</u>
Netto endring i kontanter og kontantekvivalenter	50.354	-17.184
Beh. av kont. og kontantekvivalenter ved per. Begynnelse	-6.365	10.820
Beh. av kont. og kontantekvivalenter ved per. slutt	<u>43.990</u>	<u>-6.364</u>



Jacobs Douwe Egberts Norge AS

Noter til regnskapet 2023

Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk.

Årsregnskapet er utarbeidet i samsvar med regnskapsloven av 1990 § 3-9 og tilsvarende forskrift for forenklet IRFRS (2014) vedtatt av Finansdepartementet 3.november 2014. Dette innebærer at årsregnskapet er utarbeidet i samsvar med International Financial Reporting Standards (IFRS) godkjent av EU for måling og innregning. Opplysninger om presentasjon og noter utarbeides imidlertid i samsvar med regnskapsloven og god regnskapsskikk.

Årsregnskapet er basert på historisk kost, med unntak av finansielle instrumenter som regnskapsføres til virkelig verdi.

Endringen av regnskapsprinsipper har hatt følgende effekt på årets resultat, eiendeler og egenkapital

Årsresultat	0 tNOK
Eiendeler	17.247 t.NOK
Egenkapital	-575 t.NOK

Bruk av estimater

Utarbeidelse av regnskaper i samsvar med regnskapsloven krever bruk av estimater. Videre krever anvendelse av selskapets regnskapsprinsipper at ledelsen må utøve skjønn. Områder som i stor grad inneholder slike skjønnsmessige vurderinger, høy grad av kompleksitet, eller områder hvor forutsetninger og estimater er vesentlige for årsregnskapet, er beskrevet i notene.

Aksjer i datterselskap og tilknyttet selskap

Datterselskaper er selskaper der morselskapet har kontroll, og dermed bestemmende innflytelse på enhetens finansielle og operasjonelle strategi, normalt ved å eie mer enn halvparten av den stemmeberettigede kapitalen. Investeringer med 20-50 % eie av stemmeberettiget kapital og betydelig innflytelse, defineres som tilknyttede selskaper.

Regnskapsprinsipper for aksjer i datterselskaper og tilknyttede selskaper

Kostmetoden brukes som prinsipp for investeringer i datterselskaper og tilknyttede selskaper i selskapsregnskapet. Kostprisen økes når midler tilføres ved kapitalutvidelse, eller når det gis konsernbidrag til datterselskap. Mottatte utdelinger resultatføres i utgangspunktet som inntekt. Utdelinger som overstiger andel av opptjent egenkapital etter kjøpet føres som reduksjon av anskaffelseskost. Utbytte/konsernbidrag fra datterselskap regnskapsføres det samme året som datterselskapet avsetter beløpet. Utbytte fra andre selskaper regnskapsføres som finansinntekt når utbyttet er vedtatt.

Salgsinntekter

Inntekter ved salg av varer og tjenester vurderes til virkelig verdi av vederlaget, netto etter fradrag for merverdiavgift, returer, rabatter og andre avslag. Salg av varer resultatføres når en enhet innenfor konsernet har levert sine produkter til kunden og det ikke er uoppfylte forpliktelser som kan påvirke kundens aksept av leveringen. Levering er ikke foretatt før produktene er sendt til avtalt sted og risiko for tap og ukurans er overført til kunden. Erfaringsfall brukes som grunnlag for å estimere og regnskapsføre avsetninger for kvantumsrabatter og varereturer på salgstidspunktet. Avsetning til forventede garantiarbeider føres som kostnad og avsetning for forpliktelser. Tjenester inntektsføres i takt med utførelsen.

**Klassifisering av balanseposter**

Eiendeler bestemt til varig eie eller bruk klassifiseres som anleggsmidler. Eiendeler som er tilknyttet varekretsløpet klassifiseres som omløpsmidler. Fordringer for øvrig klassifiseres som omløpsmidler hvis de skal tilbakebetales innen ett år. For gjeld legges analoge kriterier til grunn. Første års avdrag på langsiktige fordringer og langsiktig gjeld klassifiseres likevel ikke som omløpsmiddel og kortsiktig gjeld.

Anskaffelseskost

Anskaffelseskost for eiendeler omfatter kjøpesummen for eiendelen, med fradrag for bonuser, rabatter og lignende, og med tillegg for kjøpsutgifter (frakt, toll, offentlige avgifter som ikke refunderes og eventuelle andre direkte kjøpsutgifter). Ved kjøp i utenlandsk valuta balanseføres eiendelen til kursen på transaksjonstidspunktet, men til terminkursen ved bruk av terminkontrakt.

For varige driftsmidler og immaterielle eiendeler omfatter anskaffelseskost også direkte utgifter for å klargjøre eiendelen for bruk, for eksempel utgifter til testing av eiendelen.



Jacobs Douwe Egberts Norge AS

Noter til regnskapet 2023

Immaterielle eiendeler og goodwill

Goodwill har oppstått i forbindelse med kjøp av datterselskap som er fusjonert inn og kjøp av annen virksomhet. Goodwill avskrives over forventet levetid.

Utgifter til egne utviklingsaktiviteter kostnadsføres løpende.

Varige driftsmidler

Tomter avskrives ikke. Andre varige driftsmidler balanseføres og avskrives lineært til restverdi over driftsmidlenes forventede utnyttbare levetid. Ved endring i avskrivningsplan fordeles virkningen over gjenværende avskrivningstid ("knekkpunktmetoden"). Vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader. Påkostninger og forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Skillet mellom vedlikehold og påkostning/forbedring regnes i forhold til driftsmidlets stand på anskaffelsestidspunktet.

Leide (leasede) driftsmidler balanseføres som driftsmidler hvis leiekontrakten anses som finansiell.

Andre langsiktige aksjeinvesteringer

Kostmetoden brukes som prinsipp for investeringer i andre aksjer mv. Utdelinger regnskapsføres i utgangspunktet som finansinntekt, når utdelingen er vedtatt. Hvis utdelingene vesentlig overstiger andel av opptjent egenkapital etter kjøpet, føres det overskytende til reduksjon av kostprisen.

Nedskrivning av anleggsmidler

Ved indikasjon om at balanseført verdi av et anleggsmiddel er høyere enn virkelig verdi, foretas det test for verdifall. Testen foretas for det laveste nivå av anleggsmidler som har selvstendige kontantstrømmer. Hvis balanseført verdi er høyere enn både salgsverdi og gjenvinnbart beløp (nåverdi ved fortsatt bruk/eie), foretas det nedskrivning til det høyeste av salgsverdi og gjenvinnbart beløp.

Tidligere nedskrivninger, med unntak for nedskrivning av goodwill, reverseres hvis forutsetningene for nedskrivningen ikke lenger er til stede.

Varelager

Varer vurderes til det laveste av anskaffelseskost (etter FIFO-prinsippet) og virkelig verdi. For råvarer brukes gjenanskaffelseskost som tilnærming til virkelig verdi. For ferdig tilvirkede varer og varer under tilvirkning består anskaffelseskost av utgifter til produktutforming, materialforbruk, direkte lønn, og andre direkte og indirekte produksjonskostnader (basert på normal kapasitet). Virkelig verdi er estimert salgspris fratrukket nødvendige utgifter til ferdigstillelse og salg. Bare variable utgifter anses nødvendige for å selge ferdige varer, mens også faste tilvirkningskostnader inkluderes som nødvendige for varer som ikke er ferdig tilvirket.

Fordringer

Kundefordringer føres opp i balansen etter fradrag for avsetning til forventede tap. Avsetning til tap gjøres på grunnlag av individuell vurdering av fordringene og en tilleggsavsetning som skal dekke øvrige påregnelige tap. Vesentlige økonomiske problemer hos kunden, sannsynligheten for at kunden vil gå konkurs eller gjennomgå økonomisk restrukturering, og utsettelse og mangler ved betalinger anses som indikatorer på at kundefordringer må nedskrives.

Andre fordringer, både omløpsfordringer og anleggsfordringer, føres opp til det laveste av pålydende og virkelig verdi. Virkelig verdi er nåverdien av forventede framtidige innbetalinger. Det foretas likevel ikke neddiskontering når effekten av neddiskontering er uvesentlig for regnskapet. Avsetning til tap vurderes på samme måte som for kundefordringer.



Jacobs Douwe Egberts Norge AS

Noter til regnskapet 2023

Utenlandsk valuta

Fordringer og gjeld i utenlandsk valuta vurderes etter kursen ved regnskapsårets slutt. Kursgevinster og kurstap knyttet til varesalg og varekjøp i utenlandsk valuta føres som finansinntekter og finanskostnader.

Gjeld

Gjeld balanseføres til nominelt gjeldsbeløp.

Pensjoner

Selskapet har ulike pensjonsordninger. Pensjonsordningene er bl annet finansiert gjennom innbetalinger til forsikringsselskap, med unntak av AFP-ordningen. Selskapet hadde både innskuddsplaner og ytelsesplaner inntil 1. mars. 2016.

Innskuddsplaner

Ved innskuddsplaner betaler selskapet innskudd til et forsikringsselskap. Selskapet har ingen ytterligere betalingsforpliktelse etter at innskuddene er betalt. Innskuddene regnskapsføres som lønnskostnad. Eventuelle forskuddsbetalte innskudd balanseføres som eiendel (pensjonsmidler) i den grad innskuddet kan refunderes eller redusere framtidige innbetalinger.

Ytelsesplaner

En ytelsesplan er en pensjonsordning som ikke er en innskuddsplan. Typisk er en ytelsesplan en pensjonsordning som definerer en pensjonsutbetaling som en ansatt vil motta ved pensjonering. Pensjonsutbetalingen er normalt avhengig av flere faktorer, som alder, antall år i selskapet og lønn. Den balanseførte forpliktelsen knyttet til ytelsesplaner er nåverdien av de definerte ytelsene på balansedagen minus virkelig verdi av pensjonsmidlene (innbetalte beløp til forsikringsselskap), justert for ikke resultatførte estimatavvik og ikke resultatførte kostnader knyttet til tidligere perioders pensjonsopptjening. Pensjonsforpliktelsen beregnes årlig av en uavhengig aktuar ved bruk av en lineær opptjeningsmetode. Planendringer amortiseres over forventet gjenværende opptjeningstid. Det samme gjelder estimatavvik som skyldes ny informasjon eller endringer i de aktuarmessige forutsetningene, i den grad de overstiger 10 % av den største av pensjonsforpliktelsene og pensjonsmidlene (korridor).

Skatt

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt beregnes på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt eventuelt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet. Oppføring av utsatt skattefordel på netto skattereduserende forskjeller som ikke er utlignet og underskudd til fremføring, begrunnes med antatt fremtidig inntjening. Utsatt skatt og skattefordel som kan balanseføres oppføres netto i balansen.

Skattereduksjon ved avgitt konsernbidrag, og skatt på mottatt konsernbidrag som føres som reduksjon av balanseført beløp på investering i datterselskap, føres direkte mot skatt i balansen (mot betalbar skatt hvis konsernbidraget har virkning på betalbar skatt, og mot utsatt skatt hvis konsernbidraget har virkning på utsatt skatt). Utsatt skatt både i selskapsregnskapet og i konsernregnskapet regnskapsføres til nominelt beløp.

Kontantstrømoppstilling

Kontantstrømoppstillingen utarbeides etter den indirekte metoden. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige likvide plasseringer, som umiddelbart og med uvesentlig kursrisiko kan konverteres til kjente kontantbeløp og med gjenværende løpetid mindre enn tre måneder fra anskaffelsesdato.



Jacobs Douwe Egberts Norge AS

Noter til regnskapet 2023

Note 1 Immaterielle eiendeler

Tall oppgitt i NOK 1.000

	Merkenavn	Kundekontakter	Goodwill	Sum
Anskaffelseskost 31.12.2022 i 2022 ÅR	0	3.818	229.661	233.479
Korreksjon	0	0	0	0
Anskaffelseskost 01.01.2023	0	3.818	229.661	233.479
Tilgang immaterielle eiendeler	0	0	0	0
Avgang immaterielle eiendeler	0	0	-229.661	-229.661
Anskaffelseskost 31.12.2023	0	3.818	0	3.818
Akkumulerte avskrivninger 01.01.2023	0	-3.818	-219.777	-223.594
Årets ordinære avskrivninger	0	0	-9.885	-9.885
Tilbakeførte ordinære avskrivninger	0	0	229.661	229.661
Bokført verdi 31.12.2023	0	0	0	0
Økonomisk levetid	10 år	10 år	5/10 år	
Avskrivningsplan	lineær	lineær	lineær	lineær

Selskapet har skrevet ned goodwill med TNOK 9.885 i 2023.

Immaterielle eiendeler fra oppkjøp av House of Coffee AS, nå innfusjonert i Jacobs Douwe Egberts Norge AS, avskrives i 10 år. Dette gjelder også oppkjøp foretatt i House of Coffee AS tilbake i tid.

Oppkjøpet av House of Coffee AS i 2011 ble gjort som en langsiktig investering. Selskapet ble innfusjonert i Jacobs Douwe Egberts Norge AS i 2014. Det har vært og er stort fokus på kostnadsbesparelser i den fusjonerte virksomheten. Merkevaren House of Coffee vil bestå, men lønnsomheten vil forsterkes ved tett integrasjon som et fusjonert selskap.



Jacobs Douwe Egberts Norge AS

Noter til regnskapet 2023

Note 2 Anleggsmidler

Tall oppgitt i NOK 1.000.

	Bygg	Maskiner og inventar	Transportmidler	Sum
Anskaffelseskost pr. 01.01.23	48.607	276.273	2.369	327.249
Korreksjon	1.731	-785	0	946
Tilgang kjøpte anleggsmidler	0	133.086	0	133.086
Avgang i året	0	-22.414	0	-22.414
Anskaffelseskost 31.12.23	50.338	386.161	2.369	438.867
Akkumulerte avskrivninger 31.12.23	-21.950	-192.236	-2.369	-216.555
Årets ordinære avskrivninger	-1.428	-29.790	0	-31.218
Tilbakeførte ordinære avskrivninger	0	11.347	0	11.347
Bokført verdi 31.12.23	26.960	175.482	0	202.442

Note 3 Datterselskap

Tall oppgitt i NOK 1.000.

Firma	Forretnings-kontor	Eier-/stemmeandel	Egenkapital (100%)	Resultat (100%)	Balanseført verdi
Midtunhaugen 6 AS	Bergen	100%	116.169	-1.134	124.862
Balanseført verdi 31.12					124.862



Jacobs Douwe Egberts Norge AS

Noter til regnskapet 2023

Note 4 Andre langsiktige aksjer og andeler

Firma	Forretningskontor	Kjøpstidspunkt	Eier- /stemmeandel	Balanseført verdi
Bergen Vitensenter AS	Bergen	21.11.10	100 %	100
Balanseført verdi 31.12.				100

Note 5 Varer

	2023	2022
Innkjøpte ferdigvarer	4.178	3.456
Sum netto varelager	4.178	3.456

Varebeholdning er vurdert til anskaffelseskost fratrullet ukurans.

Note 6 Kundefordringer

Kundefordringer	2023	2022
Kundefordringer til pålydende	74.547	166.921
Avsetning til tap på kundefordringer	-1.369	-2.694
Sum	73.151	164.226

Note 7 Mellomværende med selskap i samme konsern mv.

	Kundefordringer		Konsernkonto	
	2023	2022	2023	2022
Foretak i samme konsern	30.654	25.859	94.390	166.932
Sum	30.654	25.859	94.390	166.932

	Leverandørgjeld		Kortsiktig gjeld	
	2023	2022	2023	2022
Foretak i samme konsern	0	-50.676	0	0



Jacobs Douwe Egberts Norge AS

Noter til regnskapet 2023

Note 8 Transaksjoner med nærstående parter

Konsernets transaksjoner med nærstående parter

	2023	2022
<i>Renteinntekter:</i>		
Selskap i samme konsern	3.966	1.981
<i>Varkjøp:</i>		
Selskap i samme konsern	816.745	850.158
<i>Administrasjonstjenester*: cross charge</i>		
Selskap i samme konsern	14.101	22.517
<i>Kommisjonskostnader*: IPU</i>		
Selskap i samme konsern	72.590	71.135
Sum salg av varer og tjenester	907.406	945.791

* Er presentert under andre driftskostnader.

Note 9 Lønnskostnader og ytelser, godtgjørelser til daglig leder, styret og revisor

Lønnskostnader	2023	2022
Lønninger	97.340	101.254
Arbeidsgiveravgift	16.922	18.133
Pensjonskostnader	9.382	8.333
Andre ytelser	58.467	49.428
Sum	182.112	177.148

Selskapet har i 2023 sysselsatt 144 årsverk.

Pensjonsforpliktelser

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne lov.

Ytelser til ledende personer

Selskapet har per 31.12.2023 ikke daglig leder.

Honorar til revisor eks. mva utgjør:	2023	2022
Lovpålagt revisjon	715	673
Annen bistand	362	102
Sum	1.077	775



Jacobs Douwe Egberts Norge AS

Noter til regnskapet 2023

Note 10 Pensjoner

Selskapet er pliktig til å ha tjenstepensjonsordning etter lov om obligatorisk tjenstepensjon.

Selskapets pensjonsordninger tilfredsstiller kravene i denne lov. Alle ansatte er omfattet av innskuddspensjonsordning.

Selskapet hadde tidligere ytelsesordning. Den ble avviklet med virkning fra 1. mars 2016. De ansatte som var

med i ytelsesordningen ble kompensert med en kompensasjonsordning hvor selskapet er forpliktet til å kompensere den ansatte med 50% av full kompensasjon ved overgang over en innbetalingsperiode på 10 år.

Selskapets forpliktelse knyttet til gjenværende ytelsesordning er TNOK 2.319.

Selskapets pensjonsordninger tilfredsstiller kravene i lov om obligatorisk tjenstepensjon.



Jacobs Douwe Egberts Norge AS

Noter til regnskapet 2023

Note 11 Skatt

Årets skattekostnad	2023	2022	2021
Resultatført skatt på ordinært resultat:			
Betalbar skatt	8.032	12.755	8.261
For mye avsatt tidl.	2.071	14.241	797
Endring i utsatt skatt	823	-2.150	5.071
Endring i utsatt skatt tidl.	126	0	0
Skattekostnad ordinært resultat	11.052	24.846	14.129
Skattepliktig inntekt:			
Ordinært resultat før skatt	39.533	47.749	27.867
Permanente forskjeller	715	454	33.743
Endring i midlertidige forskjeller	-3.739	9.774	-24.061
Skattepliktig inntekt	36.508	57.977	37.549
Betalbar skatt i balansen:			
Betalbar skatt på årets resultat	8.032	12.755	8.261
Ekstra skatt tidligere år	4.563	14.232	0
Sum betalbar skatt i balansen	12.595	26.987	8.261
Beregning av effektiv skattesats			
Resultat før skatt	39.533	47.749	27.867
Beregnet skatt av resultat før skatt	8.697	10.505	6.131
Skatteeffekt av permanente forskjeller	157	100	7.424
Ekstra skatt tidligere år	0	14.232	0
For mye avsatt tidl.	2.071	9	574
Sum	10.925	24.846	14.129
Effektiv skattesats	27,64%	52,03%	50,70%

Skatteeffekten av midlertidige forskjeller som har gitt opphav til utsatt skatt og utsatte skattefordeler, spesifisert på typer av midlertidige forskjeller

	2023	2022	Endring
Varige driftsmidler	1.932	1.867	65
Fordringer	-1.396	-2.694	1.298
Pensjonspremie/- forpliktelse	-2.319	-3.422	1.102
Leasing	699	-575	1.274
Adjustment previous years			
Sum	--1.084	-4.824	3.739
Grunnlag for utsatt skattefordel	-1.084	-4.824	3.739
Utsatt skattefordel (22 %)	-239	-1.061	823



Jacobs Douwe Egberts Norge AS

Noter til regnskapet 2023

Note 12 Bankinnskudd

Innestående midler på skattetrekkskonto (bundne midler) per 31.12.2023 er på kr TNOK 17.872. Beløpet dekker skyldig skattetrekk per 31.12.2023. Total kontantbeholdning er TNOK 43.989.

Note 13 Aksjonærer

Aksjekapitalen i Jacobs Douwe Egberts Norge AS pr. 31.12.2023 består av:

	Antall	Pålydende	Bokført
A-aksjer	539	13	7.074
B-aksjer	661	13	8.676
Sum	1.200		15.750

Eierstruktur

	Antall	Eierandel	Stemmeandel
Jacobs Douwe Egberts International BV	1.200	100 %	100 %
Totalt antall aksjer	1.200	100 %	100 %

Note 14 Egenkapital

	Aksjekapital	Overkurs	Annen egenkapital	Sum egenkapital
EK pr. 31.12.2021	15.750	199.850	216.002	431.602
Årets endring i EK				
Årets resultat			22.904	22.904
Reservert utbytte			-70.000	-70.000
Endring av regnskapsspråk fra NGAAP til IFRS			-576	-576
EK pr. 31.12.2022	15.750	199.850	168.330	383.930
Årets endring i EK				
Årets resultat			28.481	28.481
Reservert utbytte			0	0
EK pr. 31.12.2023	15.750	199.850	196.811	412.411

Note 15 Driftsinntekter

Pr. Virksomhetsområde	2023	2022
Retail	834.286	915.531
Professional	481.852	443.779
Sum	1.316.138	1.359.310

Salgsinntekter knytter seg til salg av kaffe og kaffemaskiner. I alt vesentlighet skjer salget i Norge.



JDE Norge AS annual report 2023 signing version

Name	Date	Name	Date
Christian Boas Linde	2024-10-21	Nielsen, Lasse Søgaard	2024-10-21

Identification

 Christian Boas Linde

Identification

 Nielsen, Lasse Søgaard

Name	Date
Andersen, Tomas Mjøs	2024-10-21

Identification

 Andersen, Tomas Mjøs



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JACOBS DOUWE EGBERTS NORGE AS ÅRSBERETNING 2023

Generelt - eierskap og primære aktiviteter

Jacobs Douwe Egberts N.O. AS ("Selskapet", eller "MSU") er et heleid datterselskap av Jacobs Douwe Egberts International B.V. 60551720, med base i Amsterdam ("JDE konsernet") og arbeider som distributør med begrenset risiko for JDE-konsernet.

Selskapets kommersielle aktiviteter er delt inn i hjemmemarkedet/dagligvare (Retail) og ute-av-hjemmet/storhusholdning (Professional).

Innenfor Retail-segmentene omfatter selskapets hovedprodukter blant annet malt kaffe, hele bønner, enkopps løsninger som kaffeputer, kapsler og instant kaffe. JDE Retail i hovedsak produkter sine gjennom butikker som supermarkeder og hypermarkeder.

I Professional-segment tilbyr selskapet løsninger for varme drikker, inkludert flytende og malt kaffe, tilhørende kaffemaskiner og andre tjenester. Selskapets produkter selges direkte til blant annet bedrifter, hoteller, sykehus og restauranter eller til grossister. JDE Professional har som mål å tilby totale kaffeløsninger, skreddersydd for individuelle kundebehov.

JDE Norge opptre som en markedsførings- og salgsenhet ("MSU") mens JDE-konsernet styrer innkjøp av råvarer (inkludert kaffe og te) og produksjonsenhetene ("MU") forvalter konverteringen av disse materialene til ferdige varer.

I mer enn 265 år har JDE blitt inspirert av troen på at det er utrolig hva som kan skje over en kopp kaffe.

Utvikling i aktiviteter og finansielle tall

Selskapets årsresultat utgjorde NOK 28,5 millioner for året 2023. Selskapets balanse pr 31.12.2023 viser en egenkapital på NOK 412 millioner. Aktivitetene i det siste året har ikke utviklet seg slik selskapet forventet. Selskapet har likevel god vekst i utvalgte vekstkategorier.

TNOK	2023	2022	2021	2020	2019
Salg	1.316.138	1.359.310	1.142.617	1.110.193	1.072.365
Driftsresultat	40.209	44.646	23.552	17.435	9.083
Årsresultat	28.481	22.904	13.738	10.287	3.214
Soliditet ¹	70,5%	57,8%	68,0%	73,0%	74,4%
Avkastning på eget kapital ²	7,2%	6,0%	3,2%	2,2%	0,6%
Avkastning på totalt kapital ³	4,5%	6,9%	2,3%	1,6%	0,5%
Egenkapital	412.410	383.930	431.602	417.864	517.595
Årsverk	144	154	156	172	178

Markedsutvikling og salg

Kaffekonsumet er høyt i de nordiske landene. Man forventer et stabilt konsum av kaffe, spesielt de neste årene.

Kaffemarkedene er volatile med tanke på råmaterialprisene. De siste årene op til 2019 har kaffeprisene hatt en fallende

³ (Resultat etter finansielle inntækt og kostnader + rentekostnader) / Gjennomsnittlig balansomslutning



Jacobs Douwe Egberts Norge AS

Org. Nr 951 284 629

trend, men i 2020 videre inn i 2021, 2022 og 2023 ser det ut til at denne trenden har snudd igjen. I 2024 har kaffeprisene hatt en svært høy stigning.

Volumtapet på maltkaffe blir delvis erstattet av porsjonsløsninger som bedre tilfredsstiller konsumentenes individuelle behov.

Fremtidsutsikter

På kort sikt forventes det at kaffemarkedet vil falle, grunnet prisstigning og lavere kaffekonsument i hjemmet etter at samfunnet har åpnet opp igjen etter Covid-19. På lang sikt forventes det fortsatt en stabil utvikling i det nasjonale kaffemarkedet. Malt kaffe forventes å ha en fortsatt svak nedgang, men samtidig forventer vi at porsjonsløsninger delvis vil erstatte verdinedgangen på malt kaffe.

Kaffemarkedet har vært rammet av en økende inflasjon, som har hatt stor påvirkning på prisstigningene.

Vekst forsetter å spille en viktig rolle i selskapets fremtidige retning med fortsatt fokus på å lansere innovasjoner i markedet. Selskapet fokus er å skape skala i markedet for porsjonskaffe, styrke posisjonen innen hele bønner, øke markedsandelen innen instant kaffe og hele tiden evaluere nye muligheter i markedet.

Hendelser etter balansedato

Ingen hendelser har funnet sted etter balansedatoen til dags dato som vil ha innflytelse på denne årsrapporten.

REDEGJØRELSE FOR ÅRSREGNSKAPET OG RESULTATDISPONERING

Driftsresultatet for 2023 er mkr. 40.209 mot mkr. 44.646 i 2022. Driftsinntektene er 37 millioner lavere sammenlignet med fjoråret. Resultatet er drevet av stigende kaffepriser og stigende omsetning i virksomheten

Årsresultatet for 2023 er tkr. 28.481 mot tkr. 22.904 i 2022.

Likviditetsbeholdning per 31.12.23 var på mkr. 43.989 millioner mot mkr. 0 millioner per 31.12.2022. Selskapets evne til egenfinansiering av investeringer er god.

Selskapets kortsiktige gjeld utgjorde 97,9 % av samlet gjeld per 31.12.23 mot 96,0 % per 31.12.22.

Totalkapitalen var ved utgangen av året 585,0 millioner sammenlignet med 690,3 millioner året før. Egenkapitalandelen per 31.12.23 var 70,5 % sammenlignet med 55,6 % per 31.12.22. Selskapets finansielle stilling er god.

Styret foreslår følgende disponering av årets (2023) overskudd på tkr 28.481

Til annen egenkapital	28.481



Jacobs Douwe Egberts Norge AS

Org. Nr 951 284 629

Totalt disponert (Egenkapital)	28.481

Resultatdisponering

Styret foreslår at dele ut til aksjonærene i en ny redegjørelse for balansen på tkr. 0

Egenkapital	412.410
Utbytte	0
Ny disponert	412.410

Indirekte kontantstrøm

Det vises til kontantstrømoppstillingen for detaljer som gjelder selskapets kontantstrøm. JDE AS benytter den indirekte metoden for kontantstrømoppstilling.

Netto kontantstrøm fra operasjonelle aktiviteter for 2023 endte på kr. 198,5 millioner. Sammenlignet med 2022 ble netto kontantstrøm fra operasjonelle aktiviteter økt mot kr. 178,7 millioner. Økningen skyldes i hovedsak endring i endring på kunde- og andre fordringer.

Netto kontantstrøm fra investeringsaktiviteter utgjorde en netto utbetaling på kr. 78,2 millioner i 2023, sammenlignet med på kr. 37,1 millioner i 2022. Investeringen i 2023 var kr. 133,1 millioner i varige driftsmidler, mens en avgang på finansielle anleggsmidler kr. -43,8 millioner. Netto endring i likvider for 2023 var kr. 50,4 millioner mot kr. -17,2 millioner året før. Den totale likviditet var et overskudd på kr. 44 millioner, en forøgelse fra et underskudd på kr. -6,4 millioner året før.

Spesielle risiko

Selskapet og JDE konsernet er eksponert for ulike former for risiko, det være seg strategisk, operasjonell, rapporterings – og «compliance» risiko. Å håndtere disse risikoene er en integrert del av inspeksjons-, overvåknings- og kontrolprosessene som selskapet og JDE konsernet har på plass, noe som gjør det mulig det å ta risiko på en velbalansert og kontrollert måte. Entreprenørskap er en nøkkelverdi i selskapet og JDE konsernet, noe som impliserer å ta risiko. Nivået på risiko som selskapet og JDE konsernet er villig til å ta avhenger av risikoens karakter. Selskapet og JDE konsernet er risikoavers på rapportering og «compliance» nivå og avstår konsekvent fra å ta risiko som ville satt rapporteringsintegriteten, etiske verdier, lover og reguleringer og JDEs interne «code of conduct» i fare. JDEs «code of conduct» er tilgjengelig på JDE konsernets nettsider.

Operasjonell risiko



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Selskapet opererer som en distributør med begrenset risiko og kjøper den største deler av sine produkter fra JDE konsernheter, noe som betyr stabil leveranse og samtidig som det minimerer potensiell operasjonell risiko.

Markedsrisiko

Markedsrisikoene er ansett som begrenset av selskapet, men hovedrisikoene er nevnt nedenfor:

- Begrenset tilgang på råkaffe eller andre handelsvarer kan redusere bruttofortjenesten og selskapets resultat
- JDE konsernet er avhengig av et begrenset antall leverandører for visse strategiske innsatsfaktorer, produksjon og leveranse. En betydelig operasjonell utfordring hos disse selskapene vil kunne negativt påvirke selskapet gjennom JDE konsernet.
- Nåværende økonomiske forhold kan negativt påvirke etterspørselen etter selskapets produkter, noe som vil påvirke selskapets salg og driftsresultat.
- Selskapets lønnsomhet kan negativt påvirkes av økt konkurranse i kaffemarkedet
- Økning eller endring av skatter og avgifter
- Kontinuerlig innovasjon – primært med JDE konsernet – samt vellykket utvikling og lansering av nye plattformer og produkter er viktig for selskapets finansielle resultater
- Produkt – og kvalitets risiko kan negativt påvirke JDEs forretninger
- Eventuell negativ utvikling i JDEs rykte og merkenavn vil negativt påvirke selskapets finansielle resultater
- Selskapets evne til å beskytte selskapets informasjonssystemer mot serviceavbrudd eller feil, misbruk av data eller brudd på sikkerheten. Enhver av dem kan bety kostbare vedtak fra myndighetene og / eller private rettssaker som forårsaker negativ påvirkning på selskapets renommé
- Integreringsrisiko i forbindelse med nye fusjoner og oppkjøp samt om disse oppkjøpene leverer til de planlagte synergierne.

Valutarisiko

Selskapet utfører enkelte transaksjoner i utenlandsk valuta, hvor de viktigste er EUR og DKK. Prisen på råkaffe, innkjøpt fra et tilknyttet selskap i EUR, er påvirket av EUR/USD valutafluktasjoner. Valutarisikoen anses som begrenset.

Renterisiko

Selskapet har ingen vesentlig kortsiktig rentebærende gjeld hvor renten følger markedsrenten. Derfor utgjør ikke dette en betydelig risiko.

Kredittrisiko



Jacobs Douwe Egberts Norge AS

Org. Nr 951 284 629

I følge selskapets policy for å anta kredittrisiko, er alle større kunder og andre forretningspartnere regelmessig kredittklart, noe som reduserer kredittrisikoen.

Likviditetsrisiko

Selskapet har svært begrenset likviditetsrisiko, da selskapet er selvfinansiert og har ingen ekstern finansiering. Videre er selskapet dekket av et JDE konsernets cash-pool oppsett.

Fortsatt drift

I samsvar med regnskapsloven §3-3a bekreftes det at regnskapet er avlagt under forutsetning om fortsatt drift.

Intellektuell kapital ressurser

Siden selskapet opererer i et meget konkurransedyktig marked med alle sine produkter, er det av vital betydning å kontinuerlig rekruttere og oprettholde ansatte med høyt profesjonelt nivå innenfor salg og markedsføring. Gjennom dagens opplæring og kurs sikrer selskapet at et høyt nivå av kunnskap opprettholdes til enhver tid. Selskapets støttefunksjoner skal ha kvalifikasjonene og vise stabiliteten som sikrer opprettholdelse av kompetanse og evnen til å fungere som en støttefunksjon. Dette sikres gjennom selskapets opplæring, interne retningslinjer og kunnskapsdeling internt og med JDE konsernet.

Forskning - og utviklingsaktiviteter

Selskapet pådrar seg ikke direkte faktiske kostnader for forskning; JDE-gruppen har imidlertid mer enn 265 års erfaring i kaffe- og teindustrien, i løpet av den tiden har man bygget et R & D-program i verdensklasse. Dette globale ekspertteamet kartlegger og designer kontinuerlig kaffe og teprodukter som oppfyller de voksende behovene til konsernets forbrukere og kunder i over 143 land rundt om i verden.

ARBEIDSMILJØ OG PERSONALE

Arbeidsmiljøet betraktes som godt, og det iverksettes løpende tiltak for forbedringer. Det utføres regelmessige undersøkelser av arbeidsmiljøet i bedriften.

Det er avholdt 4 møter i arbeidsmiljøutvalget i 2023.

Sykefraværet utgjorde ca. 4,9% av total arbeidstid for ansatte i selskapet, mot ca. 4,9 % i 2022.

Det har vært 2 arbeidsuhell hvorav 0 har ført til sykefravær i løpet av året.

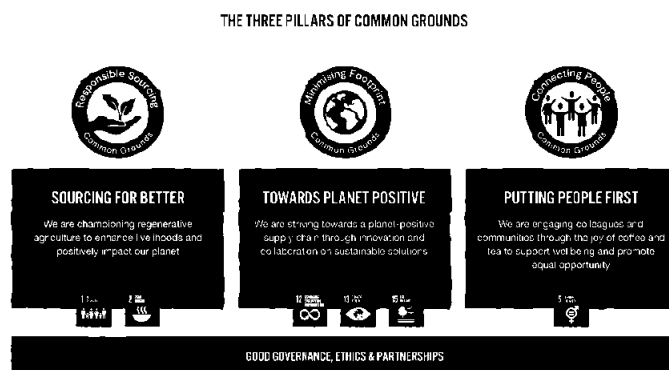
Samarbeidet med de ansatte har vært konstruktivt og bidratt positivt til driften.

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TRANSPARENCY ACT

JDEs globale samfunnsansvar består av tre pilarer, som vist nedenfor, som understreker en sterk forpliktelse til å være en ansvarlig virksomhet som identifiserer og reduserer risikoer for både virksomheten, menneskene og samfunnet. Hele CSR-rapporten er tilgjengelig på JDE Peet's - jdepeets.com/siteassets/documents/jde-peets-annual-report-2023.pdf



LIKESTILLING

Et av JDE-konsernets tre fokusområder for samfunnsansvar er "*Connected people*", som inkluderer forretningsetikk, helse og sikkerhet, ikke-diskriminering, likestilling, integrering og samfunnsengasjement. Bedriften har som mål å være en arbeidsplass som sikrer like muligheter og rettigheter, og hindrer diskriminering. Hos JDE verdsetter og streber vi etter en likeverdig og balansert arbeidsplass for menn og kvinner. Ansatte rekrutteres, utvikles og belønnes basert på kvalifikasjoner uten å skille mellom kjønnene. Kvinner er representert i de fleste stillingsnivåer i bedriften.

JDE-konsernet erkjenner viktigheten av en mangfoldig sammensetning av styret. Konsernet tilstreber å oppnå en godt balansert sammensetning i fremtiden. Når styreseter blir tilgjengelige, vil styret ha muligheten, for så vidt det er praktisk mulig og hensiktsmessig under rådende omstendigheter, å ha en mangfoldig sammensetning i tråd med konsernets globale karakter og identitet.

I 2020 ble selskapet en del av den nordiske organisasjonen, og ledelsen i 2023 bestod av 14 personer, med en sammensetning på 12 menn og 2 kvinner. Siden 2021 har det vært et fokus på å styrke ulike områder innenfor organisasjonen for å opprettholde et sterkt samfunnsansvar. Dette har inkludert implementering av nye initiativer, som årlige fokusområder som Gender Balance Month, Pride Month og TrueYou Week. Et eksempel på dette er TrueYou Week, som har som mål å skape en arbeidsplass der alle kan være seg selv, uten at det påvirker deres personlige og faglige utvikling. Forskjellene mellom medarbeiderne sees som en styrke. Videre er det gjennomført undersøkelser for å identifisere og redusere Gender Pay Gap, som nå ligger under 0,5%. Det er også blitt lagt økt vekt på mangfold, likestilling og inkludering (DE&I) i MU (fabrikken), noe som er av stor betydning på globalt nivå.

Styreansvarsforsikring



Jacobs Douwe Egberts Norge AS

Org. Nr 951 284 629

Det er ikke tegnet forsikring for styremedlemmenes mulige ansvar overfor foretaket

Bergen, 21 Oktober 2024

Christian Boas Linde

Styrets leder

Tomas Andersen

Styremedlem

Lasse Søgaaard

Styremedlem



JDE NO AS Annual report 2...report signing version

Name	Date	Name	Date
Andersen, Tomas Mjøs	2024-10-21	Christian Boas Linde	2024-10-21

Identification

 Andersen, Tomas Mjøs

Identification

 Christian Boas Linde

Name	Date
Nielsen, Lasse Søgaard	2024-10-21

Identification

 Nielsen, Lasse Søgaard



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Til generalforsamlingen i Jacobs Douwe Egberts Norge AS

UAVHENGIG REVISORS BERETNING

Konklusjon

Vi har revidert årsregnskapet for Jacobs Douwe Egberts Norge AS som består av balanse per 31. desember 2023, resultatregnskap, kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2023 og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Andre forhold

Selskapets årsregnskap er avlagt etter utløpet av lovens frist for avleggelse av årsregnskap.

Øvrig informasjon

Styret (ledelsen) er ansvarlig for informasjonen i årsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med IFRS Accounting Standards som godkjent av EU. Ledelsen er også ansvarlig for slik internkontroll som den finner

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Registrert i Foretaksregisteret
Medlemmer av Den norske Revisorforening
Organisasjonsnummer: 980 211 282

Deloitte.

nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i årsregnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Andre forhold

Selskapet er ikke i stand til å gjengi elektronisk bokførte opplysninger i standardisert form i henhold til bokføringsloven §13 b.

Bergen, 21. oktober 2024
Deloitte AS



Deloitte.

Unni-Renate Moe
statsautorisert revisor
(elektronisk signert)



Uavhengig revisors beretn...e Egbert Norge AS 2023

Name

Date

Moe, Unni-Renate

2024-10-21

Identification

 bankID Moe, Unni-Renate



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JDE PEET'S N.V.

ANNUAL REPORT 2023

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 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 over 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.



Every second
4,100
cups of coffee & tea are served by JDE Peet's



83.8%
responsibly sourced coffee¹



Present in
100+
markets

Sales by segment (EUR mm)

4,719 Europe	1,153 PEET'S
1,498 L'ARMEE	791 APAC



41.3%
women in leadership positions



Number 1 or 2 position in
39
markets

21,196
employees

101
nationalities

These markets generated
73%
of total sales

¹ 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. As used in this Annual Report, a product or material which is "responsibly sourced" means that the product or material satisfies the applicable definition contained in the section [Basis of preparation](#) of the Annual Report.

€ 8.2bn

Total sales

3.9%

Organic sales growth

€ 6.6bn

In-Home

€ 1.6bn

Away-from-Home

SALES AND ADJUSTED EBIT SPLIT BY SEGMENT

Segment	Sales (EUR mm)	Organic change	Adj EBIT (EUR mm)	Organic change
Europe	4,719	4.0 %	1,006	8.6 %
LARMEA	1,498	4.7 %	147	(21.1)%
Peet's	1,153	3.9 %	141	(1.0)%
APAC	791	2.1 %	135	15.2 %



128.1bn
Cups served



Common
Grounds

Our sustainability programme is
focused on three pillars:

➔ Common Grounds (page 42)



Responsible Sourcing

Fostering thriving agricultural
supply chains



Minimising Footprint

Reducing our environmental
impact step-by-step



Connecting People

Engaging our employees
and our communities

THE THREE PILLARS OF OUR STRATEGY

Save
more cups

Master
execution

Grow
together

through a
relentless focus
on attracting
customers

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

by championing
an inclusive
ecosystem

➔ Our strategy (page 30)

THE THREE PILLARS OF OUR STRATEGY



Save
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 30)

SELECT

We are proud
UN Sustainable
Goals (SDGs),
and source m
many markets
committed to
economic dev
focus on the ir
along the entire
has led us to o
the SDGs as d
part of the do
table

As a business, we are committed to the UN Sustainable Development Goals (SDGs), and source materials from many markets committed to economic development. We focus on the impact of our business along the entire value chain, and this has led us to our commitment to the SDGs as part of the double bottom line.

As a business, we are committed to the UN Sustainable Development Goals (SDGs), and source materials from many markets committed to economic development. We focus on the impact of our business along the entire value chain, and this has led us to our commitment to the SDGs as part of the double bottom line.

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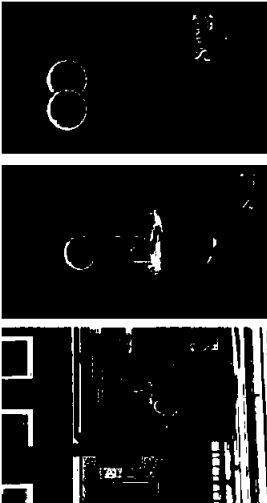
2023 KEY HIGHLIGHTS

Q1

- Fitch Ratings upgraded JDE Peet's credit rating from "BBB-" to "BBB" with a stable outlook. The upgrade underscores our operating strength, strong financial structure, and financial discipline.
- JDE Peet's launched Ginger Goodness tea, a powerful blend that responds to the growing demand from consumers for healthy ingredients. The premium herbal segment is currently the fastest growing tea segment.
- We substantially increased our sustainability ambitions, defining a roadmap of initiatives that will enable us to set new and stronger SBTi commitments to net-zero, and build an integrated carbon accounting platform to track and accelerate the delivery of our ESG objectives.
- JDE Peet's announced the planned launch of a fully compostable capsule, which will help contribute to a circular economy. This new-to-the-world technology enables a high-quality, in-cup experience that was not possible in existing compostable alternatives.

Q2

- JDE Peet's announced its intention to combine its Out-of-Home and CPG Europe segments into one European segment. This organisational change enables our European markets to apply a true omni-channel approach, a model that we successfully apply in all of our geographies. Additionally, it allows us to more effectively leverage our brands and reduce complexity.
- JDE Peet's saw its ESG rating raised significantly to "Prime Status" by ESG rating agency ISS, which moves us up to the top decile in our industry group, comprising 228 companies.
- In Thailand, our SUPER brand extended its Pure range with the launch of SUPER Espresso, as it responded to the growing demand in Asia for healthier options. Across Asia, SUPER is progressively reducing sugar and fat content in its Instant Mixes products without compromising on taste – in line with our Healthy Indulgence programme.



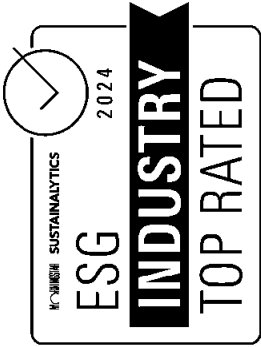
- In the Netherlands, we introduced Selection Loose Leaf Tea, responding particularly from younger generations and delicate sensory experiences leaf tea.
- In Spain, we proudly introduced Masterbrand Awaken your senses campaign to life our purpose "to unlock and cinematographer Bruno Avelar 2023, the campaign has been launched in 15 markets.
- We continued our L'Or Premium launching a new L'Or Limited Edition Bourbon, offering consumers a unique sensation for a limited time only. our L'Or brand by offering a new with Colombian origins and a new from our best-selling products.
- In June, one of our plants took a forward in our Minimising Footprint leveraging waste heat from our room heating and hot water for sanitati

Q3

- JDE Peet's accelerated its sustainability agenda with the introduction of a breakthrough, recyclable paper pack for soluble coffee, the first of its kind in the coffee market. The coffee from the new paper pack will have the lowest carbon footprint from across our current product range.
- JDE Peet's announced the intended acquisition of Maratá's coffee & tea business in Brazil, the largest coffee market in the world in terms of cups consumed. The planned acquisition will expand our emerging markets presence, complement our existing portfolio of brands predominantly sold in the southern regions of Brazil, and increase our scale and national coverage in the country. The acquisition was successfully completed in January 2024.
- S&P CSA, a leading ESG ratings provider, upgraded JDE Peet's ESG rating to the top fourth percentile within the food subindustry.
- The Board of Directors approved the cancellation of 15.3 million treasury shares. This process was completed in July 2023, which reduced the number of issued shares.

Q4

- Our ESG rating was upgraded to the top second percentile within the Packaged Foods subindustry by Morningstar Sustainability, a leading ESG ratings provider. We improved our scores in 8 out of 11 assessment categories that Sustainability applies, with the biggest improvements occurring in Carbon – Own Operations, Resource Use and Human Capital.



- In November, USA Today, one of the leading daily newspapers in the United States, voted Peet's 'Best Coffee Chain' across the United States.
- In China, Peet's grew its coffee bars from 125 stores to more than 200. By year end, Peet's partnership with Americana restaurants saw the opening of 18 Peet's coffee bars across the Gulf Cooperation Council Region (GCC).



- Instant coffee remains critical to our business, so we added affordable refills to Jao, addressing the inflationary environment by unlocking more sustainable solutions. In addition, we introduced the L'OR Trio to attract new consumers, drive re-education and consumer behaviour.
- In November, we issued bonds with a principal of EUR 1 billion. The bonds were an investment-grade term bond and were listed on the Luxembourg Stock Exchange.
- Within its mixes segment, Moccona introduced a sugar option in Thailand to strengthen its position in the on-shelf and satisfaction and wellness demands.



INTRODUCTION TO THE ANNUAL REPORT

Dear Reader,

As the largest pure-play coffee & tea company, JDE Peet's is proud to serve consumers with more than 350 millions of cups every day around the world. Although confronted with unprecedented inflation over the last two years, consumers continue to remind us of the importance of these cups in their daily routine, either in-home or away-from-home. We take great responsibility to maintain the high-quality standards that consumers expect from us, while responding to their evolving needs.



Fabien Simon



Olivier Goudet

Looking back on 2023, we successfully navigated another dynamic environment and further progressed our transformation to become a more global, a more digital, and a more sustainable enterprise.

Although facing adverse currency effects, we increased our sales and adjusted EBIT organically in 2023, and we further reduced our absolute net debt.

However, 2023 was not just about financial performance. We reorganised our European segment to become omnichannel, we announced two acquisitions in the US and in Brazil, and we transitioned towards a portfolio of local brands in Russia. As we continued to innovate and execute with discipline, we gained market share globally in the most attractive coffee segments and we expanded our competitive play in coffee appliances with L'OR Barista. We also continued to invest in our talent and our portfolio. In parallel, we significantly reduced our greenhouse gas emissions, while leading a global effort to fight coffee-related deforestation.

Throughout the year, our people and partners across the globe worked tirelessly to pursue our company's purpose to unleash the possibilities of our category and the power of our brands. It was their ongoing efforts and passion that enabled us to deliver a more competitive and accelerating performance.

FINANCIAL PERFORMANCE

In 2023, we delivered well against the commitments we set at the start of the year, while operating in a macro environment that is becoming increasingly complex and in a category that was still adjusting globally following the pandemic.

During the year, we relentlessly stayed the course on our value creation agenda, centred around profitable and sustainable revenue growth. We continued to simplify and premiumise our portfolio, we optimised our footprint and cost-base, and we focused on consumer-led revenue management without compromising on the quality of our products and fundamentals. Supported by our unique set of iconic brands and a product portfolio which is over-indexed to the fastest growing categories, we gained market share globally in the premium coffee categories of single-serve, instant and beans.

Against this backdrop, we delivered a mid-single-digit increase in organic top-line growth and also increased our adjusted gross profit and adjusted EBIT organically, while continuing to invest in our strategic growth opportunities, including the US, China, e-commerce, our machine park and sustainability. Our financial performance accelerated as the year progressed, marked by an increase in organic top-line and adjusted EBIT growth that brought our financial performance in the second half back in line with our long-term profitability algorithm, when excluding the performance of Russia.

INNOVATION

The relevance and on-trend opportunity in our category continues to be evident. At innovation agenda is key to realising runway for growth. This agenda is for more consumers by accelerating per developing coffee markets, serving n expanding consumption occasions, i cups by premiumising across brands

Identifying compelling growth trends to develop initiatives that excite our customers around the world. These i fuelled through the platforms of susta authenticity and variety. In addition, i programmes have been introduced a inflationary environment in which we

Through the year, we have taken a le sustainable innovation. For example, breakthrough paper pack of soluble its kind in the market. A pack that is a more sustainable ecosystem in the market by incentivising the reuse of and tin formats. Moreover, the coffee paper pack will generate the lowest within the existing range of JDE Peet's addition, Senseo, which serves the low serve park in Europe and has the low footprint of any single serve appliance market the new Original Plus Eco bre of 80% recycled plastics.

We continued to unlock quality and craftsmanship for more elevated, authentic coffee experiences. Our evolving instant specialty ranges continue to bring exciting café experiences at home with new launches such as Plant Based and Ice & Cold. We have invested in our Jacobs brand and evolved the flagship, Krönung ground, to 100% arabica. In tea, Pickwick has introduced Finest Selections in key markets, a coarsely cut high-quality loose-leaf tea range. Peet's launched flavours varieties and holidays blends.

Variety of choice remains a key growth driver for our portioned espresso capsules business. We have welcomed new brands to the portfolio such as Tim Hortons and Maxwell House. We have continued to expand our L'OR coffee portfolio with new premium propositions such as Arabica Bourbon Limited Creations and our Flavours range, consisting of Chocolate, Caramel and Vanilla. We have enriched the range of our L'OR Barista brewer range with the launch of a new premium limited edition.

In a more challenging economic environment, our consumers around the world are making daily choices. To make these decisions easier, we have been intentional in rolling out value for money pack sizes across our most beloved brands: L'OR, Jacobs and Senseo.

In 2023, we have continued to fuel our future innovation agenda through the successful development and securing of patents to drive ongoing technological superiority.

PEOPLE

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

We increased the percentage of women in leadership positions and, separately, introduced a global DE&I Policy, expanding on our existing Board Diversity Policy, which underscores our ongoing commitment to our employees. The local activation of our global DE&I strategy is driven by more than 270 DE&I champions and employee resource group members globally, and in 2023 this number grew by more than 25 from a year earlier.

To reinforce our commitment to contribute to the United Nations Sustainable Development Goal on Gender Equality, in 2023 we proudly joined the UN Women's Empowerment Principles. This will help us accelerate the progress we have made in recent years to ensure that employees from all genders feel equally empowered to thrive at the company.

SUSTAINABILITY

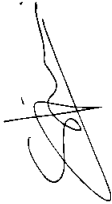
Sustainability is a long-term journey where every step counts and in 2023 we continued to make strong progress through our Common Grounds programme, which embodies our ambition to positively impact people, our planet, and the future of coffee & tea. This included reducing greenhouse gas emissions along the value chain in line with our SBTi commitment, to multiple initiatives aimed at reducing energy, water and packaging waste.

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

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

OUTLOOK

While we expect the environment in which we operate to remain complex and to continue to evolve, we have entered 2024 with both more optimism as we believe the progress over the last three years positions us well for the future and our medium-term strategy. By building on our strengths and acting decisively amid challenges, we aim to create lasting value for all of our stakeholders. The future is bright, and we are confident in our strategic direction.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
THANK YOU Thanks to the unwavering support of our valued stakeholders, 2023 was yet another solid year for our company. We would like to begin by thanking our dedicated people, who work with passion to deliver exceptional products to customers near and far. To our loyal consumers and coffee & tea aficionados, whether brewing our products at home or enjoying them on the go, we thank you for choosing us time and again. Your patronage motivates us daily. To the millions of smallholder farmers worldwide who supply our high-quality coffee beans and tea leaves, and to our suppliers who ensure timely delivery, we could not do what we do without you. Thank you for being an integral part of our supply chain. To the NGOs and government agencies who collaborate with us to support smallholder farmers and promote environmental stewardship, we value our shared mission. To our industry partners and trade organisations globally, thank you for working alongside us to advance the coffee & tea categories we are so passionate about. And finally, to our shareholders – your ongoing interest and investment empowers our growth and ability to keep delivering sustained value in this resilient and attractive market. We are profoundly grateful to all who contributed to JDE Peet's in 2023, and look forward to continued shared success. Sincerely,  Olivier Goudet Chairman of the Board Fabien Simon Chief Executive Officer							



BRAND HIGHLIGHT



#1

in 22 out of 42
markets

€2B+

retail sales value
worldwide

STIMULATING PROSPERITY SINCE 1850

Coffee drinkers have delighted in the JACOBS brand and its wonderful aroma 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 most impeccable coffee at reasonable prices for all.

Today, JACOBS is the trusted coffee companion for millions of consumers around the world, which has earned 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.

But understanding entails responsibility. We took significant steps in elevating JACOBS' sustainability, championing the Ethical Peet's and the coffee whole. Each and every product will now carry the Responsible Sourcing label, where we work to responsibly source our coffee. In 2024, we journeyed to future-proof our portfolio, to adhere to the Indulgence program, significantly reducing packaging and moving towards our full range of recyclable, in line with our commitment to a sustainable future.

JACOBS. Find your coffee.
Find your wonder.

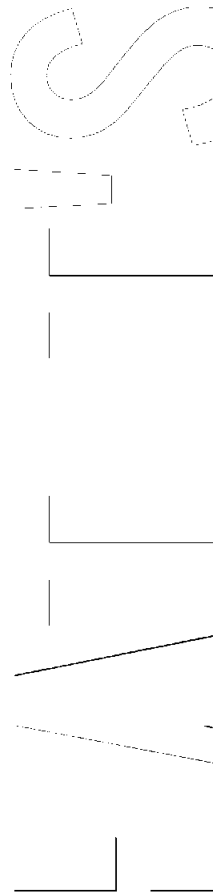
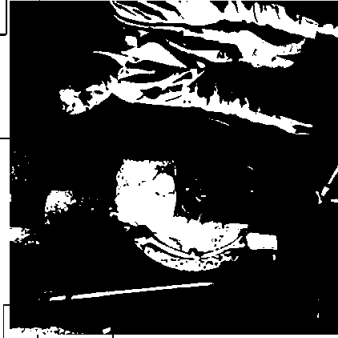


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WHO WE ARE

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

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 VALUES BASED AND SHAPE OUR CULTURE

Our company's values shape our culture, guiding principles that drive our business performance and our relationship with customers and other stakeholders. Since the industry, we proudly champion coffee, offering a coffee or tea for every cup.

Embracing an entrepreneurial mindset, we hold ourselves accountable to the highest standards, seeking an outside-in perspective. Our outlook and ambitious nature drive us to maintain simplicity and mental clarity.

Our culture is diverse, equitable, and ensuring that all champions can thrive in their background or unique differences. We believe in growth in a sustainable manner, because growth today, it is also for future generations.

OUR SUSTAINABLE SUPPLY CHAIN

We source approximately 8% of the world's coffee and less than 1% of the world's tea, supplied to our manufacturing facilities for high-volume, flexible production, new coffee & tea products, and technology launches. 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 2023.



OUR SUSTAINABLE VALUE CHAIN



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 Common Grounds.

SUPPLIERS

We work with more than 1,000 direct material suppliers across more than 60 countries. They are critical to sustaining our business, and some play an important role in helping us achieve our sustainability goals.

PRODUCTION

We manufacture our coffee & tea products primarily at 42 manufacturing facilities in 24 countries, ensuring consistently high product quality while carefully managing the use of resources.

Minimising Footprint
(page 68)

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 75)

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.

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 34)

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

Our Brands (page 14)

Common Grounds
(page 42)

Value chain boundaries: Upstream Own operations

BRAND HIGHLIGHT

BRINGING PEOPLE CLOSER TOGETHER SINCE 1753

#1

brand in market
share in the
Netherlands

#1

in awareness
in the Netherlands

In 1753, Egbert Douwes and his wife Akke Thijsses opened their grocery store **De Witte Os** on the Midstraat 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. Nowadays, 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 2023, we opened two new D.E. Cafés in the Netherlands, bringing the total to 11 cafés. Douwe Egberts also accelerated its sustainability agenda by removing the plastic lid from the Ready-to-Drink cup range, resulting in around 44% less plastic per cup.



Back to brands
overview ➔

D·E

ENGAGING OUR STAKEHOLDERS

We operate in a fast-paced, dynamic environment, where stakeholder engagement is a key part of achieving our many ambitions. Engagement enables us to take stakeholders' needs into account as we work towards our strategic goals, and implement the many policies, targets, and action plans that enable us to steer the company towards sustainable growth.

We are proud of the many stakeholder groups that contribute to making us the company we are, from the smallholder farmers who cultivate the coffee & tea used in our products, to our suppliers, customers, consumers, employees, and shareholders. Our inclusive approach to stakeholder engagement is marked by active listening and meaningful interaction, guided by the goal of using stakeholder insights to enrich our corporate journey and achieve our strategic goals.

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

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

DOUBLE MATERIALITY

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

As part of the three-year cycle, a light review will be carried out in 2024 and 2025, where we will perform an update based on desk research and interviews with internal stakeholders. The materiality process is then planned in such a way that Business Planning and Enterprise Risk Management are informed of any outcomes punctually.

DOUBLE MATERIALITY METHODOLOGY

CONTEXT AND STAKEHOLDER IDENTIFICATION

Value chain evaluation – assessing definitions and different business models within JDE Peet's

Identified 9 key stakeholder groups across the value chain and classified as affected stakeholder or user of information

- Value chain visualisation
- Stakeholder groups

IDENTIFY SUSTAINABILITY TOPICS

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

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

- Topic lists

ASSESS IMPACT AND FINANCIAL MATERIALITY

> 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

- Stakeholder perspective
- Impact and financial score

VALIDATE TOPICS

2 expert and financial separate the outcome

Board approve

Map material applicability Standard

- Apply
- Material
- Map

PURPOSE

The outcomes of our double materiality assessment will be used to:

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

JDE Peet's N.V. Annual Report 2023		JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information	Relevant Annual Rep	
Double Materiality		Main impact generated (potential/actual)		Time horizon		Main SDG* for positive impacts				
Common Grounds pillar	Material topic	Value chain								
 Responsible Sourcing	Biodiversity & deforestation		Working towards a deforestation-free supply chain in our sourcing of green coffee and paper & pulp. Anticipating and managing biodiversity and deforestation-related risks across the value chain by tackling region-specific issues at community and landscape levels.							• Preservation of nature and the importance of • Deforestation-free • Coffee: sustainable • Smallholder farmer further outreach and • Coffee: sustainable • Smallholder farmer further outreach and • Respecting Human • Taking planet action
	Farmer livelihoods		Our commitment to making a difference in the lives of farmers, their households, and greater farming communities. Through our Responsible Sourcing pillar under Common Grounds, we work closely with relevant stakeholders in the sector to support farming communities' vision of prosperity and to respect human rights.							
	Sustainable agriculture		Supporting farmers in implementing good agricultural practices that promote resilience while increasing the long-term viability of farm production, including water and energy reduction, optimal nutrient management, climate change mitigation efforts, soil conservation, integrated pest management, and activities to improve crop yields and quality. Applicable to our farmers, suppliers and other stakeholders in our value chain. We commit to high standards of social and environmental responsibility and ethical conduct as a signatory of the UN Global Compact and in line with internationally recognised human rights standards.							
	Human rights		Reducing or preventing greenhouse gas emissions along our entire value chain and managing climate-related transition and physical risks across the value chain by deploying decarbonisation technologies and investing in effective climate change measures to adapt to climate change.							
 Minimising Footprint	Climate action		Enabling circularity and minimising the environmental impact of our packaging through design choices, helping reduce material use, promote reuse/recycling/composting, and increase the use of recycled content.							• Working towards packaging and recycling • Managing our water • Growing our people • Our digital approach • Food safety and quality • Corporate Governance • Risk management
	Packaging & circularity		Improving water management in our own operations, with a focus on availability, quality and access to water, particularly in regions with high or extremely high water stress, leading to lower operating costs and reduced risks.							
	Water & wastewater management		Investing in employee learning and development programmes and in people analytics to attract and retain talent, to raise the skills and capabilities to execute our strategy, and to embed company values at every layer of the organisation.							
	Human capital management		Fostering a more diverse, equitable and inclusive organisation to ensure our employees feel they can be who they truly are and in breaking down potential barriers for everyone to achieve their full potential.							
 Connecting People	Diversity, equity and inclusion		Delivering safe, high-quality products by ensuring our own manufacturing and processing facilities are regularly audited and hold international certifications across all areas of food safety and quality.							
	Product safety & quality		Ensuring general principles of governance and ethics (including accountability, transparency, integrity and compliance) that guide our behaviour at all levels of our organisation. This topic includes fair tax, anti-competitive behaviour, anti-corruption and bribery.							
	Ethics and governance		Protecting JDE Peet's IT systems from intrusion, both outside or inside the company, and ensuring recovery of the main IT system after an event occurs.							
	Cyber security									

Associated impacts, risks and opportunities, and our strategy, are described in greater detail in their respective section of the Annual Report and Risk management section of this report.

**Impact materiality**

**Financial materiality**

Short-term: 1 year

Medium-term: 1-5 years

Long-term: >5 years

Upstream

Own operations

Downstream

*Associated impacts, risks and opportunities, and our strategy, are described in greater detail in their respective section of the Annual Report and Risk management section of this report.



Impact materiality



Financial materiality

Short-term: 1 year

Medium-term: 1-5 years

Long-term: >5 years

Upstream

Own operations

Downstream

METHODOLOGY
IMPACT MATERIALITY

Impact materiality has been assessed based on severity (scale, scope, and remediability) and likelihood.

Stakeholder surveys were conducted to understand what matters most to them. Subsequently, we used interviews to gather qualitative and quantitative insights into the severity of impact and understand the likelihood of occurrence. Specific stakeholders focused on impact materiality and financial materiality based on their area of expertise (for example, multiple Executive Committee members, including the CEO, and external stakeholders, including representatives from Sedex and IDH for impact materiality). Interviews were complemented by desk research. Finally, an impact expert session was organised to calibrate the outcomes.

In our assessment, we used the scale/parameters for severity and likelihood as shown in the table below. For severity, the scale, scope, and remediability of impacts are embedded. The likelihood criteria aligns with JDE Peet's' enterprise risk management process.

FINANCIAL MATERIALITY

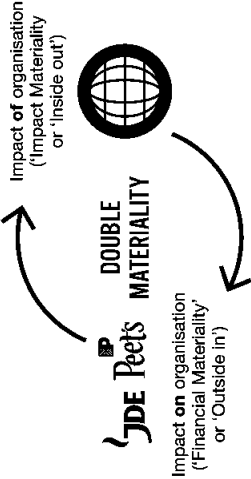
We assess financial materiality based on the size of potential financial effects and likelihood. Financial effects can be attributed to impact on competitive advantage, improved customer/consumer value, license to operate, and/or reputation.

As with impact materiality, we used different methods (desk research, interviews and expert sessions) to determine connections between the impacts & dependencies of the topics and the risks & opportunities that may arise from them. Relevant stakeholder groups and/or experts were involved in capturing this perspective.

Impact has been determined as a percentage of revenue or EBIT at stake. The likelihood criteria is reflected similarly to the impact materiality.

For both impact and financial materiality, we have defined the time horizons as short, medium and long-term, in line with the definition outlined in the CSRD, which defines these horizons as follows:

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



Severity		Likelihood	
Parameter	Description	Parameter	Description
Significant	Impact is significant, global, and/or non-remediable	Highly likely	Impacts in the highly likely category are almost certain to occur
High	Impact is high, widespread, and/or very difficult to remedy	Likely	These impacts need regular attention, as they are bound to reoccur and therefore require a consistent mitigation strategy
Medium	Impact is medium, medium scope, and/or difficult to remedy	Possible	Possible impacts may occur about half the time and therefore need attention
Low	Impact is low, concentrated, and/or remediable with effort	Unlikely	Impacts in the unlikely category have a relatively low chance of occurring. However, because they still affect JDE Peet's business, they need to be monitored and mitigated
Minor	Impact is minor, limited scope, and/or relatively easy to remedy	Highly unlikely	Highly unlikely impacts should be recognised, but require little attention

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%

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%

Unlikely

STAKEHOLDERS

CONSUMERS

What matters to them

While consumers are increasingly focussing 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 important to remain authentic, delivering outcomes that are sustainable along the entire supply chain, whilst keeping coffee accessible for everyone.

How we engage

Our key consumer contact points are through our brands. Our omni-channel approach helps us to be where the consumer is, and considering the impact and role of each channel along the consumer decision journey enables us to create meaningful interactions. Each year, we facilitate approximately 200,000 interactions via our consumer carelines, encompassing a wide range of on- and offline communication. We also actively connect with consumers through our brands' marketing initiatives, fostering awareness on sustainability. Additionally, we harness valuable insights taken from standard industry research sources and consumer data to enhance our understanding of evolving consumer trends. This concerted effort empowers us to tap into the full potential of our consumer base.

CUSTOMERS AND BUSINESS PARTNERS

What matters to them

Customers are the main gateway to our consumers, and aim to provide the best assortment possible. While in 2023, we dealt with trade interruptions due to pricing disputes, we remain focused on providing customers with the best product at a competitive price. We are increasingly engaging with customers on GHG emissions, as we are key to helping them deliver on their net-zero objectives. Reduced and recyclable packaging continue to remain top of mind, as consumers become ever more aware of back-of-pack labelling.

How we engage

Our sales teams have an ongoing dialogue with customers to ensure expectations are met. Clearly structured annual Customer Planning Days are used to align plans for the year ahead, while increasingly we engage actively at a corporate level to discuss sustainability topics and how we can work together to deliver on our respective commitments. We also engage on sustainability through top-to-top meetings with our customers' sustainability leads.

SMALLHOLDER FARMERS

What matters to them

Smallholder farmers serve as the cornerstone of our 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 production are critical objectives for JDE Peet's. Climate change presents a looming threat, and is poised to reshape the landscape of coffee-growing regions. By 2050, if the world fails to deliver a net-zero future, as much as half of the global area suitable for coffee cultivation may be lost. Today, farmers already grapple with the early signs of climate change, including shifting weather patterns that bring longer dry spells, water scarcity, and extreme temperature fluctuations. These challenges pose a profound risk to crop yields, placing the livelihoods and incomes of farmers in jeopardy, and ultimately, affecting entire communities if decisive action is not taken.

How we engage

Our Responsible Sourcing pillar is committed to empowering smallholder farmers through training and equipping them with tools and techniques tailored to address their specific local challenges. In partnership

with various organisations, we establish programmes that grant farmers access to services and resources. These include seedlings, the adoption of agroforestry and responsible use of agrochemicals, and implementation of measures to protect soil. Our farmer training initiatives are developed collaboratively with our partners, aligning with local priorities and addressing local priorities in a structured manner, aimed at fostering improvement within the supply chain.

SUPPLIERS

What matters to them

With inflation and energy prices remaining high in 2023, our suppliers had to focus on the bottom line while ensuring they could deliver high-quality goods on time. Ensuring future business in a volatile economy is key to them.

How we engage

We regularly engage with our suppliers through direct conversations, comprehensive supplier engagement sessions, and in collaborative industry forums. In 2023, we updated our Supplier Code of Conduct, which all suppliers are required to conform to. In addition to strategic partnerships with key suppliers, our Responsible Sourcing pillar engages through SEDEX and the Self-Assessment Form process, to identify and address social and environmental supply chain issues.

As our suppliers are our Scope 3 emissions, we actively engage through our Supplier Relationship Management process to ensure our net-zero roadmaps align. We are proud to say that suppliers constituting 44% of our raw (non coffee)/packaging footprint are SBTi committed or getting their targets validated by the Science Based Target initiative.

EMPLOYEES

What matters to them

Employees are at their best when they can be themselves, are respected and feel included. 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 engage with our people on a day-to-day basis, working together to create a better future, through online channels such as Workplace, via Teams, as well as at the office and during company events. The cup of coffee in the coffee corner will always be the hub of the organisation. Our mid-year and year-end reviews ensure we remain on track, get our learning goals in place, and manage the work. We use the engagement survey and subsequent follow-ups to identify attention points and ways to further improve and keep our employees engaged.

NATURE & COMMUNITIES (NGOs)

What matters to them

While nature can't speak for itself, growing concern over biodiversity loss and degradation of the environment means that non-governmental organisations (NGOs) are increasingly speaking on nature's behalf. They are advocating decisive action to combat climate change, the restoration of nature, and the continued focus on helping smallholder farmers. NGOs partner with us in our Responsible

Sourcing pillar, where we work together to implement many of our projects aimed at helping smallholder farmers around the world.

How we engage

The voices of NGOs form an important part of our materiality assessment process. In addition, we regularly engage with various NGOs on specific environmental or social topics and participate in their benchmarks and surveys. We also engage with those NGOs which implement some of our Common Grounds projects through project discussion and steering committee meetings, and collaborate on a range of relevant projects.

INDUSTRY

What matters to them

We are an active member of the Coffee Federation (ECF), the representative organisation for the European coffee industry, covering approximately world's coffee traded volume. The world's coffee traded volume. The focus on a number of issues, from agriculture and climate change to biodiversity and deforestation protection. In 2023, the industry was a top focus topic of deforestation, following the introduction of regulations to combat this key risk. The coffee industry complies with regulations, as market access is non-compliant coffee producers.

How we engage

In addition to the ECF, we are active in associations in a number of countries. Global Coffee Platform (GCP), with the complex challenges across the entire value chain, also collaborate with industry partners to address the competitive way to address the challenges of standardising carbon footprint measurement.

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

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. Whilst some consumers look for ways to make coffee more cost-efficient, and 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 wellbeing 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, and deforestation.

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



CONSUMERS ABANDON THE MIDDLE

Consumer fragmentation is increasing in coffee & tea categories, with trends such as the rise of consumers seeking premium products demonstrating their preparedness to trade up by category or to trade up by experience. At the same time, it is clear that more consumers are seeking value product propositions. This has created two parallel segments in coffee and tea, a mid-range market. The result is a diverse range of opportunities as both premium products and value products become more prominent. We observe polarisation of consumption and thus elevating the importance of over-the-top experience, which in turn means that innovation will be critical for future success.

We have evolved a growth strategy to expand our single-brand, premium, whole-bean coffee subcategory and cater to changing consumer tastes.



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. We have a responsibility to help reduce stress, and our brands are ideally positioned to support consumers craving familiarity, connection and trust during difficult periods. Across the globe, our local brands 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. This 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. 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

Selling coffee online was on the rise before the pandemic, but an increased demand for coffee also leads to growth in online coffee sales. This allows consumers the ease of buying products that they might not otherwise find and post-pandemic people continue to shop online.

Through e-commerce we are
number of cups we serve, bring
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. Consumer centrality powered by data will help us drive improved Brand presence across touchpoints (communication, packaging, product innovation, better shopping experience, and drive category growth across different channels).

By focussing on consumer centrality 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 source. Consumers are looking for products to better help them achieve a balanced diet. We see continued pressure on products with higher fat and sugar levels, among both consumers and legislators, and there is a move among some consumers for caffeine-free options. 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.

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



BRAND HIGHLIGHT

€1B
coffee brand

#1

retail coffee brand
in France

sold in

50+
markets

L'OR LIVES TO UNLEASH PLEASURE

Created in France in 1992, the ambition for L'OR has always been to offer the best coffee in the world. In 2016, L'OR transformed the market with its high-quality aluminium capsules and exquisite coffee blends.

Today, L'OR has turned into a billion-euro coffee brand and has become the number one retail coffee brand in France. With a desirable coffee portfolio across all coffee categories, available at arm's reach in over 50 markets, L'OR will continue to seduce coffee lovers around the world, delivering layers of flavour and aroma for an immersive sensorial experience.

Since 2023, L'OR Barista is also available in the US in the single serve coffee category, bringing L'OR quality coffee in an espresso machine, specifically designed with U.S. consumers in mind.

In 2023, we proudly introduced our new global brand campaign 'awaken your senses'. In a world that never stops, this campaign is an invitation to slowdown and experience the intensity of an intimate moment of pure coffee pleasure. The campaign was directed by famous French photographer and cinematographer Bruno Avellan.

L'OR continued to innovate, launching new, limited creations: Arabica Bourbon, a decorative instant 'pure jar' inspired by the treasures of nature and the introduction of the exclusive L'OR Barista appliance model: 'L'OR Champagne'.

Looking ahead, L'OR is committed to protecting and promoting a richer future of coffee diversity. In partnership with World Coffee Research, L'OR will work to enrich coffee origin diversity, to ensure that future generations can enjoy coffee pleasure forever.

[Back to brands overview](#) →



STRATEGY AND VALUE CREATION

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OUR VALUE CREATION STORY

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

Inputs

WHAT WE DEPEND ON

Financial and manufacturing

- EUR 23.1 billion in total assets
- EUR 301 million capex in 2023
- 42 facilities across 24 countries
- Investments in growth

Resources

- 83.8% responsibly sourced coffee
- 289 kT of packaging material (44% of renewable sources)
- 2,356.882 MWh energy use
- 6.6 million cubic metre water use

Social and relationship

- > 1,000 direct material suppliers across 60 countries
- 12.5 million smallholder farmers in > 70 countries
- Ongoing stakeholder engagement along the value chain

Talent

- 21,196 employees of 101 different nationalities
- 42.6% of our employees are women
- 23 average training hours per employee

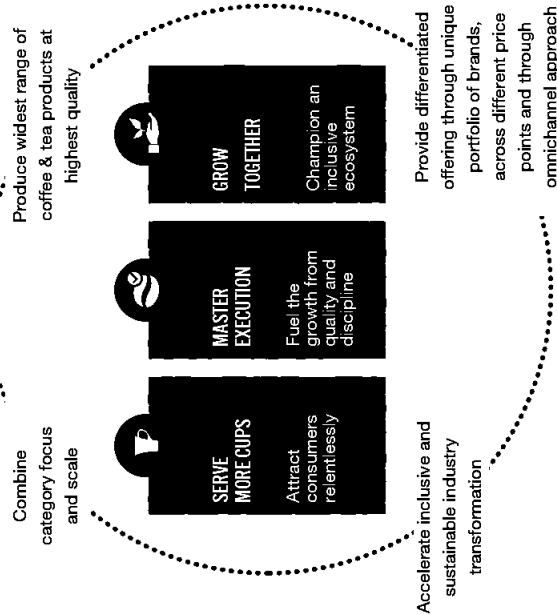
Intangibles

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

Activities

WHAT MAKES US SPECIAL

Values



Inputs

WHAT WE DELIVER

- EUR 8.2 billion total sales
- EUR 1,128 million adjusted EBIT
- EUR 522 million free cash flow
- 128.1 billion cups of coffee
- 85 kT of waste generated
- 79% packaging components designed to be reusable, recyclable, or compostable
- 1.4% decrease in water intensity compared to 2020

Outcomes

THE VALUE WE CREATE

Financial and manufacturing

- EUR 11.9 billion in market cap
- Investment grade credit ratings
- EUR 340 million dividends
- 1.1% of waste to landfill

Resources

- 21% reduction in Scope 1 (baseline 2015)
- 9% reduction in Scope 3 (baseline 2020)

Social and relationship

- 110,900 smallholder farmers reached in 2023 and 700,900 since 2015
- 39 markets with #1 or 2 market position

Talent

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

Intangibles

- Providing energy and sensory experience
- Creating moments of connection and belonging

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
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Serve more
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SERVE MORE CUPS

We are focused 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.

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 and Americana in China and the Middle East. JDE Peet's has been active in Brazil, Eastern Europe and South Africa for many years, while in recent years we have expanded our footprint in the Asia-Pacific region through the acquisitions of Super Group in Singapore and OldTown in Malaysia.

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

The pandemic has fuelled consumers' online purchasing behaviour, 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 a subsequent 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 lorespesso.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' ASPIRATIONS FOR A 'BETTER' CUP

To remain relevant and competitive v grow, our product and service portfolio evolve to integrate the sustainability ahead of us. Governments are redefi boundaries of our right to operate, an to further integrate environmental an considerations that will positively imp procurement, manufacturing and dist Our customers and suppliers are faci challenges, and supply chain collabor increasingly important if we are to de sustainability ambitions. Our consum our engagement towards a better fut help create greater trust in our brand request resilience and have strong und financial and non-financial perform linked. And coffee & tea fanqers, who our business, deserve a greater futu every day we continue to enjoy a gre tea that drives economic, social and value. More information on how we a create value for society and our man be found in the Performance review report.

MASTER EXECUTION

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

Our supply chain organisation is working to anticipate emerging challenges as global supply chains change faster than ever before. We optimise our manufacturing operations' network to adapt to consumer preferences, which results in ongoing investments in our manufacturing facilities and a wider network to support our growth.

Current priorities for this strategic pillar include:



1. NOT COMPROMISING ON PRODUCT QUALITY

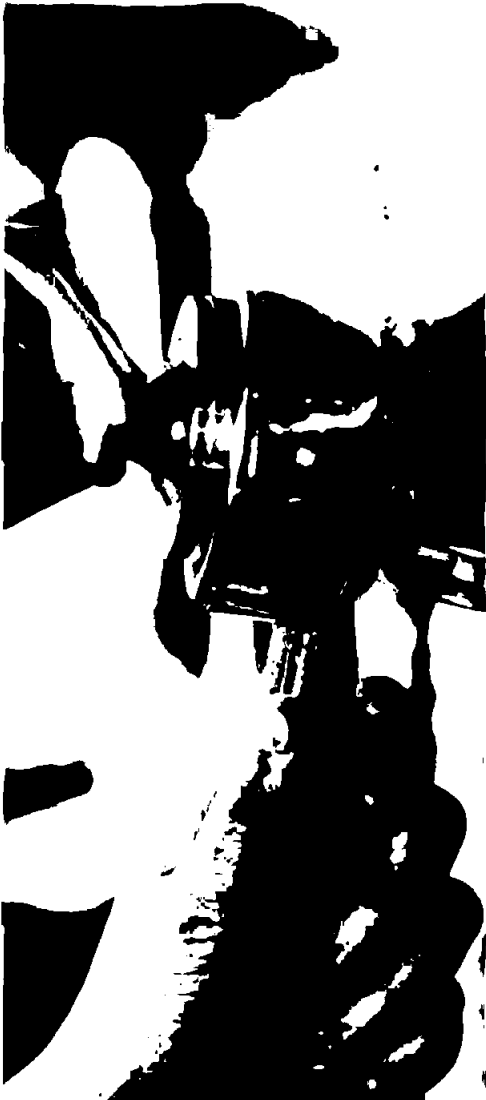
Our consumers appreciate our strong brands, relying on the consistent high quality that we deliver. At JDE Peet's, we make a promise not to compromise on product quality. We also don't compromise on our performance and continue to operate with financial discipline to protect profitability and cash flows.

2. DELIVERING SERVICE EXCELLENCE ACROSS CHANNELS

Due to changing consumer trends, and shifts between different channels, JDE Peet's is constantly focused on delivering excellent service in all markets and channels. To achieve this, we work to further strengthen and optimise our operational network. In addition, our supply chain and operations teams focus on ensuring business continuity.

3. MINIMISING THE ENVIRONMENTAL FOOTPRINT OF OUR OPERATIONS SUPPLY CHAINS

Mastering execution in a responsible manner means minimising our environmental footprint. Our aim is to source, operate and manage our supply chain in a sustainable way. To help achieve this, we embed sustainability metrics in our business decision processes, including investments and innovation, empower our teams to take informed decisions. We continue to deliver information where needed, with the aim of meeting stakeholder needs.



Supplementary
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Governance and
risk management

Performance review
and outlook

Strategy and
value creation

Introduction

JDE Peet's
at a glance

JDE Peet's N.V.
Annual Report 2023

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 is consolidated under Common Grounds, our CEO-led sustainability programme that has become the home of our sustainability journey.

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 let 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.

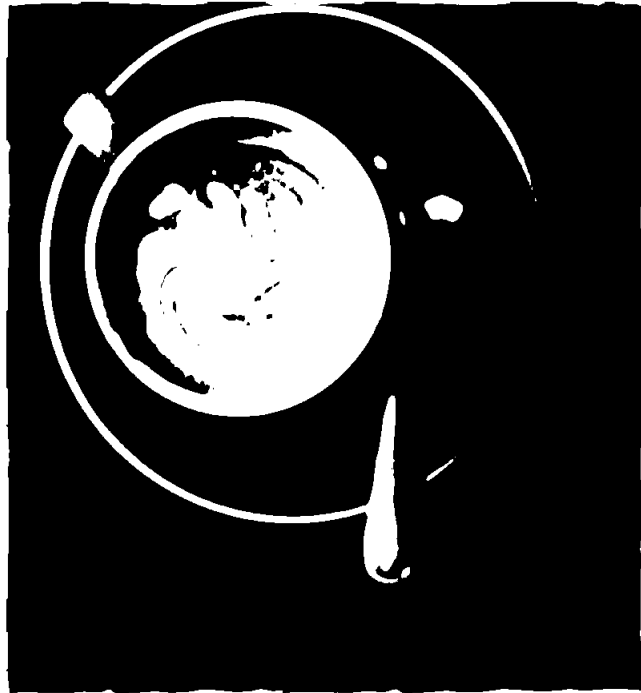
More information on our material topics, and how these are addressed through our strategy, can be found in the [Common Grounds section of this report](#).



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 SALES CHANNELS

Convenience, choice and world-class innovation

The sale of coffee & tea through online sales channels experienced another year of strong growth in 2023. In recent years, we have invested heavily in this fast-developing channel, and we now offer a wide portfolio direct to consumers through branded 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 range of professional solutions and complementary co across the B2B sector, from offices, universities and h restaurants, airports and sports venues. These include:

- Proprietary and unique liquid coffee concentrate te
- Multi-serve coffee (roast & ground and roast whole
- 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 co

At year end, we had 658 coffee stores in the United St Malaysia, the United Arab Emirates and Italy under le names, including Peet's, Intelligentia, Stumptown, Ol 12Oz. Our coffee stores play an important role in servi high-quality fresh coffee & tea, while enabling them to offerings.

PERFORMANCE REVIEW AND OUTLOOK

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FINANCIAL PERFORMANCE

2023 PERFORMANCE

Total reported sales increased by 0.5% to EUR 8,191 million. Excluding a -3.7% effect related to foreign exchange and 0.3% related to scope and other changes, total sales increased by 3.9% organically. Organic sales growth reflects a price effect of 4.7% and a volume/mix effect of -0.8%. Volume/mix sequentially improved from -3.3% in H1 to 1.8% in H2. In-Home sales increased by 3.3% and sales in Away-from-Home increased by 6.4%.

Adjusted EBIT increased organically by more than 6%, excluding Russia's performance. Including Russia's performance, total adjusted EBIT increased organically by 1.1% to EUR 1,128 million supported by an organic increase in adjusted gross profit of 2.9%. In FY 23, the organic adjusted EBIT growth improved sequentially from -3.0% in H1 to 5.5% in H2. Including the effects of foreign exchange and scope/other, the adjusted EBIT decreased by 8.1%.

Underlying profit - excluding all adjusting items net of tax - benefited from stronger core operating performance (+7.8%) which was offset by fair value changes of derivatives & gains and losses in FX (of which the majority in 2023 is non-cash), translational FX results, and scope/other. Including these, the underlying profit decreased by 20.8% to EUR 734 million.

Net leverage was 2.73x (net debt to adjusted EBITDA), despite currency headwinds, with a net debt of EUR 3.9 billion on 31 December 2023.

Our liquidity position remains strong, with total liquidity of EUR 3.5 billion consisting of a cash position of EUR 2.0 billion and available committed RCF facilities of EUR 1.5 billion.

In EUR million, unless otherwise stated:

Sales	8,191	2023
Organic change	3.9 %	
Operating profit	685	
Financial income and expenses	(143)	
Share of net profit / (loss) of associates	(5)	
Income tax expense	(173)	
Net income	364	
Adjusted EBIT	1,128	
Organic change	1.1 %	
Adjusted EBITDA	1,426	
Reported earnings per share (EUR)	0.76	
Underlying earnings per share (EUR)	1.51	
Net debt	3,890	
Free cash flow	522	
Net leverage ratio	2.73x	

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information	SEGMENT REVIEW				
								EUROPE				
								In EUR million, unless otherwise stated:				
									2023	2022²	Change	Organic change
								Sales	4,719	4,548	3.8 %	4.0 %
								Adjusted EBIT	1,006	926	8.6 %	8.6 %
								Europe continued its sequential performance improvement in H2 23 with an increase in volume/mix of 5.2% and 2.6% in price. For the full year, organic sales growth of 4.0% was driven by an increase in price of 6.4% and a decrease in volume/mix of 2.4%. Notable strong performances were delivered in countries such as France, Switzerland and most Eastern European markets, and from brands including L'OR, Jacobs and Senseo.				
								Reported sales increased by 3.8% to EUR 4,719 million, including a net negative effect of 0.2% from foreign exchange and changes in scope/other. Adjusted EBIT increased organically by 8.6% to EUR 1,006 million, driven by an increase in gross profit. Based on a 4-year CAGR, the organic adjusted EBIT growth was -2.7%.				
								LARMEA				
								In EUR million, unless otherwise stated:				
									2023	2022	Change	Organic change
								Sales	1,498	1,616	(7.3)%	(2.0)%
								Adjusted EBIT	147	296	(50.4)%	(2.0)%
								Organic sales growth of 4.7% consisted of an increase in volume/mix of 2.7% and 2.0% in price. Most of the organic growth in LARMEA continued to perform well, which was partly offset by the brand transition of our main international brand, Russia, to a local brand, and declining prices in Brazil as a result of lower green coffee prices.				
								Reported sales decreased by 7.3% to EUR 1,498 million, including a net negative effect of 12.0% from foreign exchange and changes in scope/other. Adjusted EBIT decreased organically by 21.1% to EUR 147 million, driven by a high base of comparison, transactional forex impact and the brand transition in Russia. Excluding Russia, the organic performance, the organic adjusted EBIT growth was positive. Based on a 4-year CAGR, the organic adjusted EBIT growth of LARMEA was 6.0%.				

² Restated for the combination of the segments CPG Europe and Out-of-Home, see [note 2.1](#) of the Consolidated Financial Statements

² Restated for the combination of the segments CPG Europe and Out-of-Home, see note 2.1 of the Consolidated Financial Statements

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information															
PEET'S In EUR million, unless otherwise stated: <table><tr><th></th><th>2023</th><th>2022</th><th>Change</th><th>Organic change</th></tr><tr><td>Sales</td><td>1,153</td><td>1,141</td><td>1.1 %</td><td>3.9 %</td></tr><tr><td>Adjusted EBIT</td><td>141</td><td>147</td><td>(4.0)%</td><td>(1.0)%</td></tr></table> Organic sales growth of 3.9% was driven by an increase of 2.1% in volume/mix and 1.8% in price. Same store sales and ticket size were up in Peet's coffee retail stores, and while the In-Home category in the US was softer, Peet's 'CPG business held market shares. Reported sales increased by 1.1% to EUR 1,153 million, which included a foreign exchange effect of -2.9%. Adjusted EBIT decreased organically by 1.0% to EUR 141 million, including higher investments in marketing spend. Based on a 4-year CAGR, the organic adjusted EBIT growth was 11.3%.						2023	2022	Change	Organic change	Sales	1,153	1,141	1.1 %	3.9 %	Adjusted EBIT	141	147	(4.0)%	(1.0)%			
	2023	2022	Change	Organic change																		
Sales	1,153	1,141	1.1 %	3.9 %																		
Adjusted EBIT	141	147	(4.0)%	(1.0)%																		
APAC In EUR million, unless otherwise stated: <table><tr><th></th><th>2023</th><th>2022</th><th>Change</th></tr><tr><td>Sales</td><td>791</td><td>814</td><td>(2.9)%</td></tr><tr><td>Adjusted EBIT</td><td>135</td><td>123</td><td>9.7 %</td></tr></table> Organic sales growth of 2.1% was driven by an increase of 4.9% in price and -2.8% in volume/mix. geographically broad-based, with notable strong performance in countries such as Malaysia, Thailand, Zealand, and from brands including Campos and OldTown. Reported sales decreased by 2.9% to EUR 791 million, including a foreign exchange effect of -5.0%. Increased organically by 15.2% to EUR 135 million. Based on a 4-year CAGR, the organic adjusted EBIT growth was 2.8%.						2023	2022	Change	Sales	791	814	(2.9)%	Adjusted EBIT	135	123	9.7 %						
	2023	2022	Change																			
Sales	791	814	(2.9)%																			
Adjusted EBIT	135	123	9.7 %																			

	Reported sales	Adjusting items	Reported sales	FX impact	Scope & other	Organic sales
Sales	8,191	—	8,191	303	(24)	8,470

	Gross profit	Adjusting items	Adjusted gross profit	FX impact	Scope & other	Organic adjusted gross profit
GP to organic adjusted GP	3,018	33	3,051	129	(4)	3,176

Operating profit	Adjusting items	Adjusted EBIT	FX impact	Scope & other	Organic adjusted EBIT
685	443	1,128	68	63	1,259
Operating profit to adj. EBIT					

	Operating profit	Adjusting items	Adjusted EBIT	Adjusted D&A	Adjusted EBITDA
Operating profit to adj. EBITDA	685	443	1,128	298	1,426

Operating profit	685
Adjusting items:	
- ERP system implementation	(7)
- Transformation activities and corporate actions	(126)
- Share-based payment expense	(44)
- Mark-to-market results	39
- Amortisation of acquired intangible assets and M&A/Deal costs	(305)
Adjusted EBIT	1,128
Adjusted net financial income/(expenses)	(143)
Adjusted taxes	(254)
Adjustments for NCI shareholders	3
Underlying profit for the period	734

in EUR million, unless otherwise stated:

Reported income tax expense	(173)	5
Reported effective tax rate	32.2 %	(86)
Adjustments:		
Tax reserves, tax audit adjustments and reversals of previous recognised deferred tax		(254)
Tax effect on adjusting items		25.8 %
Underlying income tax expense		
Underlying effective tax rate		

OUTLOOK

OUTLOOK 2024

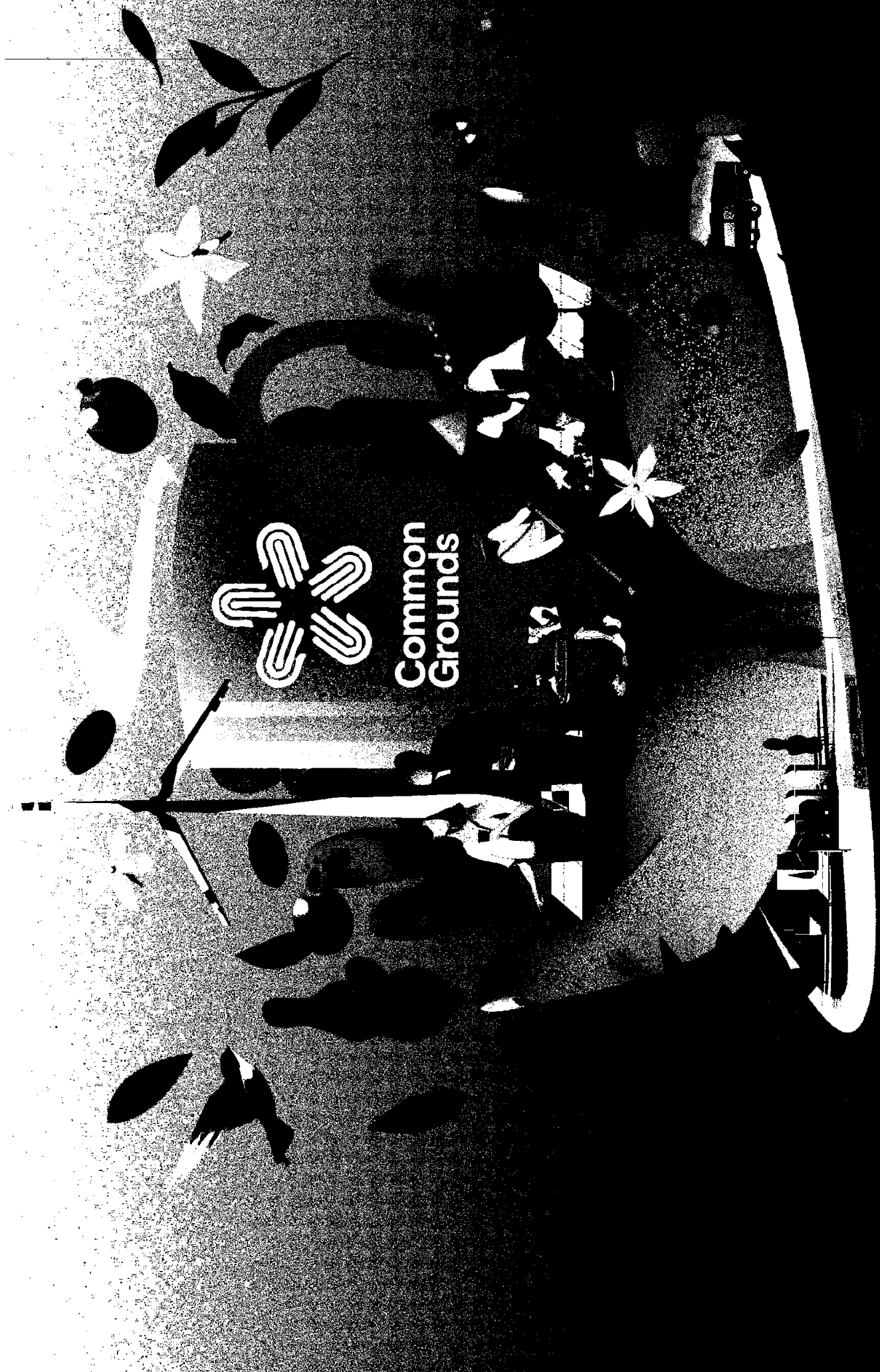
JDE Peet's aims to achieve the following in 2024:

- Organic sales growth at the lower end of the medium-term range of 3 to 5%
- Mid-single-digit organic adjusted EBIT growth excluding Russia's performance;
Total company: low single-digit growth in H1 and mid-single-digit growth in H2
- Net leverage of around 3x (including Maratá and Caribou transactions) supported by Free Cash Flow above the level of FY 23
- A stable dividend

Our sustainability outlook for 2024 is incorporated in the respective Common Grounds pillars.

MEDIUM-TERM TARGETS

For the medium-term, JDE Peet's targets organic sales growth of 3 to 5%, mid-single-digit organic adjusted EBIT growth, and stable to increasing dividends over time.



COMMON GROUNDS



Since 2021, we have further increased our focus on creating a better future for our people, the planet and JDE Peet's. And looking back on the last two years, it is evident that we have made strong progress. Our ambition and strategy are clear, we have engaged with our entire organisation and beyond to define and deploy our roadmaps, and we have developed tools to guide our decision-making and track our progress.

At the same time, what has become increasingly obvious to us is the impact we are having, and more importantly will continue to have, on the future of our people, the planet and JDE Peet's. Sustainability is a journey where every step counts. And while we should stay humble in this early stage of our transition, we also need to recognise the efforts and results we have already delivered.

The shift in our Responsible Sourcing pillar is leading to an exponential increase in our direct involvement at origin. The more than 60 farmer projects that we currently manage directly, contribute to improved farmer livelihood, fighting unacceptable labour practices, and protecting nature by targeting the root causes of issues, which are often driven by extreme poverty and the need for investment, such as in childcare centres and quality coffee seedlings.



COMMON GROUNDS SUPPORTS JDE PEET'S' AMBITION TO CHAMPION SUSTAINABLE GROWTH IN THE COFFEE & TEA SECTOR

Coffee farmers, and smallholder farmers especially, are essential to our sustainable growth ambition. This is why building resilient farming is so critical. Coffee yields can vary enormously, from a couple of hundred kilograms per hectare to several tonnes per hectare, depending on the country, with Brazil and Vietnam leading the way. Our agricultural training programmes, delivered by our partners at origin, work to continuously bridge this gap. This is the first step towards improving farmers' livelihoods and helping them exit extreme poverty. And the impact on farmer income goes far beyond uncertain pricing support, helping to provide farmers with such sustainable assets as education or quality coffee seedlings.

Since 2015, we have reached 700,900 farmers and our commitment to coffee farmers continues. Each year we increase our investment to help build a stronger and more sustainable coffee supply chain.

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

This is increasingly related to our business performance, as our customers are engaged in the same journey, especially when it comes to climate. Our customers need to decrease GHG emissions to help deliver on their financial growth, and JDE Peet's is positioned as a partner of choice because we are committed to delivering carbon reduction. Our product range contributes directly to both the financial growth of our customers and the delivery of their planetary ambitions. Delivering on the triple bottom line is becoming a true competitive advantage, which we can leverage to deliver sustainable growth.

Finally, none of this would be possible without the support and engagement of our people and our partners along the value chain. Sustainable growth

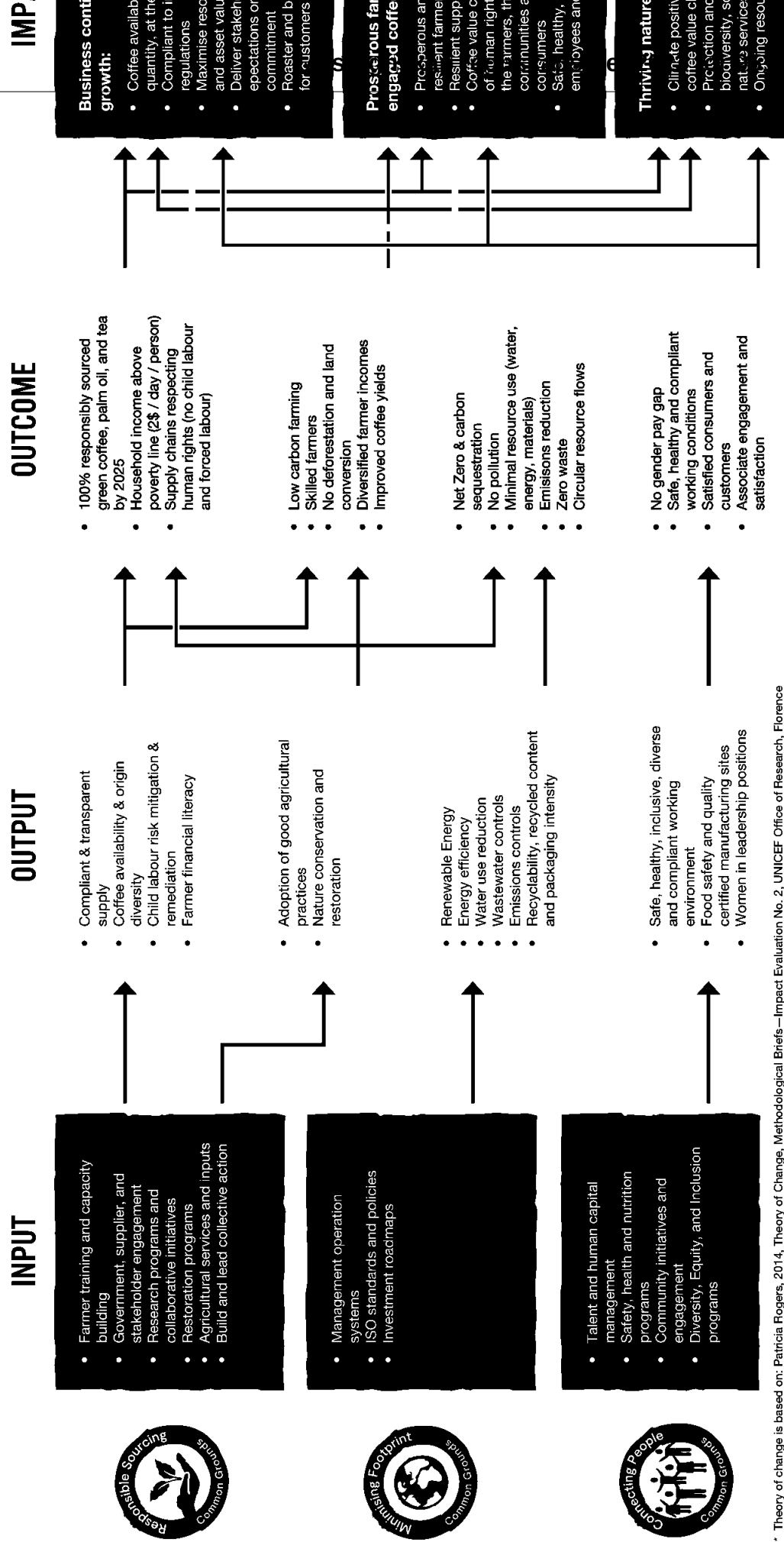
involves a mindset change, and it will be the best out of our teams and leverage to find solutions for the future.

JDE Peet's stands out among coffee companies through its commitment to authenticity, inclusiveness and intentionality. Our create meaningful impact. We strong future of the coffee & tea industry hire to strengthen resilience across the sector. This strategy equips us to navigate the future while fostering growth to support our effectively. We are still at the beginning and, despite our strong start, the effort deliver on our ambition remains great. We continue to focus on delivering true impact ensuring a better future for coffee & tea.

Laurent Sagarra
Vice President Sustainability

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OUR THEORY OF CHANGE*



* Theory of change is based on: Patricia Rogers, 2014, Theory of Change, Methodological Briefs—Impact Evaluation No. 2, UNICEF Office of Research, Florence

RESPONSIBLE SOURCING

SUMMARY KPIS³

Responsibly sourced raw materials purchases

Green Coffee Global	Green Coffee Europe	Tea	Palm oil
83.8%	97%	40%	100%

Smallholder farmer engagement

Total number of smallholder farmers reached ⁴	Smallholder farmers reached in 2023 ⁵	No. of active projects	Active projects in no. of origins
700,900	110,900	63	23

Deforestation-free main commodities

Mapped coffee plots ⁶ that are deforestation-free	Virgin paper and pulp certified
99.9%	34.4%



³ More information can be found in the Overview of our non-financial information tables and the Non-financial information section of this report.
⁴ Cumulative smallholder farmers reached since 2015.
⁵ Newly registered and trained smallholder farmers during 2023.
⁶ For more details of our ongoing deforestation-free assessment refer to the Nature section of this report.

APPROACH: ASSESS, ADDRESS, PROGRESS

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

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

By focusing on transparency and data-based business decisions, we are able to directly engage and support farmers and nature. We are fully aware that many issues are complex and will take years to solve, and that we cannot act alone. While acting responsibly and doing our part, we will also continue to engage suppliers and our partners in collaborative actions in coffee & tea sourcing origins.

- **Assess:** We apply third-party assessments to understand and map our supply chains and identify focus areas. This includes a representative sample of on-the-ground farmer assessments, covering

critical areas such as child labour, working conditions, climate and nature, as well as engaging our suppliers in self-assessments to determine their responsible business practices and risks and opportunities of farming communities.

- **Address:** We use the information and insights to address identified gaps by establishing multi-year farmer programmes, where we partner with farmers, cooperatives, suppliers, NGOs, and governments to improve standards across the relevant focus areas identified by these assessments.
- **Progress:** We chart and further our progress by measuring key performance indicators (KPIs) within our farmer programmes, sharing and learning from the insights of the interventions.

It is this rich diversity of origins and smallholder farmers that we need to continue to protect and invest in to safeguard the future of both coffee & tea, and this is reflected in both our sourcing strategy and the geographic reach of our farmer programme. In line with our climate risk (see the [TCFD analysis](#) of this report) we are investing in long-term solutions to ensure that sustainable coffee & tea farming is future-proof, despite the climate crisis and the challenges this brings to crop production and the continuing social and economic disruptions that affect the most vulnerable farmers and their communities.

As a sector, we are also seeing a dramatic increase in the number and scope of regional and national laws and



regulations focusing on social and environmental reporting and due diligence. At JDE Peet's, we have refined our approach in responsible sourcing to our extended supply chains following the principles of internationally recognised frameworks, such as the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct. This means we are applying a data-driven, risk-based approach, and actively taking ownership of what we consider to be the most important of all challenges for our business – securing the future of coffee & tea. Our goal is to drive genuine change to protect and build long-term resilience for our business.

We are serious about coffee & tea – and do best. Yet, producing amazing responsibly sourced coffee & tea is no exercise. It takes dedication and expertise, agricultural research and innovation, to farmers and workers who sow and harvest, collection, processing, and quality control the final product that ends up in one of our brands. This is why we believe in responsible sourcing. We are committed to understanding our supply chain and addressing the risks to avoid, mitigate and address the risks to the agricultural commodities we rely

PROGRESS IN 2023

During the year, we made strong progress towards our commitment of 100% responsibly sourced green coffee by 2025, reaching 83.8% (2022: 77%), including 97% responsibly sourced into Europe. By year end, we had a portfolio of 63 active projects, through which we have reached more than 108,000 smallholder farmers in 2023, bringing the total number of smallholder farmers we have reached since the inception of the Common Grounds programme to 700,900. We continued to work with Enveritas, a non-profit organisation that has pioneered a data-driven approach to sustainability. For 2023, Enveritas's assessments of our supply chain covered 440,290 farms in 23 countries.

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

Another key topic in 2023 was the progress we are making in strengthening our Human Rights Due Diligence Approach, details of which can be found in the [Human Rights](#) section of this report.

Our suppliers form an important part of our responsible sourcing journey, with the majority having vertically integrated operations in the producing origins, including

sustainability and commercial teams working closely with coffee farmers and the local infrastructure. Their business practices, insights and on-the-ground operations offer detailed insights into the coffee supply chain.

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

OUTLOOK

In 2024, we will continue our journey towards 100% responsibly sourced raw materials. As part of our supplier engagement, each participating supplier will receive country-specific sustainability scorecards, which aim to facilitate a shared understanding on key sustainability issues and, where applicable, draw out corrective action plans.

At the beginning of the year, we will consolidate the risk assessments we carry out across our coffee & tea landscape, and compare these with our suppliers.

We will also continue to be actively involved in collaborative initiatives with other industry players, governments and civil society actors. Key focus areas

will be on nature, regenerative agriculture and human rights. We are also expanding our risk-based approach for deforestation and human rights across our supply chains.

SMALLHOLDER FARMER ENGAGEMENT: FURTHER OUTREACH AND EXPANSION

APPROACH

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





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

COLLABORATION IS CRUCIAL

While we take responsibility to address the priority issues in our supply chains and continue to expand our farmer programme to include more farmers and geographies, the challenges the coffee & tea industry face are complex and must be tackled collectively.

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

As an active member of the Global Coffee Platform (GCP), we have played a role in the development of GCP's new strategy of achieving transformational change for the prosperity of one million smallholder coffee farmers. In 2023, JDE Peet's was one of eight companies that contributed USD 1.5 million to GCP's

2030 goal. This targeted funding goes towards setting up collective initiatives around living income, climate adaptation and sustainability.



COLLECTIVE ACTION LOCALLY AND GLOBALLY

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

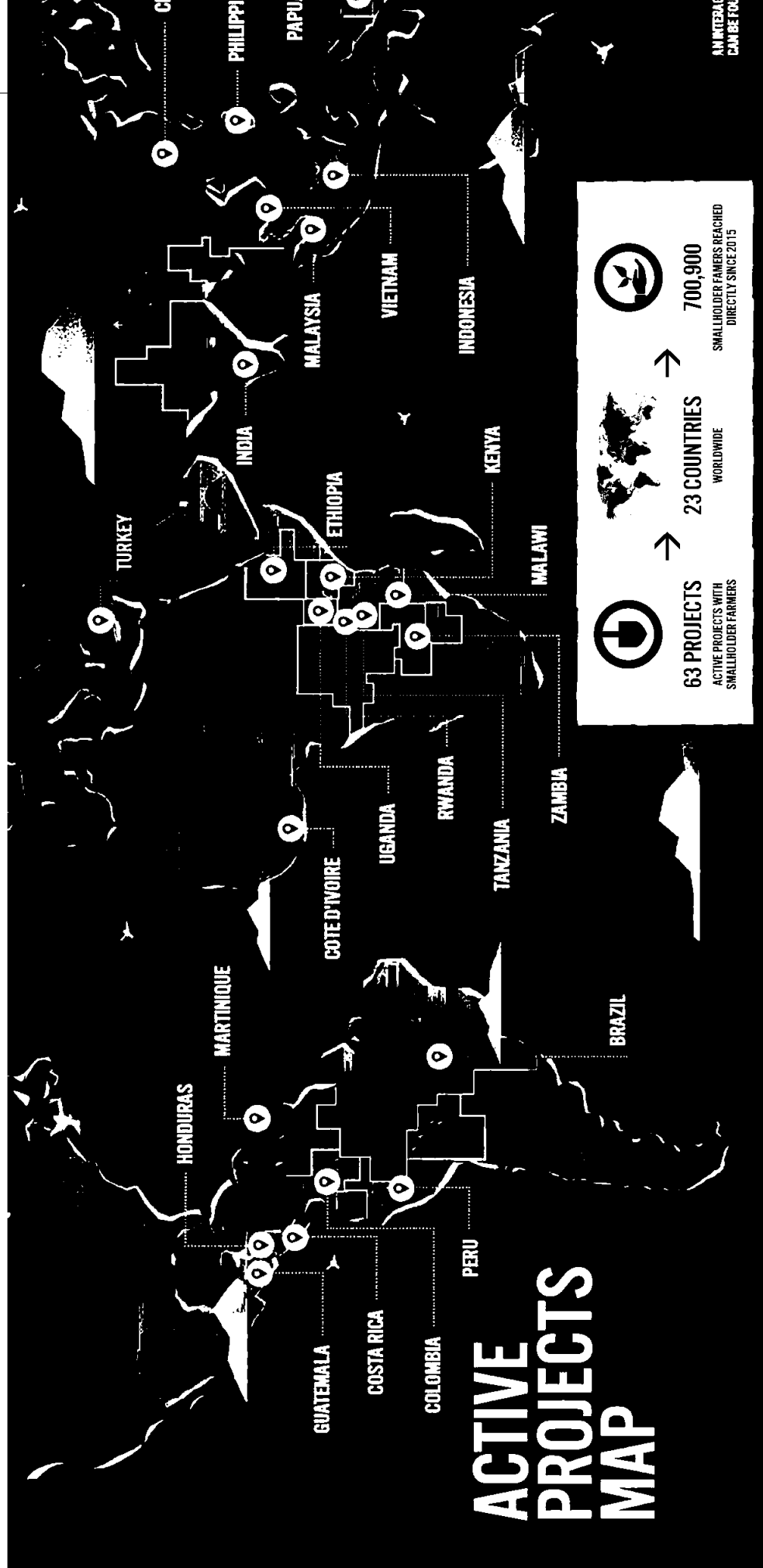
Carlos Brando,
Chair Global Coffee Platform

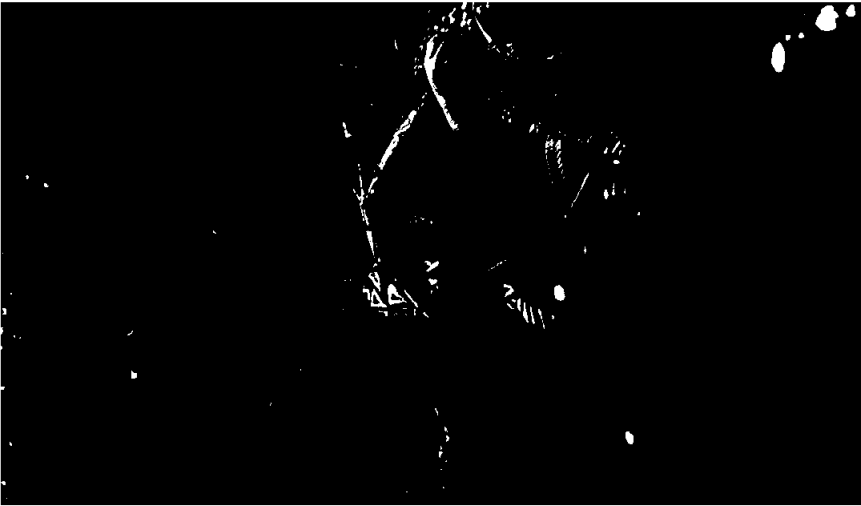


"As a pure play coffee business, some of our material topics include farmer livelihoods, sustainable agriculture, human rights and climate action, all of which are embedded in our sustainability programme Common Grounds. We have actively supported over 690,000 smallholders through our inclusive Assess, Address and Progress approach. However, many sustainability challenges require systemic change and collaborative action if we want to see thriving, prosperous coffee farmers today and tomorrow."

Nadia Hoarau-Mwaura (Sustainability Director JDE Peet's)
Board Member - Global Coffee Platform







COFFEE: SUSTAINABLE AGRICULTURE

APPROACH

As a pure-play coffee & tea company, we are fully aware of our responsibility and the importance of safeguarding the future of coffee, a better future where farmers are prosperous, and nature thrives. Our double materiality assessment confirmed farmer livelihoods, biodiversity, human rights and sustainable agriculture as material topics under the Responsible Sourcing pillar.

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

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

PROGRESS IN 2023

As part of our goal to create a better future, we increased our expenditure to integrate more coffee volumes and expand our farmer programme. This has enabled us to achieve 83.8% of responsibly sourced coffee versus our commitment towards 100% by 2025. We sourced green coffee from over 32 countries, and for 23 of these countries we have detailed sustainability risk assessments from the specific regions traceable to our coffee purchases.

The data used to assess sustainability risks is based on randomised and unannounced surveys, which were conducted by Enveritas among suppliers and across sourcing regions of our supply chain during the 2023/2024 coffee harvest season. To ensure we have a holistic view of the risks, we also use information from Rainforest Alliance and 4C certification audits and country reports.

The focus on regenerative agriculture projects through many of our farmer projects through technical support and financial assistance. Essentially, we need to encourage regenerative agriculture as this type of farming, with local conditions, helps nature and farmers together. To be restored and protect to have organic matter returned to it, know this. Many of the farmers we have when asked what is the most important farm, respond: "the soil, el suelo".



In the municipality of Victoria, Yoro in brothers Pedro and Doroteo Martinez, examples of strong commitment to regenerative farming.

On their farm, they breed earthworms to obtain foliar⁷, they collect wastewater in barrels and in a well, and they mix the pulp to make organic fertilisers. This on-farm production of organic fertiliser has significantly reduced their costs of using synthetic agrochemicals. They understand the importance of working in harmony with the environment, which has helped them become successful producers and community leaders. The Martínez brothers are two of the 8,000 farmers in the Coffee Alliance project that we have been partnering with since 2018 through CoHonducade and USAID.

More information on our farmer programmes can be found in the [Active projects map](#) section of this report.

OUTLOOK

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

Using the many insights from our supply chain risk assessments, end-line evaluations of completed projects, and our commitment to deliver against our

SBTi carbon-reduction commitments, we have begun conceptualising and designing several new projects for 2024. After assessing projects that were due to end, we have concluded that a number of them still have the potential to make a positive impact. Consequently, we will scale up the size and scope of several projects in 2024 through extensions. Our focus remains on reducing our Scope 3 GHG emissions through climate-smart agriculture and regenerative agriculture.

RESPONSIBLE COFFEE SOURCING PRINCIPLES

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

We help build coffee farming more economically

Farm management

With strong engagement, we partner to adopt good practices and business and

Yield improvement

Training in agricultural practices to increase yield and increased income to improve

Income distribution

Supporting farmers to improve their portfolio and efficient use of existing land and a

⁷ Foliar feeding is a technique of feeding plants by applying liquid fertiliser directly to the leaves.

ACTIVE PROJECT

Alternative weed management strategies in Costa Rica

COMMODITY: Coffee
TIME FRAME: 2019-2023
LOCATION: Costa Rica
SMALLHOLDER FARMERS REACHED: 350
PARTNERS: Instituto del Café de Costa Rica



Weed management is one of many topics farmers must take into consideration while growing coffee. Left unchecked, weeds can siphon off valuable nutrients from coffee plants and inhibit their productivity. Short on time and other resources, many farmers rely on agrochemicals to tame weeds; however, increasingly this runs up against changing societal expectations and evolving understanding of this practice.

In response to this challenge, in 2019 we partnered with the Instituto del Café de Costa Rica (ICAFFE) to identify alternative weed management options tailored to the Costa Rican coffee sector. The research-focused partnership explored multiple options, evaluating live ground cover, changing dosages, and manual weed cutting among others, all while paying close attention to affordability and accessibility for smallholder farmers. In 2023, the partnership shared its findings and recommendations with farmers, hosting 16 trainings throughout Costa Rica and trained over 350 farmers. Additionally, this partnership produced two training videos, accessible to anyone with an internet connection, to enable ongoing knowledge transfer on this important topic.

ACTIVE PROJECT

Social well-being collective action initiative

COMMODITY: Coffee
TIME FRAME: 2021-2024
LOCATION: Minas Gerais
SMALLHOLDER FARMERS REACHED: 2,000
PARTNERS: Global Coffee Platform, Cecafe, InPACTO

With our ambition towards delivering a prosperous farming community, we are partaking in a living income study in Brazil's key coffee-growing regions to define minimum productivity levels and farm size to reach a living income. Through rigorous data collection and monitoring, we will develop a vulnerability index for the coffee sector to allow risk mapping and mitigation. Results from the study will inform training and education across the value chain, and enable such targeted interventions as improving the availability of potable water, housing and lodging conditions, and remediating labour issues.

CASE STUDIES

OUR STRATEGIC PARTNERSHIP WITH SUCAFINA IN PAPUA NEW GUINEA

COFFEE PRODUCTION IN PNG

Coffee was introduced to Papua New Guinea (PNG) in 1890, and the first official exports were to Australia in 1901. At that time, most coffee was grown on large plantations on level ground. By the 1950s, smallholder farmers were growing coffee on smaller, steeper plots of land at 1,500+ metres above sea level.

Unfortunately, many of the challenges smallholder farmers faced in the 1950s remain the same today. Their remote, high-altitude location creates ideal conditions for coffee cultivation but, without a strong infrastructure, it is difficult for farmers to bring their coffee to market. This challenging infrastructure means most smallholder farmers sell their coffee to middlemen who are able to collect and transport the coffee, resulting in the smallholder farmers receiving less than they could for their coffee. Additionally, the remoteness of their growing locations means farmers struggle to access inputs, technical assistance and tools, such as pulpers.

SOURCING FOR BETTER

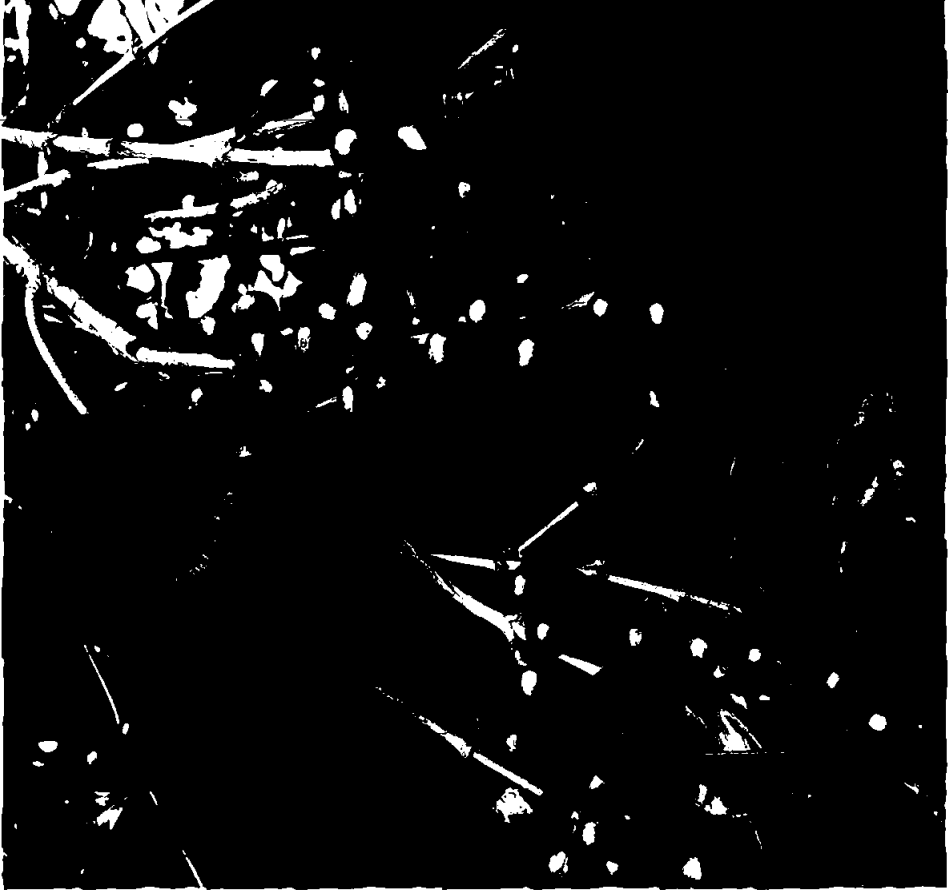
We began partnering with Sucafina in 2023, our first joint programme in the highlands of Papua New Guinea. This multi-year partnership aims to increase smallholder farmer equality, economic prosperity, and embed sustainable practices in one sweeping and impactful project.

HOW WILL THIS BENEFIT SMALLHOLDER COFFEE FARMERS?

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

WHAT IS THE BENEFIT TO SUCAFINA?

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



JDE Peet's N.V.
Annual Report 2023

JDE Peet's
at a glance

Introduction

Strategy and
value creation

Performance review
and outlook

Governance and
risk management

Financial
statements

Supplementary
information

What motivates JDE Peet's?

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

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

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

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



“

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

Alex Casserly
SUCAFINA Country Manager PNG

”

“The strategic partnership with SUCAFINA in Papua New Guinea, which is embedded in our Common Grounds programme, is essential to support the smallholder coffee farmers because it combines local expertise in coffee cultivation with market access and resources. This collaboration aims to increase equality, economic prosperity and embed sustainable practices. We believe in coffee origin diversification, which is essential to a more resilient coffee world. Investing in smallholder coffee farmers is not just about nurturing the present, but also about safeguarding the very essence of coffee for future generations. ”

Judith de Boer
JDE Peet's Global Green Coffee Partnership
Programme Lead

PRESERVATION OF NATURE AND BIODIVERSITY: THE IMPORTANCE OF RICH HABITAT



APPROACH

We recognise that coffee supply chains and natural habitats, which are home to a wide range of flora and fauna, are often closely connected. Nature-related risks threaten to jeopardise business continuity and growth if left unaddressed. As the biggest biodiversity conference in a decade, the 15th Conference of Parties to the UN Convention on Biological Diversity in 2022 was a pivotal moment, giving rise to the Kunming-Montreal Global Biodiversity Framework (GBF), which contains goals and targets to protect and restore nature. As a result of this, we are now working towards a steadfast commitment to understand the pivotal drivers behind biodiversity loss and elevating our nature-focused agenda.

We are already reviewing and responding to nature and biodiversity-related risks, and our upstream value chain is embedded in our Responsible Coffee Sourcing Principles, which has Board-level oversight and executive management-level responsibility. In our Assess, Address, Progress approach to value chain impacts, we rate farmer risk in close alignment to the Global Coffee Platform (GCP) Coffee Sustainability Reference Code, which includes sustainable agriculture aspects related to soil management, agroforestry, protection of water courses, as well as other social and economic aspects. We also leverage supply chain-linked landscape reporting, which includes biodiversity topics on soil health or regenerative agriculture and the protection of water bodies.

We manage our indirect impacts on biodiversity by collecting data on nature in the sourcing region, along with coffee alignment to our Responsible Coffee Principles through our Supplier Self-conducted in November 2023. We focus on hunting or trapping of protected species in our upstream value chain, severe benefit from our Common Grounds projects, especially in the realms of protected Agricultural Practices (GAP) that protect the farm ecosystem, protect natural prevents habitat conversion and conversion promotes biodiversity.

PROGRESS IN 2023

As the Global Biodiversity Framework adopted to focus on nature, we are adopting an approach to identify and address opportunities with the Science Based Targets (SBTN) and the Taskforce on Nature-Related Disclosures (TNFD). In 2023, we began our Corporate Engagement Partner, seeking work on this topic. We follow the process of identifying and assessing dependencies related biodiversity through the SBTN recommended by the TNFD framework aligned with the LEAP approach which Locate, Evaluate, Assess, and Prepare continued our engagement with the Business for Biodiversity (B4B) coalition of protecting and enhancing biodiversity

The outcome of our biodiversity risk and nature pressures assessment confirmed our double materiality assessment in 2023, which identified that for our upstream value chains, biodiversity and deforestation are material topics. Our impact screening through LCA^a contribution analyses concluded that most non-land use change drivers are directly connected to fertiliser application (56-95%), either through emissions on farms (ammonia, NOx, phosphorus) or fertiliser production. Fertiliser production and use alone makes up 63% of our Scope 3 upstream emissions, according to third-party estimations.

For our own operations, we conducted an assessment using the IBAT (Integrated Biodiversity Assessment Tool), overlaying our manufacturing sites with datasets from the International Union for Conservation of Nature (IUCN)'s Red List of Threatened Species, the World Database on Protected Areas and the World Database of Key Biodiversity Areas. We found that six of our manufacturing units, with an estimated operational site size of 17.42 km², are located in or near three terrestrial biodiversity value areas: Plaine du Forez in France, Doğu Karadeniz Dağları in Turkey and Mittelwesermarsch in Germany. However, none of our sites in proximity of those key biodiversity areas have been expanded and we continue to operate within operational consents in consideration of pollutants of local biodiversity as stipulated by local regulations.

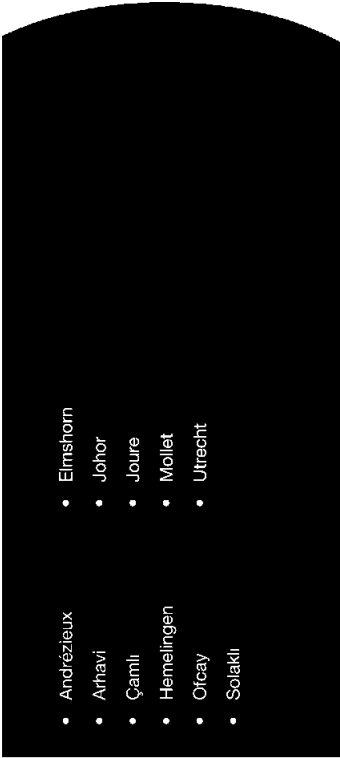
We also recognise the interdependencies on the topics of nature and biodiversity in nature with our climate impacts. For coffee, most other biodiversity risks, such as freshwater pollution, are directly linked to factors that influence our carbon footprint. Consequently, carbon footprint is also used as a proxy. For our work on operations and the climate, please refer to the [Minimising Footprint](#) section of this report.

OUTLOOK

Looking ahead, we will continue to deepen our understanding through the SBTN approach to determine ecological thresholds before setting targets. We will assess our nature-related risks and opportunities and prepare to respond and report on material nature-related issues. In particular, when datasets from external parties and supplier self-assessment questionnaires enable us to identify coffee origins that are not managing their material issues, such as soil health, we link them to project interventions to improve their agricultural practices.

SITE POSITION IN RELATION TO AREA OF HIGH BIODIVERSITY VALUE

Inside Adjacent (within 5 km radius) Near (within 15 km radius) Close (within 25 km radius)



All sites were assessed on their biodiversity risk, only sites in inside, adjacent, near or close proximity were listed

- Almaty
- Auckland
- Banbury
- Gavle
- Alameda
- St.Petersb
- Cons-en-C

^aLCA: Life-cycle assessment - a methodology for assessing environmental impacts associated with all the stages of the life cycle

ACTIVE PROJECT

Sustainable rejuvenation of coffee
production in Western Tanzania



COMMODITY: Coffee
TIME FRAME: 2019-2024
LOCATION: Kagera, Tanzania
SMALLHOLDER FARMERS REACHED: 28,465
PARTNERS: Café Africa, Tanzania

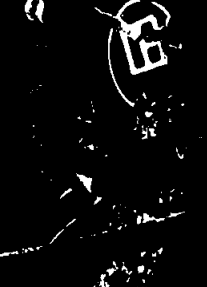
From business as usual to "Coffee as a family business"

"I was selected to be among the lead farmers to participate in trainings on Good Agricultural Practices, and now I am sharing this with other farmers. I have been able to do intercropping on my farm by planting trees, growing bananas and installing 15 beehives. My yield has increased thanks to stumping old coffee trees and I have additional income from selling honey and bananas to a local market. My family has benefited from the income from our coffee farm - our family business. I have expanded my farm from 3 acres to 5 acres by purchasing more land, planting good quality coffee seedlings provided by Tanzania Coffee Research Institute (TACRI). My two children have been able to go to school and I managed to pay their tuition fees without any problem"

Mlokozi Salvatory, coffee farmer from Kenyana village, Missenyi district, Kagera

ACTIVE PROJECT

Water at the heart of the coffee grower
communities in Tolima & Cauca



COMMODITY: Coffee
TIME FRAME: 2019-2023
LOCATION: Tolima & Cauca, Colombia
SMALLHOLDER FARMERS REACHED: 2,957
PARTNERS: Federación Nacional de Cafeteros de Colombia (FNC), GIZ

The success of this project is largely due to a dedicated team of agronomists and environmental experts. The main objective has been to empower the coffee grower communities to make the best decisions for their economic well-being and social and environmental development through community-driven water access and farm management initiatives. Some achievements of the project include:

- 7,294 households with access to improved water services
- 1,903 farmers adopted water- and climate-smart good agricultural practices
- 382 coffee mills upgraded in water efficiency systems.

"For me, participating in phase one of the project was a deeply emotional and satisfying experience. Thanks to the support of JDE Peet's, I was able to work as an environmental sanitary engineer. I had the privilege of working with more than 1,200 coffee growers in the municipalities of Libano and Villahermosa, building trust, transferring knowledge, promoting sustainable practices to generate harmony between coffee production and resources.

During my field trips, I was able to see transformations in the region, from improvements in the quality of life of the families benefiting from the project, to the encouragement for the new productive projects that strengthen issues of gender equity and general material well-being. This experience has left an indelible mark, to build ties in the community, with the conviction that work in the field is essential and a driving force for positive and sustainable change in the region."

Paula Milena Cortés, environmental specialist, Libano & Villahermosa, Tolima

WATER

Coffee agricultural production accounts for 98% of our total water footprint, which is primarily rain-fed. The water stress risk associated with coffee growing is limited when compared to other crops that are more dependent on irrigation. Analysis from the World Resource Institute (WRI)'s Aqueduct Water and Food tool shows that there are 29,000 hectares of irrigated arabica coffee growing under high and extremely high water stress conditions, which means that about 8% of coffee products are produced in water stressed areas. For robusta coffee, very few are produced in water stressed areas.

The effects of climate change are leading to extreme weather patterns, with a lack or abundance of water leading to droughts or excessive rainfall, impacting coffee yields. Consequently, we are investing through our farmer programmes to further decrease our dependency on irrigation and freshwater consumption, while building resilience for future potential water scarcity and erosion protection.

We assess the water risks of our full supply chain annually. Through a combined analysis of different tools and an external analysis from Enveritas, we are able to update the risk profile of specific origins and regions. This gives us a detailed picture on how to adjust our sourcing (if necessary) and assess the materiality of the risk. For detailed insights into how we are addressing

water as a material topic, please refer to [Managing our water use](#) section of this report.

DEFORESTATION-FREE SUPPLY CHAINS

Biodiversity & deforestation is one of our material topics, and we are working towards a deforestation-free supply chain in our sourcing of green coffee and paper & pulp. Having assessed our key impacts and dependencies in nature in alignment with the TNFD and SBTN approach, in 2023 we reconfirmed the importance of the protection of forests⁹.

Forests are essential for storing carbon, managing temperature and rainfall pattern, protecting biodiversity, and have a key role to play in the adaptation to, and the mitigation of, climate change as a nature-based solution. Forest protection is also key to achieving our net-zero goal, as historical deforestation (looking back 20 years) accounts for 8% of JDE Peet's carbon footprint.

Forests are often home to smallholder coffee farmers, who work in nature to sustain their livelihoods and cultivate and grow the coffee that we love. But the threat of deforestation exists from farmers who seek to expand their arable land to increase production, while selling the wood for cash. And as climate change leads to rising temperatures, we see farmers moving to colder, more elevated land to grow arabica coffees that are less resistant to temperature differences.

⁹ In this section, we cover the upstream-related impact to nature and deforestation. The impact on nature and deforestation in our own operations can be found in the Minimising Footprint section of this report.

In June 2023, the European Union introduced the EU Deforestation Regulation (EUDR), as part of the Green Deal, with full obligations applying from 30 December 2024. This requires companies to ensure that products sold in, and exported from, the EU have not led to deforestation or forest degradation. We welcome the regulation, as it puts the protection of forests in the hands of those in control. While the coffee sector had done little preparation ahead of the regulation's introduction, as the industry was not considered a leading cause of deforestation, we have been ramping up our deforestation approach to ensure the livelihoods of smallholder coffee farmers are protected whilst delivering on the EUDR promise by mapping the deforestation risk of our supply chain, launching a Forest Policy and increasing engagement.

RISK MAPPING

To mitigate and address deforestation, it is first necessary to accurately understand where the risk of deforestation exists. This will enable us to target risk mitigation activities to address deforestation risk. To support us in this journey, Enveritas has developed machine learning technology, to analyse high resolution satellite imagery, coupled with ground truthing in order to map forest as per the EUDR definition, and also generate coffee plots geolocations and polygons. In 2023, Enveritas assessed 76,896 farms, training the satellite software to differentiate between coffee and other commodities. This allowed us to map coffee-related deforestation in the key sourcing regions, and we will have the full JDE Peet's coffee sourcing areas

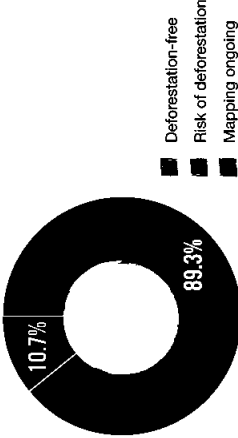
mapped by mid-2024, ahead of the implementation of the EUDR obligations.

This detailed mapping of coffee-related deforestation risk will also allow us to target mitigation programmes at origin with the ambition to eradicate coffee-related deforestation.

Since coffee plants take several years to produce berries, the quantity of coffee cultivated on deforested land after the EUDR cut-off date of 31 December 2020 was extremely limited in 2023. Of all the countries that have been mapped so far, constituting 89.3% of our purchased volume, Enveritas' ongoing risk mapping has shown that 99.9% of the coffee-growing plots analysed are free from deforestation. Our current engagement with origin countries is focused on mitigating the risk related to the <0.1% of deforested coffee plots so that to transform them back into forest and ensure that all coffee farmers can access the EU market while mitigating the deforestation risk.

We are aware that the problem doesn't end there. Our work and commitment to nature and deforestation free will require a combination of high quality assessments and continued interventions on the ground with at-risk farmers to remediate the issue through support and training to address the root cause of deforestation that is often poverty. This linked back with our farmer initiatives and their key role in our overall Sustainability journey.

Deforestation-free coffee plots volume coverage



ADDRESSING DEFORESTATION

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

For paper & pulp, we believe certification (FSC/PEFC) of virgin materials is acceptable as deforestation-free. Although recycled materials contribute to the circular economy and are made from a renewable source, it is not possible to trace back their origins. Hence, we report our progress of 34.4% as deforestation-free based only on the certified part of our virgin paper and pulp packaging. However, current certification for

coffee doesn't yet deliver on the rigorous requirements required to ensure it is deforestation-free.

ENGAGEMENT

In 2023, we significantly stepped up with the largest coffee producing countries, industry and regulators to help ensure success. Having taken a leading position in pure-play coffee & tea player, explain the of the coffee supply chain and the risk smallholder coffee farmers is essential transition to net-zero.

In an effort to keep countries deforestation-free, the EUDR cut-off date, we are co-developing programmes on the ground to prevent deforestation before coffee is grown on deforested land, and be supported to improve their livelihoods can thrive.

For example, in the Bukit Lawang Selat of South Sumatra, Indonesia, we are working with Wildlife Conservation Society to prevent deterioration and restore the ecological area and rehabilitate 2,500 hectares of forests. The area is home to unique species, endangered and threatened, such as elephant, rhinoceros, and tiger, and is facing an increasing threat of degradation.

ACTIVE PROJECT

Bukit Barisan Selatan Sustainable
Commodities Partnership (BBS KEKAL)



COMMODITY: Coffee
TIME FRAME: 2023-2028
LOCATION: Bukit Barisan Selatan, Indonesia
SMALLHOLDER FARMERS REACHED: 3,559
PARTNERS: Wildlife Conservation Society

JDE Peet's is partnering with Wildlife Conservation Society, the community, government and other coffee companies in BBS KEKAL (which means 'everlasting'). BBS KEKAL is developing and trialling a model for 'forest positive' coffee, seeking to improve the productivity, profitability, and resilience of coffee farmers, whilst enhancing landscape sustainability, reducing conversion pressures and supporting restoration of degraded areas.

Achievements include:

- More than 3,500 farmers engaged, registered and farm plots mapped
- 29 farmer groups with conservation commitments
- Yield improvements up to 1.2 tons/hectare
- 33,000 seedlings distributed and planted to support shade-grown coffee
- Four women's groups supported to develop community businesses
- Four new village regulations to support sustainable farming and conservation.

ACTIVE PROJECT

Coffee sustainability: Preserving
natural ecosystem with a focus on
water conservation

COMMODITY: Coffee
TIME FRAME: 2020-2024
LOCATION: Karnataka and Yemmigoondi, India
SMALLHOLDER FARMERS REACHED: 2,000
PARTNERS: Tata Coffee



This four-year project with Tata Coffee and the Central University of Kerala is pioneering water conservation by utilising winter irrigation for the production of robusta coffee, coupled with increasing pollination by establishing bee colonies that also serve as additional sources of income for the community.

- Four irrigation tanks have been set up to irrigate 200 hectares of robusta coffee
- 500 bee colonies installed in a 55 hectare area

The winter irrigation has improved plant conditions and extended growth bearing branches has been observed, which also improves the quality and quantity of coffee harvested. The project also reported the presence of other pollinating species of bees critical to the coffee pollination process.

ACTIVE PROJECT

Growing Together

COMMODITY: Coffee
TIME FRAME: 2022-2026
LOCATION: South of Minas, Brazil
SMALLHOLDER FARMERS & WORKERS
REACHED: 1,011
PARTNERS: Comexim

In the south of Minas Gerais, Brazil, the nexus between coffee farming, water production, and environmental conservation has become a tangible reality for approximately 600 farmers and their workforce. Despite a growing awareness among farmers about the importance of environmental protection, the practice of releasing sewage directly into water courses persists.

Recognising this challenge, JDE Peet's, in partnership with our local supplier Comexim, is installing 100 improved sewage treatment systems to support farmers in adopting more sustainable practices. Complementing this effort, we provide scholarships to students from a local university, who, under the guidance of their professor, actively engage with each farmer to craft personalised reforestation plans during on-site visits.

This hands-on approach ensures that the reforestation strategies are tailored to the specific needs and conditions of each farmer. Furthermore, the project provides farmers with free access to customised reforestation plans, along with seedlings and other essential inputs, enabling them to kickstart the reforestation of their lands. This multifaceted project not only addresses immediate environmental challenges but also fosters a sense of collaboration and empowerment within the local farming community.



JDE Peet's N.V.
Annual Report 2023

JDE Peet's
at a glance

Introduction

Strategy and
value creation

Performance review
and outlook

Governance and
risk management

Financial
statements

Supplementary
information

TEA: OUR RESPONSIBLE SOURCING JOURNEY

APPROACH

Tea (*Camelia sinensis*) is produced in over 50 countries worldwide by both smallholder farmers and larger tea estates.

Although we source less than 1% of the world's tea, we take our responsibilities extremely seriously.

Smallholder farmers and workers in tea communities, our suppliers, and the tea estates with whom we have fostered long-term partnerships, are all valuable stakeholders in our supply chain. We know the best way to achieve scale and impact is through collaborative action and engagement in the sector, which we achieve by working in partnership with tea growers, suppliers, NGOs, local and national governments, and the wider industry.

PROGRESS IN 2023

In 2023, we responsibly sourced 100% of the *Camelia sinensis* and rooibos tea for Europe and New Zealand through Rainforest Alliance certification. Globally 40% of all the *Camelia sinensis* and rooibos tea we purchased globally was responsibly sourced, compared to 27% in 2022.

We remain on course to deliver our goal towards 100% responsibly sourced tea in 2025. We are in the second year of our four-year, tailor-made Sustainable Supply Chain Development programme with Rainforest Alliance

in Turkey for our Oğay brand. Our Camli tea processing plant, along with the green leaf farmers, were successfully audited against the Rainforest Alliance Sustainable Agriculture Standard and are now certified. While this is a major milestone towards our 2025 commitment, it is only one part of our sustainability journey, which remains focused on environmental conservation, social responsibility, and sustainable business practices.

The goal of the programme in Turkey remains clear: to reach over 12,000 farmers in tea growing communities and train them on sustainable practices, which will benefit the farmers and their families for generations to come.

In 2023, we completed a four-year Healthier Diets for Everyone in Tea Communities initiative, which was implemented by the Global Alliance for Improved Nutrition (GAIN) and Ethical Tea Partnership. More details on the achievements of this project, which was verified through an end-line assessment, can be found in the section below.

As part of a Gender Equity initiative, in 2023, in Malawi we partnered with Satemwa Tea Estate and Ufulu on a programme to reduce period poverty amongst female tea workers. Period poverty is defined as the inability to afford sanitary products due to financial circumstances and affects over 56% of women in Malawi. Ufulu worked across the Satemwa Tea Estate, holding 30 workshops during which 594 menstrual cups were distributed to women and girls in the community.



OUTLOOK

We continue to be a member of the Ethical Tea Partnership, sharing and learning with our peers and investing in collaborative programmes in our key sourcing regions. By working together, we are better equipped to tackle the deep-rooted issues and some of the most complex challenges that tea workers and smallholder farmers are facing. Some of these programmes are discussed later in this chapter.

In 2024, we will publish our Responsible Principles, which will form the foundation of our diligence approach for both social and environmental challenges and further strengthen our tea sourcing journey.

CASE STUDY

Healthy Diets for Tea
Community

COMMODITY: Tea
TIME FRAME: 2020-2023
COUNTRIES: India, Malawi, Kenya
TOTAL PEOPLE REACHED: 734,075
PARTNERS: Global Alliance for Improved Nutrition (GAIN), Ethical Tea Partnership (ETP), tea companies, Tea Association of Malawi, Dharmalife Foundation, Indian Tea Association, Kenya Tea Development Authority

Poor diets are the leading cause of global ill health, resulting in malnutrition and deficiencies such as anaemia, decreased energy levels, diminished health, and decreased productivity. Tea workers and farmers, predominantly women, often contend with high rates of malnutrition due to diets lacking essential nutrients. Healthy Diets for Tea Communities is a private-public collaboration between the Global Alliance for Improved Nutrition (GAIN), the Ethical Tea Partnership (ETP), and eight tea companies. JDE Peet's was proud to partner in this wide reaching programme which aimed to promote healthy diets in tea supply chains in India, Malawi and Kenya.

ACTIVE PROJECT

MALAWI
Reach: 147,780 people
(29,556 smallholder farmers & estate workers directly and 118,224 household members indirectly)
Activities:
• Improve lunches with fortified maize
• Support crop diversification and kitchen gardens
• Nutrition clubs to train farmers on good nutrition and sanitation
• Create demand for nutritious foods through training, outreach, and cooking demonstrations

INDIA
Reach: 450,270 people
(90,054 estate workers directly and 360,216 family & community members indirectly)
Activities:
• 152 Healthy Line Shops - local shops sell nutritious food and hygiene products to tea workers and their families
• 76 female Dharmalife Entrepreneurs go door-to-door, to raise awareness of the importance of good nutrition and hygiene
• Interactive activities (community street plays, cooking demonstrations, competitions) to enhance people's knowledge of healthy food and their food choices

KENYA
Reach: 136,025 people
(27,205 farmers & workers directly and 108,820 household members indirectly)
Activities:
• Interactive activities to improve people's food knowledge and choices
• Target 10,000 farm workers and smallholder farmers to grow and consume more diverse crops in kitchen gardens, distribute seeds for bio-fortified high-iron beans and vegetables, and orange-fleshed sweet potato vines
• Reinforce messages through radio and weekly SMS messages
• Promote nutritious foods at the point of purchase: through kiosk owners



"Our multi-year partnership with JDE Peet's has demonstrated the benefits of tea as a sector, reaching hundreds of thousands of people in tea communities in India and Kenya, reaching individuals who can benefit from simple outreach and support. The learnings from this programme have been proud to launch a four-year partnership in South India (2020-2023) with GAIN. We have focused our efforts on global health and nutrition, to improve the sustainable impact of our tea programme, evidenced by the following results:

Viral Sheth,
JDE Peet's Global Tea & Tea
Manager

PALM & COCONUT OIL SMALLHOLDER EMPOWERMENT



PROGRESS IN 2023

In 2023, we continued to maintain 100% RSPO sourced palm oil, which is well ahead of our 2025 target. In addition to certification and strengthening our supplier engagement in our two main sourcing origins, Malaysia and Indonesia, we also partner on the ground with our suppliers, civil society and local governments.

ACTIVE PROJECT

Developing Models for Enabling Sustainable Oil Palm Management by Small Producers within the Sabah Jurisdiction

COMMODITY: Palm Oil
TIME FRAME: 2020-2025
LOCATION: Sabah, Malaysia
SMALLHOLDER FARMERS REACHED: 2,500
PARTNERS: Wilmar, Wild Asia, IDH the Sustainable Trade Initiative



This is a five-year project (2020-2025) to support the Sabah state government's 2025 target for the entire state to become certified sustainable in its oil palm production. The challenge for the state is how to ensure smallholders can implement sustainable practices on the ground and improve agronomic practices, while maintaining or improving livelihoods.

The project has four objectives:

- Increase the economic return by organising smallholders and improving oil palm management
- Increase areas under sustainable land management and enhance biodiversity (low carbon, organic, soil improvement methods and diversity of produce)
- Reduce human rights risks
- Identify and map smallholders through satellite mapping

ACTIVE PROJECT

Coconut Alliance: Towards Sustainable Coconut (Oil) Production at Scale Supporting Sector Transformation in the Philippines

COMMODITY: Coconut Oil
TIME FRAME: 2021-2025
LOCATION: Southern Mindanao & Southern Leyte, Philippines
SMALLHOLDER FARMERS REACHED: 10,000
PARTNERS: GIZ, Cargill, Philippine Coconut Authority, Agricultural Training Institute



This four-year project focuses on smallholder farmers who grow process coconuts.

- 10,000 farmers with higher agricultural income
- Increased productivity in LandScale validated regions
- Coconut oil from LandScale validated regions
- Transparency in coconut supply chains

The project supports and feeds into the Sustainable Coconut and its collaborative platform, the Roundtable on Sustainable & Coconut Oil, to facilitate discussion and peer learning in the and build structures beyond the project's lifetime. Working together with government agencies, such as the Philippine Coconut Authority and Agricultural Training Institute, ensures achievements from the project can be scaled up for farmers in whole country and integrated on a broad political level.

ANIMAL WELFARE: ENGAGING WITH LOCAL SUPPLIERS

PROGRESS IN 2023

In March 2023, we updated our comprehensive Animal Welfare Policy, which includes commitments to animal welfare along our global supply chain, effective across our entire brand portfolio. The policy was originally published in 2022, in collaboration with the Lever Foundation, a global NGO working to create a more humane and sustainable protein supply chain.

While our business is fundamentally plant-based, it is our responsibility to ensure that, where applicable, products of animal origin are sourced from suppliers committed to continually promoting better standards in quality, safety and animal welfare, respecting the Five Freedoms for animals¹⁰, and to comply with the applicable national standards on animal welfare and, where legislation does not exist, the guidelines of the World Organization for Animal Health (OIE).

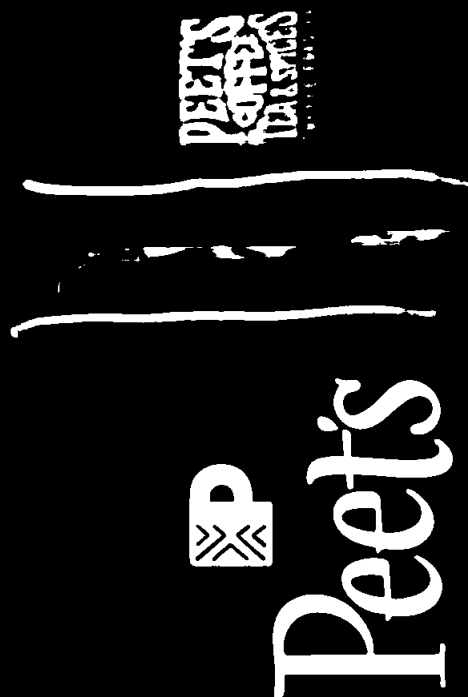
Our most significant commitment concerns the direct supply of eggs from cage-free hens by 2027. While this represents a significant challenge for our food & beverage business in Asia, it presents an opportunity to establish continuous improvement plans and actively engage with our local suppliers to find time-bound and workable solutions to improve the conditions of egg-laying hens.

As of 2023, while the Asia market is in its preliminary days of awareness, our OldTown cafés have begun to use cage-free poultry in a range of products served at both the café and manufacturing level, ahead of the 2027 deadline. The seafood used at these cafés is also certified by the Global Seafood Alliance for Best Aquaculture Practices. The dairy milk utilised in OldTown cafes is also HFAC (Humane Farm Animal Care) certified.

OUTLOOK

Going forward, we will continue to work on cage-free hens, with 2024 being the target to market, and we will work with local farms to build up volume and capacity ahead of our 2027 target. However, our commitment towards animal welfare goes beyond eggs, and also covers dairy, poultry, pork, fish, and beef, along with commitments against animal cruelty and testing. Our OldTown cafés have also introduced the following plant-based alternatives to be more in line with our animal welfare policy: oat milk, plant-based popcorn chicken and patties, and plant-based eggs.

¹⁰ The Five Freedoms are: Freedom from hunger or thirst; Freedom from discomfort; Freedom from pain, injury or disease; Freedom to express (most) normal behaviour; Freedom from fear and distress.



COFFEE FOR COFFEE PEOPLE



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 addressing sustainability in coffee sourcing.

[illegible]

100% responsibly sourced*



Fastest
growing national
premium coffee
brand

For Peet's, 2023 was a year of continued expansion across new geographies and new audiences. The year began with the first Peet's location opening in the Middle East, at the Dubai Mall, one of the UAE's premier shopping destinations. By year end, Peet's franchise partnership with Americana Restaurants had led to the opening of 18 Peet's coffee bars across the Gulf Coast Countries.

Peet's also entered growing flavored with both seasonal offerings. Despite headwinds, Peet's national premium sales in 2023, while premium relative to

per Enveritas standards

[Back to brands overview](#) →

Peet's
Peet's
Peet's
Peet's

Pets

Peet's
Peet's

MINIMISING FOOTPRINT

SUMMARY KPIS¹¹

GHG emissions

Scope 1 & 2 emissions reduction
from a 2020 base year

21%

Scope 3 emissions reduction
from a 2020 base year

9%

Electricity

Total electricity purchases (in MWh)

345,418



From renewable sources (in %)

49%

Packaging

Design 100% of our packaging
to be reusable, recyclable or
compostable

79%

Manufacturing waste

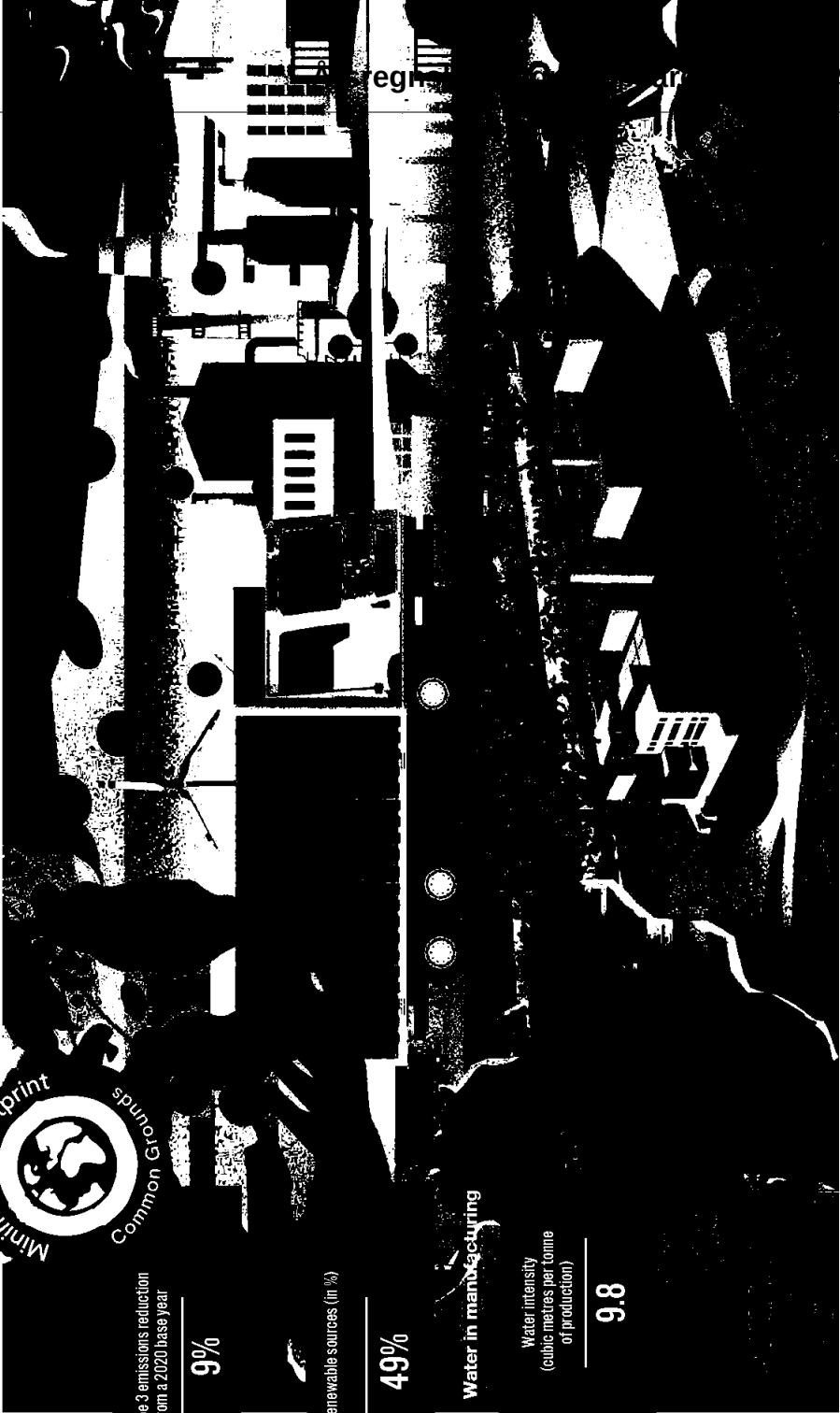
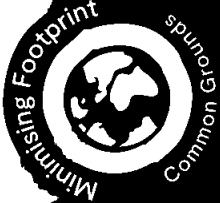
Maintain
waste to landfill
under 1%

1.1%

Water in manufacturing

Water intensity
(cubic metres per tonne
of production)

9.8



¹¹ More information can be found in the [Overview of our non-financial information tables](#) and the [Non-financial information](#) section of this report.



By setting rigorous environmental and climate targets, we are preparing our business against potential climate and nature risks, cultivating resilience across our operations. Targets and action plans are embedded into our routine business processes, and progress on actions and plans are reviewed quarterly (for more information, see the [Governance](#) section later in this report). We have an understanding of the impact our Scope 1, 2, and 3 emissions have on the climate, and we have aligned this with our 'change levers', as summarised in the infographic on the following page.

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

TAKING PLANET ACTION

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

TARGETS & LEVERS

- In line with the New Forestry Land and Agriculture (FLAG) guidance we committed to three new near-term targets, which are validated by SBTi.
- A 43% reduction in absolute Scope 1 & 2 emissions by 2030, from a 2020 base year
 - A 30% reduction in absolute forest, land and agriculture (FLAG) emissions by 2030, from a 2020 base year
 - A 25% reduction in absolute Scope 3 emissions by 2030, from a 2020 base year (industrial non-FLAG).

¹² For more information, see Assess, Address, Progress in the [Responsible Sourcing](#) section in this report.

content materials. All these elements are aligned with our 1.5°C trajectory.

In 2023, we became a Science Based Targets initiative (SBTi) corporate engagement partner. Through our partnership with SBTi, we are able to use their Responsible Sourcing Assess, Address, Act approach¹², we already include nature in our risk reporting and in our project planning. Because nature elements are already included in our risk reporting and in our project planning, we are able to use their Responsible Sourcing Assess, Address, Act approach¹², we already include nature in our risk reporting and in our project planning. Because nature elements are already included in our risk reporting and in our project planning, we are able to use their Responsible Sourcing Assess, Address, Act approach¹², we already include nature in our risk reporting and in our project planning.

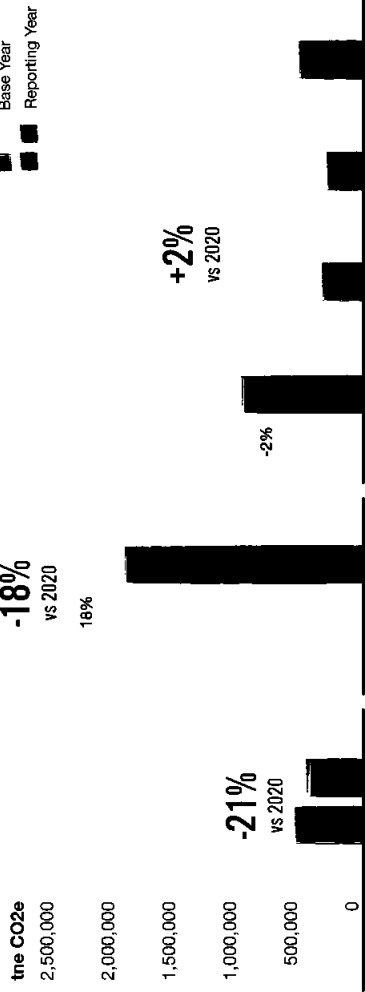
Each manufacturing facility is deploying its own Scope 1 & 2 roadmap, and JDE Peet's central functions are leading over 20 strategic action themes for all parts of the business, from R&D to procurement, through to marketing and sales. These are underpinned by a comprehensive strategic plan to deliver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

PROGRESS IN 2023

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

Our packaging commitments to make all our packaging recyclable (re-useable or compostable) by 2030 is linked to our drive to increase circularity, which includes reducing the amount of material we use, reusing more of our materials, and extending our use of recycled

JDE PEET'S CLIMATE IMPACTS AND CHANGE LEVERS



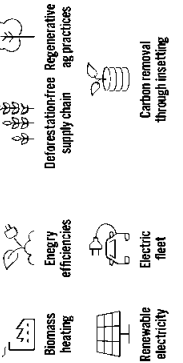
Targets

43%
2030 vs 2020

30%
2030 vs 2020

25%
2030 vs 2020

Levers



SCOPE 1

In terms of climate, and guided by our Marginal Abatement Cost-Curve (MACC)¹³ assessment, our Scope 1 levers are focused on energy reduction and decarbonisation across our facilities. Investments in proven technologies and in R&D underscore our commitment to a net-zero future. We continue to invest in decarbonising our fuel usage, and in 2023 one of our roasteries was converted to biofuel use. We also began investing in converting one of our instant facilities to use 100% biomass waste, which will be operational no later than 2025.

JDE Peet's Capital Expenditure process integrates financial and non-financial metrics to ensure reducing climate impact is an informed part of normal business decisions.

SCOPE 2

Our Scope 2 levers are focused on continuing to use renewable sources, where appropriate. For example, our facility in Bulgaria recently adopted solar panels on-site as we continue to assess the suitability of all our assets to have on-site generation. Our Scope 2 roadmaps also call for the phasing out of coal from our third-party heat providers by 2030. We source over 22% of our total energy from renewable sources, which includes 49% renewable electricity. We use renewable electricity in a balanced way as part of delivering on our reduction commitments, along with investments in more direct energy reduction and decarbonisation.

SCOPE 3

Scope 3 impacts have a number of key coffee value chain accounts for 48% footprint, an essential aspect of our Footprint pillar is to continue investing sourcing farmer projects to promote agricultural practices and reduce emissions coffee production.

Our combined investments across cumulatively to 2030 is shown in our assessment and are estimated at EUR 62 per (covering the Responsible Sourcing Footprint pillars) these costs are integrated into budgets. Including associated savings investments, this equates to a marginal carbon price estimate of EUR 62 per strategic climate transition roadmap, shows the status of our major climate end 2023.

Number of initiatives

Under investigation
To be implemented
Implementation commenced
Implemented

¹³ A Marginal Abatement Cost-Curve (MACC) assessment is a tool used to evaluate the costs associated with reducing greenhouse gas emissions. The purpose is to provide a graphical representation of the costs of different abatement measures, showing how much it costs to reduce one tonne of CO2e for each available option.

Scope 3 - Policies¹⁴

Our Responsible Coffee Sourcing Principles outlines how we will invest in our value chain, supporting, among other projects, the building of climate resilience into our farmer value chain, which uses regenerative agriculture levers and agroforestry levers to reduce the impact of green coffee.

In 2023, we released our Forest Policy and [Nutrition Policy](#), and brought into effect our [Water Stewardship Policy](#). Our Forest Policy sets out a clear pathway for us to reduce the impact of historical deforestation (land use change). The Nutrition Policy focuses on delivering the same consumer experiences with reduced sugar and saturated fats, supporting the reduction of raw materials in our portfolio. This both pushes down the environmental impact and footprint associated with raw materials, and enables us to adhere to nutrition targets.

Similarly, our packaging commitments involve us looking for new product innovations, focusing on optimising pack designs to reduce material use, reusing materials where possible, or making all our packaging recyclable.

Our commitment to design 100% of our packaging components with recyclable materials by 2030 ensures all our materials will have a future value in a circular economy, and will no longer be seen as waste, enabling us to realise our ambition of being packaging-waste free. While we already use significant volumes of recycled materials, we are looking into extending this where commercially appropriate.

Additionally, we developed our [Water Stewardship Policy](#), applicable to direct manufacturing operations in line with UN SDG Guidance and the UN Global Compact Water Resilience Coalition documentation, to effectively manage water-related risk in the areas of water availability, water quality, and water access. We seek to reduce our water intensity (m³ per tonne of product produced) across our manufacturing operations by 18% by 2030 versus a 2020 baseline, and aim to adjust this target into one in absolute terms. Water use and energy use are often strongly linked.

Scope 3 - Suppliers

We are also engaging with our supplier base, setting expectations for them to align with a 1.5°C scenario and a net-zero future. In 2023, we worked directly with our top suppliers, covering 44% of our raw and packaging footprint, and all now have 1.5°C pathway commitments in place. We continue to roll this out to our broader supplier base, and are investing in the tools to track supplier data and delivery against their commitments.

This part of our broader sustainability approach to suppliers includes onboarding our suppliers on the Sedex platform, to identify and manage the risk in our value chain, with a vision to de-risk our overall value chain.

Scope 3 - Embedding in decision-making

It is essential that we provide information that enables climate-related impacts to be considered as part of all our business decisions and part of our customer relationships. We have the tools in place to provide



each customer with specific emission and packaging data related to their entire product portfolio, helping to support decisions taken on portfolios and shared promotion strategies. We are also developing tools so that we can have similar interactions with our vendors. Climate and packaging material efficiency are included in our investment decision processes, our innovation decision processes, and in our routine internal business performance reporting.

PLANET STRATEGY - 5 THEMES
While there are multiple interdependencies between the themes, the 5 pillars operate as a framework for the company's strategy. Minimising Footprint pillars are linked to the other pillars. Climate and Nature themes (outlined below) are linked to the other themes. Climate and Nature themes are linked to the other themes. Climate and Nature themes are linked to the other themes. More information can be found below. Climate and nature-related risks and opportunities are detailed in the section and Risk management section.

¹⁴ All policies are available at www.jdepeets.com.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
FARMER RESILIENCE Green coffee is our key commodity, and our business existence depends on being able to source green coffee today, tomorrow, and into the future. This is why the estimated 12.5 million smallholder farmers that supply the world's coffee sit at the heart of our need to take climate action. At the same time, green coffee makes up half of our Scope 3 emissions. Over the long-term, coffee farms risk being impacted by changing weather patterns linked to climate change, such as volatile rainfall patterns, rising temperatures, and an increased risk of new pests and diseases, which together threaten the productivity and yield of farms and the global coffee supply. Building farmer resilience is therefore key to not only our Responsible Sourcing approach, but is also a cornerstone of our Minimising Footprint approach. This includes working with partners, civil society and governments on coffee farmer projects focusing on reducing fertiliser needs, increasing yields, and improving coffee plant resilience. These are linked to improving and protecting soil health and, where appropriate, using agroforestry to support ecosystem services for farmers, and help manage future temperature changes. Together, these also help improve the efficiency of green coffee production and, ultimately, help reduce our environmental footprint. Climate-resilient farming also reduces the need for farmers to encroach onto new land when existing plots decline in productivity,	reducing the risk of future deforestation. A number of our programmes also support targeted irrigation practices where there is water scarcity, further helping to reduce farm footprints. When the new GHG Protocol land sector guidance is published and the techniques for measuring agroforestry carbon stock are proven, JDE Peet's expects these to form part of the delivery of its targets. Collective action is critical to supporting the sector and we take an active role by investing time and funding to set up and participate in pre-competitive consortia and trade bodies, such as the Global Coffee Platform (GCP) and the Sustainable Coffee Challenge. Over the longer term, we expect developments in new coffee varieties and techniques, supported by our investment in World Coffee Research (WCR) and various start-ups, to provide better outcomes for farmers. We are also actively involved in consortia and are including work on biochar¹⁵ in our projects, which has the potential to almost permanently retain the carbon from the coffee wastes from farming, while at the same time reducing fertiliser application levels. We believe that coffee is well-placed to be a commodity that can be grown well in a net-zero future. We continue to connect with our farmers, investing in them to align practices with the GCP Coffee Sustainability Reference Code. This supports farmers' ability to increase outcomes, and helps proliferate best practices that will reduce their environmental footprint. Our Responsible Sourcing targets and our Assess,	Address, Progress approach aligns our farmer investments in a data-led approach, directly supporting our farmers to build climate resilience. More information on this initiative can be found in the Responsible Sourcing section of this report. PACKAGING AND MATERIAL EFFICIENCY Our packaging sustainability vision is a waste-free world. 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¹⁵ Biochar is a lightweight black residue, made of carbon and ashes, which remains after the pyrolysis of biomass, and is a form of charcoal.



We actively participate with trade bodies in standardised approaches to material management. For example, we align with CIRC (Circularity in Responsible Coffee) (Flexible Packaging) requirements for target mono-materials in a number of other packaging projects. We are also active in cross-sector collaborations, including pilot projects and the deployment of small aluminium and plastic recycling for valuable materials are often missed in management systems.

In 2023, we worked pre-competitively with the European Coffee Federation to show how single-serve systems can be designed with similar to other non-single-serve preparation methods.

This highlights that freedom of material and consumer choice should remain, now that these products will fall within the EU packaging waste regulations as packaging that will be made recyclable or compostable.

Driving packaging efficiency is also linked to resource efficiency within our own manufacturing facilities, and by year end >98.9% of our waste streams were recycled, composted or incinerated with energy recovery. We will continue working across our manufacturing locations to reduce our total waste, whilst maintaining our waste to landfill below 1%. In 2024, we aim to enhance our drive towards circularity by setting recycling targets for the waste that is generated.

ENERGY EFFICIENCY

Along with material efficiency, we have clear roadmaps to manage our energy footprint through a blend of progressive increases in the use of renewable energy and investments in energy reduction. Our investment programme ensures we invest in the technology choices that maintain and strengthen the resilience and competitiveness of our business. Our primary focus is to operate our manufacturing facilities efficiently and to reduce fossil fuel use.

We have a roadmap in place to define future options to reduce impacts, including a balance of available technologies and R&D investments. We also want to help create future business resilience by ensuring that key suppliers within our supply chain have similar Science Based Targets' ambitions.

WATER EFFICIENCY

Freshwater is the lifeblood of our planet, yet the UN expects that the world may face a 40% water shortfall by 2030. Currently, up to 80% of water discharged across the globe is not adequately treated and 1 out of 4 people lack adequate infrastructure to access water. Climate change is further accelerating the need to act to ensure water availability, quality and access along our entire value chain, from the farmer to our operations and, ultimately, the consumer.

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 96% 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.

We are committed to ensuring water security now and in the future. Recognising water as a fundamental human right and its critical importance for food and agricultural businesses, we aim to minimise our impact and effectively manage water resources amidst increasing water stress and the effects of climate change. As part of our updated double materiality assessment, water & wastewater management has become a material topic at JDE Peet's. In the value chain, only our own operations have been considered due to the materiality and sphere of influence of the company. For more information on how we are addressing water use in our upstream value chain,

please refer to [managing our water use section](#) of this report.

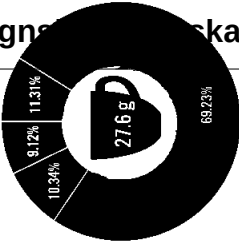
Our goals, targets, and commitments outlined in our policy relate to public policy and the local context of each area with water stress, as our focus on operations with high water use and high water stress requires consideration of local context and close collaboration with local stakeholders. To reach the targets linked to this ambition, we need to commit to leveraging a combination of investments in our own direct operations and to continue to collaborate, through collective action partnerships and initiatives within basins, with relevant stakeholders from the industry, governments, and NGOs. This will enable us to build capacity and promote water security, while aligning with international frameworks, standards, and widely recognised water initiatives.

ENGAGEMENT

Empowering our people to make informed decisions is an important part of minimising our footprint, and we continue to invest to deliver both data and training, where needed. In 2023, we rolled out carbon data on all our products to the business teams, and included that data in routine business reporting, including planning. This enables the teams to now work with customers on our shared need to build resilience. This is a key example of our approach to embed the concept of minimising our footprint into routine business decision processes and into our continuous improvement of those processes across all areas.

We also continue to act pre-competitively to support coffee, and with it seek to drive change. We have seen the progress through the completion of our collaboration with Nestlé, Lavazza and Costa, and more partners to set a baseline for green coffee and Indonesia, and this will now expand work in South and Central America, on board. Systemic change can happen at levels and we work collaboratively to build with governments, while also building models at local levels.

JDE emissions per coffee cup*



* Emissions reflect >90% product footprint to factory by JDE Peet's. Carbon accounting tool implemented by JDE, in the future, will also be onboarded.



BRAND HIGHLIGHT

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

#1

Amongst single-serve in France, Germany, the Netherlands, Belgium



38M

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.

It is the #1 single-serve system* where it is present: #1 in users, with 15 million households, #1 in cups, with 38 million cups served every day, and #1 as the most well-known brand.

When it comes to sustainability, SENSEO® is ahead of the game, delivering single-serve cups with as little packaging as roast and ground coffee, thanks to its compostable** pads in recycle-ready bags.

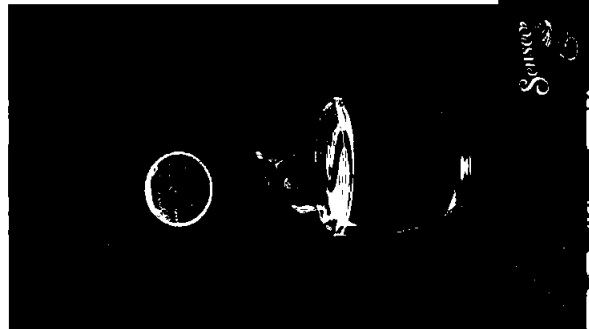
Despite this success, SENSEO® did not stand still! In 2023, SENSEO® stepped up in versatility, upgrading its milk-based offer both on taste and on nutritional values, and launching a successful Café au Lait. And while

- * Amongst single-serve in France, Germany, the Netherlands, and Belgium
- ** According to INEN (EN, FE EN) -13432 biodegradable and industrially compostable

[Back to brands overview](#) →

SENSEO® continues to offer consumers in Western Europe ever-expanding formats – now up to 120 pads – it also continues its promising geographical expansion in Hungary, Romania and Bulgaria.

SENSEO®, each cup matters!



WORKING TOWARDS SUSTAINABLE PACKAGING AND REDUCED WASTE



PACKAGING AND MATERIAL EFFICIENCY

Progress in 2023
Delivering on our commitment to work towards a packaging waste-free, circular-material future, means focusing on reducing our pack intensity and using 100% recyclable materials. This takes significant innovation and collaboration internally across all

business functions, and externally with our network of suppliers, while ensuring we continue to delight and protect our consumers.

We made good progress on our publicly disclosed commitments in 2023, and have a clear roadmap in place in terms of pack reduction, circular packaging, and product innovation. We know that this roadmap

needs to be supported through investments in resources and equipment (see our TCFD analysis), as well as the data needed to make the right choices at each stage.



Pack reductions

In 2023, we launched an internal Global Packaging Consumption tool, which provides daily updates on packaging volumes sold and quantifies all our KPIs per material type. This includes pack intensity reporting, including weight of packaging material (in grams) per cup sold, recycling content, and recyclability reporting for all products in our portfolio. This helps business teams review promotional strategies with customers and focus on our shared reduction targets. It also enables individual business units to use a common standard to report on performance, understand the likely impact of Extended Producer Responsibility tax on their material choices, and means pack intensity metrics can be included in innovation decision processes. Since 2020, our pack intensity per cup of coffee sold has averaged 2.07 g/cup. We expect the

benefits of this to be apparent in the coming years' data with more active controls in place.



Fully circular packaging

Alongside the sustainability checks we have incorporated into our innovation processes, we also continue to identify and work towards solutions for packaging waste that is recyclable but can be rejected at sorting or reprocessing centres due to

various technological constraints. In 2023, we delivered on our roadmap to launch the first recyclable flexible packaging for the pure instant category, replacing existing flexible plastic laminates with a fully recyclable material. This is a significant milestone for our commitment to 100% recyclable packaging. We also carry out other carbon footprint reduction initiatives, such as the use of renewable energy for our packaging production. In 2023, we delivered on our roadmap to launch the first recyclable flexible packaging for the pure instant category, replacing existing flexible plastic laminates with a fully recyclable material. This is a significant milestone for our commitment to 100% recyclable packaging. We also carry out other carbon footprint reduction initiatives, such as the use of renewable energy for our packaging production.

One example of where we want to stimulate the use of renewable resources is in the use of renewable energy for our packaging production. We are also actively engaged in trade and industry associations to foster alignment on material topics relating to packaging circularity.

In 2023, we delivered on our roadmap to launch the first recyclable flexible packaging for the pure instant category, replacing existing flexible plastic laminates with a fully recyclable material. This is a significant milestone for our commitment to 100% recyclable packaging. We also carry out other carbon footprint reduction initiatives, such as the use of renewable energy for our packaging production.

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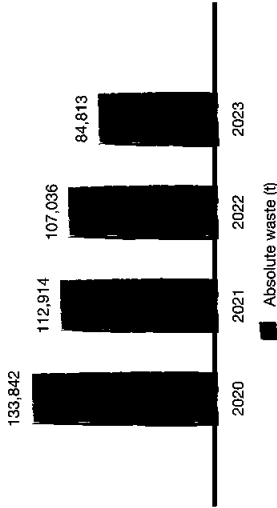
¹⁶ The European waste hierarchy refers to 5 steps, namely: 1. Prevention; 2. Reuse and preparation for reuse; 3. Recycle; 4. Recovery; 5. Disposal.

WASTE IN OUR OWN OPERATIONS

Progress in 2023

Following the waste hierarchy, our focus will always be on preventing total waste, whilst minimising our waste for disposal. However, many areas in the world still send too much waste to landfill, often because local recycling and incineration infrastructure is unavailable. Being a global company, we reviewed our zero waste-to-landfill target for each manufacturing site to see how our associates could make the greatest impact.

Waste reduction is part of our determined effort to embed a zero-waste culture within our business. Our continuous efforts since 2020, have already reduced our total waste by 37% and waste to landfill by 58%. We will continue our journey and halve our total waste by 2030 (baseline: 2020) and maintain waste-to-landfill under 1%, with a zero waste-to-landfill goal by 2050.



During the year, we also began reviewing waste KPIs on a daily to weekly basis to analyse trends and set up corrective actions where necessary. We set up monthly reports with our principal waste contractors, with the inclusion of waste volumes, final destination, price, and costs of purchase. Additionally, waste suppliers are helping us to identify better reuse and recycling streams.

Since May 2023, all coffee waste from our Andrézieux plant in France is being sent for anaerobic digestion to produce biogas. This biogas is reintroduced into the city gas network. The production of green gas produced with our coffee waste is estimated to be equivalent to 1% of our on-site consumption.

To scale best practices, in 2023 we developed an e-book detailing various waste reduction and reuse initiatives, encapsulating our commitment to sustainability. Additionally, we introduced the innovative Green Office concept, which encourages environmentally conscious practices in the workplace.

On a global scale, the Global Sustainability team shared best practices from successful implementations in Utrecht in the Netherlands and in France. Their insights, presented through a shared video, inspired teams across the regions. We also initiated monthly calls with Health, Safety and Environmental experts from across the company to amplify awareness and engagement.

Following a successful two-year programme, our Peet's segment now partners with Too Good to Go, which

operates a mobile app that connects customers to restaurants and stores that have surplus unsold food. This is being used at more than 190 Peet's and Stumptown coffee bars in the United States, and in 2023 we sold more than 62,620 surprise bags through the app, saving more than 250,500 pastries from going to waste.

Outlook

Looking ahead, our focus will remain on reducing total waste and waste for disposal, with the following specific objectives:

- Deliver against our commitments 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.
- Monitoring the aftermath of incidents – such as the fire that took place at one of our plants in Germany – to assess their potential impact on our waste reduction targets.
- Further roll-out the Green Office concept across our workplace to spread the zero-waste mindset

It is expected that our waste will decline in the future as we divert more of our spent grounds to our biomass burners. Our Operations, R&D and Procurement teams will continue to look for innovative solutions to cut our total waste.

A heightened emphasis on recycling initiatives is on the horizon, with a targeted commitment to increasing recycled waste.

Waste will continue to be a part of our Management Operations System (MOS), managing environmental topics, and them in normal business decision pro



CASE STUDY

Packaging redesign to reduce the use of virgin plastics

Preventing or reducing packaging material sits at the top of our waste hierarchy, and constitutes the most effective way to deliver on our packaging commitments. In 2023, we implemented two projects to reduce the use of virgin plastics across the company.

At Douwe Egberts, we redesigned the brand's Ready-To-Drink cup, launched into the market in January. The new design reduced the use of virgin plastic by approximately 44% compared to the previous version, and made the cup recyclable. This resulted in the avoidance of 49 metric tonnes of virgin plastic, and reduced our emissions by ~156 mt/CO2eq.

At Peet's, a similar initiative to reduce virgin plastic was achieved on a high volume format: the K-Cup® pod. The plastic contents of the cup & disc inside of the capsule were redesigned to decrease the plastic used per Peet's K-Cup® pod by approximately 36%.



The result is an avoidance of 275 metric tonnes of plastic in 2023 versus 2022, equating to approximately 595 mt/CO2eq.

In both cases, the packaging design changes were executed without compromising on product quality, the consumer experience or volume fill weight. Additionally, we avoided changes to UPC or EAN codes, reducing the cost of executing changes and preventing disruptions to supply and trade obligations.

In total, these two initiatives helped us make virgin plastic savings of 431 metric tonnes, equivalent to around 287 mid-sized cars.¹⁷

¹⁷ With the assumption that an average mid-sized car weighs 1.5 metric tonnes.

CASE STUDY

Paper refill pack - Soluble coffees



Another example of where we deploy reduction strategies, as well as pivot to renewable & recyclable materials, is the development of a first-of-its-kind paper pack for soluble coffees.

The new paper refill packaging design will completely displace plastic alternatives in available markets and provide an end-of-life solution for the packaging waste. This offers consumers an alternative packaging format that promotes recyclability & reusability at lower carbon-equivalent emissions.

The paper pack innovation will enter the market in 2024.

97%¹⁸ less

packaging than alternative glass jars

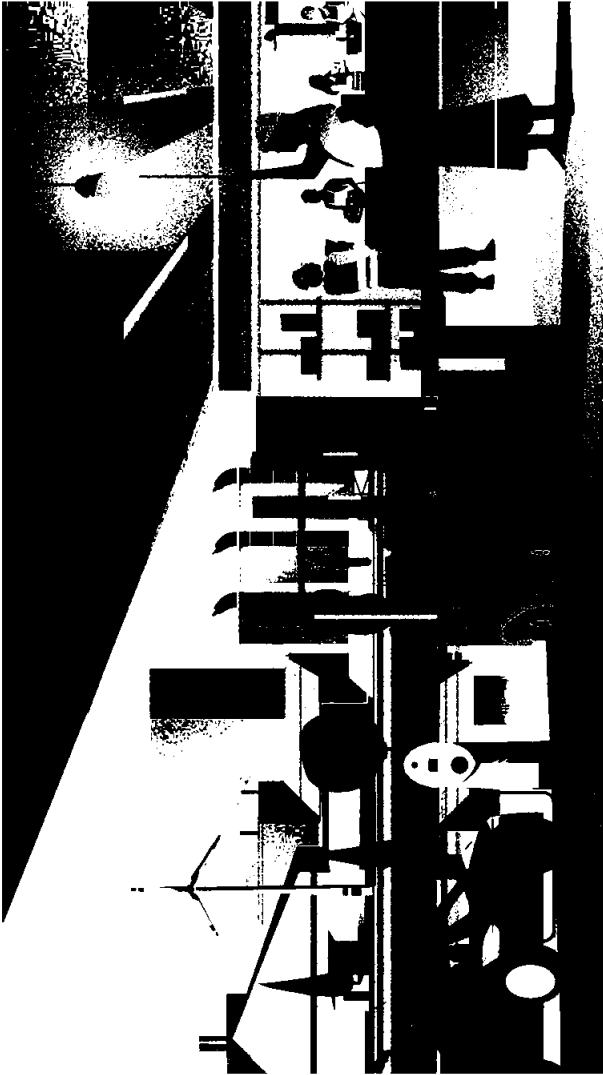
71%¹⁹ less

CO2e emissions compared to 150gr plastic refill pack

98%²⁰ less

CO2e emissions compared to 200gr glass jars

ENERGY EFFICIENCY



MANUFACTURING

PROGRESS IN 2023

Cutting energy use in our 42 manufacturing locations helps us reduce costs and our environmental impact, with energy reduction a key factor in lowering our Scope 1 & 2 GHG emissions. On a societal level, cutting our energy consumption reduces stress on energy providers and grid infrastructure.

Driving energy reduction is a structured process of continuous improvement, sharing best practices between teams, and building long-term roadmaps that lay down our journey ahead. Part of this journey involves developing new processes, which need to be tested before being rolled out across the network. Effective and efficient implementation requires close collaboration both internally and with external

stakeholders, such as industry partners, equipment suppliers, governmental authorities, and local communities.

We operate with 3 key levers:

- Energy efficiency: reducing our energy use
- Renewable fuels: decarbonising direct energy
- Renewable electricity: decarbonising indirect energy.



Energy efficiencies

During 2023, we invested in the ongoing roll out of best practice heat recovery systems across our manufacturing sites, and tested new processes at scale to support our network roadmaps. We also leveraged support in the EU through Green Deal government grants, including a new heat recovery unit in our factory in Valasske, Czech Republic.

Recovered heat is used for heating purposes, reducing overall gas consumption. We are assessing the feasibility of similar heat recovery units in other roasting facilities.

We also saw excellent continuous improvement in reducing gas consumption through smarter equipment operations and maintenance. Examples include our factory in Andrézieux, in France, where through operational improvement, we reduced consumption of natural gas by up to 10%. In Berlin, our roadmap investments were fully operational and this, combined

with the team's optimisation work, has resulted in a drop in gas use per pack of finished

In collaboration with R&D and our Energy team, we are testing and commercialising new technologies to support the reduction of energy and GHG emissions in the future. This includes new membrane systems and high-temperature heat exchangers for applications across our instant coffee production. Investments will not only deliver improved energy efficiency but also confirm their potential inclusion in our roadmaps, where appropriate. We are also working with equipment suppliers to pilot new technologies to reduce energy and GHG emissions.



Renewable fuels

In 2023, through changes in our procurement portfolio, we increased our renewable fuels slightly to 20%. Our Swedish, continues to source all its energy from renewable sources and has seen a reduction in carbon footprint of over 90% since 2019, demonstrating that a net-zero footprint is possible for coffee.



Renewable electricity

By year end, 49% of the electricity used in our purchased came from renewable sources. We also contract market-based low-carbon electricity where appropriate and available.

During the year, we continued making progressive investments in local self-generation of electricity using solar panels, installing units in Bulgaria and gaining approval for an installation at our Greek sites for 2024. These changes will further increase the amount of our total self-generated energy.

OUTLOOK

Each manufacturing facility has a roadmap for energy and environmental footprint reduction, while our investment programme carefully evaluates emerging regulations and ensures we invest in the technology choices that maintain and strengthen the resilience and competitiveness of our business by embedding ROI from a GHG emissions and water intensity perspective in our investment process. We will continue to assess Scope 1 & 2 reduction investments with a longer payback period than our normal business investment terms.

Renewable fuels



In 2022, we took a major investment decision to convert our Malaysian instant site to burn renewable biomass to generate steam. The renewable biomass will come from the on-site production of instant coffee, and from other local renewable agricultural biomass waste. As well as cutting energy costs, this will lead to significant Scope 1 reductions in the network, and also support our waste reduction targets. We expect the new unit to be operational no later than 2025.

We will also build on the learnings from our Gaevle facility in Sweden, and move one other site to > 90% Scope 1 & 2 reduction versus the base year, through the use of renewable fuels.



Renewable electricity

We also plan to update our review of the long-term potential of a possible Power Purchase Agreement on renewable electricity for Europe, and continue the roll out of our own on-site self-generation of renewable electricity.



Energy efficiencies

We will continue to invest in a number of energy- and emissions-reduction programmes over the mid- to long-term, through equipment trials and R&D development work, following through on our roadmap to build energy resilience into our manufacturing processes. Additionally, we will further develop net-zero factory designs and technologies, through ongoing capability building and a culture shift in the organisation.

SUPPLIERS

PROGRESS IN 2023

Excluding the impact from green coffee & tea, 23% of our Scope 3 GHG emissions comes from our packaging and raw material suppliers, highlighting the significant dependency of this value chain on energy. We have worked closely with this supplier group to build their resilience, which will ultimately support JDE Peet's' resilience.



Supplier collaboration

44% of our raw and pack material footprint is now covered by suppliers signed up to Science Based Targets and focussed on delivering on our aligned 1.5°C reduction pathway. We have also reached out to the next top 50 suppliers to begin setting expectations of both a reduction of impact and improved data quality directly linked to the products these suppliers provide. As well as improving reporting, this will also form the backbone of our new vendor rating system which will link multiple supplier data sources together to build on our long-term strategic relationship with these suppliers.

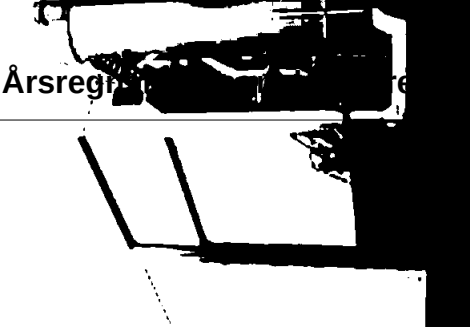
While we directly support our suppliers on understanding the SBTi journey, when they feel unable to commit, we will, where necessary, also look for alternative suppliers who are prepared to commit and support us on our shared journey.

OUTLOOK

As we build from our core strategic suppliers, and set clear expectations with all our suppliers on reporting and target setting, we will use the CDP supplier engagement programme to extend our reach to a further 500 of our top suppliers.

Beyond that, we have embedded environmental criteria in supplier selection across our cost of goods supplier base, linking also to our common approach on responsible sourcing topics, such as no deforestation. This will include developing clear expectations for other smaller volume commodities. We will continue to

improve and update the environmental
sourcing criteria and we will integrate
vendor rating system.



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ENGAGEMENT

INTERNAL

PROGRESS IN 2023

Reducing energy and water use is a company-wide responsibility, and we undertook a number of initiatives to better engage with our employees to help achieve this. We believe that small behavioural changes by our employees in the office can help reduce our climate impact.



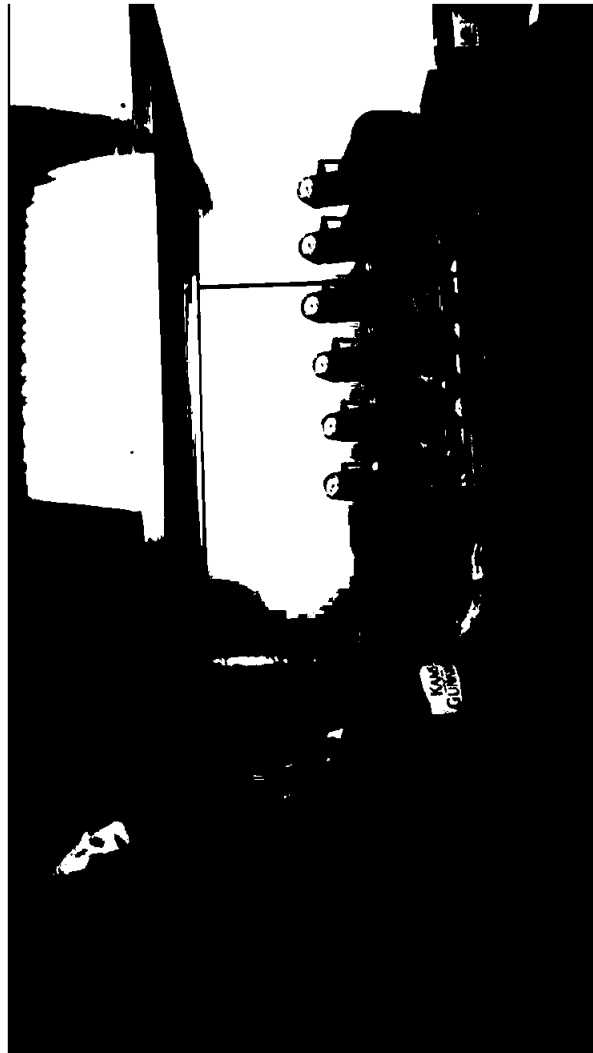
Portfolio optimisation

Empowering all employees to include sustainability within normal business decisions and processes is a key part of our engagement process. During the year, we continued to use reporting tools that allow business units to report the impact of their portfolio, in emissions and pack material designed for business performance reporting, alongside financial performance reporting. These tools will also allow business units to share data during reviews with our trade partners and champion data-driven decisions.



Route optimisation

The logistics teams have led the way with embedded data, with all inbound and outbound logistics footprints and costs dash-boarded. In 2023, we hit over 100 shipments per week sent through more environmentally friendly intermodal (truck/train) transport lanes. In the Czech Republic, we moved parcel delivery to a new provider, with a fleet composed of 80% electric vehicles. By year-end 2023, the logistics teams had reduced the company's logistics emissions by 12% compared to 2020.



Rolling out these tools has also enabled many users to interact with environmental topics. Consequently, we have included training on sustainability and how we use these tools and targets to manage the business resilience of not only JDE Peet's, but also our customers and our partners along the value chain. We have also expanded the range of training tools available within our central training resource, which is available to everyone.

Engagement needs to be across all levels of the organisation. During World Environment Day, an annual platform for environmental public outreach led by the United Nations Environment Programme (UNEP), the company rallied employees to come together, in volunteering to plant trees and on the cause of waste reduction, with a particular focus on combating plastic pollution. We launched a visually engaging poster campaign, which showcased personal activities shared by our people, such as waste separation and beach or forest clean-ups. Regional directors also contributed their insights, fostering a sense of community

involvement. Several manufacturing sites celebrated World Environment Day as the spring of collaborating with waste collection companies, with the aim of exploring further waste reduction opportunities, enhancing our collective understanding of the management landscape. We also used the occasion to launch our green office programmes across all groups in the offices. The aim was to reduce waste, reduce the use of printers, and encourage food goes to charity. We have started to roll out paper cups and reduced the number of printers. We have also minimised car use for some of our plants. At our location in the Netherlands, for example, the food for the canteen is donated instead of being purchased.

We continued to focus on implementing measures to positively impact our energy, water and waste footprint. This is our continued journey to roll out equivalent environmental management certification across our sites. In 2023, we achieved ISO 14001 certification at our manufacturing facility in Wuhan, China in

OUTLOOK

Automation of our reporting processes to simplify reporting, while also enabling greater granularity. This added level of detail will allow business units with clearer visibility of the impact they have, enabling them to make more informed choices & spend. This helps us continue to centralise and streamline processes and engage even more in the future.

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As we develop reporting tools, we expect to link financial and carbon impact reporting methods. We will continue our investigation of carbon pricing, following an indicative carbon price for mitigation from our marginal abatement cost curve assessments. This will inform us to make economically efficient interventions to reduce emissions. We will also develop tools, similar to those we use to support our customer relationships, to link to our vendor relationships, feeding vendors impact on us back to them, and linking their commitments into expected outcomes for JDE Peet's. This will help us to better factor sustainability into vendor selection decisions, alongside financial decisions. EXTERNAL PROGRESS IN 2023 During the year, we saw the culmination of our collaboration with Nestle, supported by USAID, and joined by Lavazza, Costa, and 11 of our supplier partners, into a baseline footprint for green coffee in Vietnam and Indonesia. This has given us the opportunity to work pre-competitively with various trade bodies to standardise the methodology and underpin a more dynamic and representative footprint for coffee going forward. The aim is to generate a standard all suppliers can work with to report on, and which we can embed into open source tools such as the Cool Farm tool, that we also work with on the co-development of the perennial reporting tools. The USAID study has also	led to the kick-off of a similar project for five Latin American countries, this time supported by six other roasters, and managed through the Sustainable Coffee challenge team. We also worked closely with the European coffee federation, offering our life cycle analysis experience to support their pre-competitive assessment of the full range of single serve units in the market today. This showed there was a limited difference in the impact of all systems, when the range of drinks a consumer makes is taken into account. During the year, we also supported the development of more accurate deforestation mapping tools by Enveritas, an NGO that reports on the status of coffee within supply chains through their unique reporting process. This will help us address deforestation in the coffee value chain, which at present contributes to the negative environmental footprint of the commodity. It is important that farmers remain included, and are not excluded from supply by inaccurate data. Our approach has enabled us to work with governments and regulatory groups to ensure entire countries remain deforestation-free within their coffee supply chains (see the Responsible Sourcing section earlier in the report for more information). OUTLOOK Ensuring that there are clear data standards informs our position with the relevant trade bodies, and our	response to potential carbon labelling legislation. With the expected launch of an updated GHG Protocol Land Sector guidance¹⁸, and our new SBTi FLAG targets, we will continue to work pre-competitively on the accurate and correct reporting of changes in Soil Organic Carbon, taking a conservative and landscape approach, as well as working on landscape removal tracking for agroforestry trees. These will enable appropriate reporting for the many farmers who already farm coffee using regenerative practices, and which also forms the basis of many of the intervention projects that we work on. We will remain actively involved in the LATAM baseline study, and continue to develop deforestation tracking tools to cover all sourcing locations. We will continue to work closely with World Coffee Research as they continue their field trials. We also see biochar as a	potential long-term solution for soil in possible carbon sequestration of on-hold. We have built a consortium of interested parties in Brazil, and expect to move this to action in 2024, which will be publicly reported on. We will also work with a number of other farmers, alongside a number of other stakeholders, to understand and build business models around potential systemic change to create value for coffee farmers.	potential long-term solution for soil in possible carbon sequestration of on-hold. We have built a consortium of interested parties in Brazil, and expect to move this to action in 2024, which will be publicly reported on. We will also work with a number of other farmers, alongside a number of other stakeholders, to understand and build business models around potential systemic change to create value for coffee farmers.	potential long-term solution for soil in possible carbon sequestration of on-hold. We have built a consortium of interested parties in Brazil, and expect to move this to action in 2024, which will be publicly reported on. 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¹⁸ The GHG Protocol Land Sector and Removals Guidance explains how companies should account for and report GHG emissions and removals from land management, land use change, biogenic products, carbon dioxide removal technologies, and related activities in GHG inventories.

MANAGING OUR WATER USE

PROGRESS IN 2023

During the year, we strengthened the assessment of water risks at all our manufacturing locations and coffee origins using a combined analysis, employing tools such as the WRI Aqueduct, WWF Water Risk Filter, and the Water Footprint Network Assessment tool. This, combined with an external analysis through our insurer, Argos, enabled us to define a risk profile for all our manufacturing sites. This is also reflected in our inclusion of water risk at coffee origins in our TNFD assessment. Water is already part of our Responsible Sourcing Assess, Address, Progress approach to coffee.

In 2023, we launched our Water Stewardship Policy, signed by our Chief Supply Officer, which creates the foundation for our work to positively impact our water footprint, especially in water-stressed priority basins to create impact where it matters most. It reflects the close cooperation of our manufacturing leads, global centre of excellence, and sustainability team, and describes our commitment to socially equitable, environmentally sustainable, and economically beneficial water usage. The Policy also includes other targets such as treating all our wastewater before being discharged by 2030, and ensuring employees at our manufacturing operations have access to safely managed water, sanitation and hygiene (WASH) facilities by 2030.

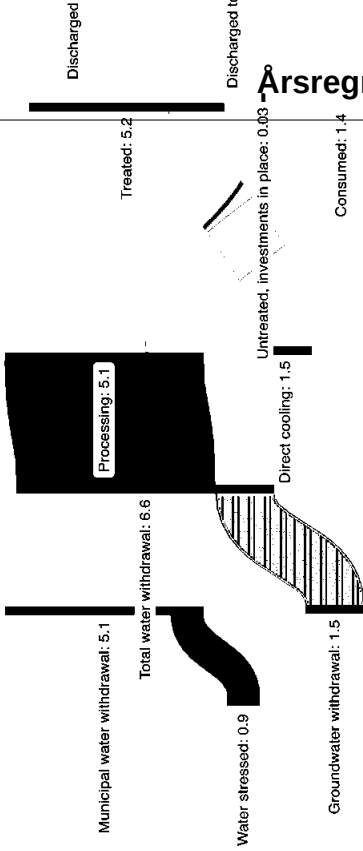
We track our water progress on a monthly basis and share results via the E-report to manufacturing plant managers and senior leaders, with data available on a digital dashboard. At instant coffee manufacturing plants, water progress is primarily tracked through OPL3, a series of weekly reviews on performance in the plant with dedicated stakeholders. In 2023, we reduced our water usage by 4% versus our base year and managed a 1% reduction in water intensity. We achieved this by sharing best practices across our units, while working closely with both manufacturing and R&D.

With water insecurity set to be a major challenge this century, our policy addresses the three dimensions of water stress: availability, quality and access.

Water availability

Our water availability roadmap is a direct implementation of our Water Stewardship Policy and targets efforts to sites deemed material through our assessments. By looking at different timeframes, optimistic and pessimistic scenarios, and combining this with the dependency of water in the production process, we are able to define which sites need to address water risks in their area. Based on this, we contacted local water authorities to confirm the results, helping to build action plans to reduce water stress. We then integrated this into the enterprise risk management, and cascaded to the respective owners.

WATER FLOWS IN MEGALITER



In 2023, we identified nine sites that are in water-stressed basins and need to develop plans to address and mitigate water availability challenges. Based on this, we then reached out to water authorities and water suppliers, reflecting our consideration of local context and importance of local collaboration.

For example, at our site in Mollet, Spain, the drought in Barcelona led to a reduction in city water usage of 15% compared to the previous three years. Based on such experiences, we developed a Water Reduction Playbook that was shared with our global manufacturing sites to define action plans that support the global water reduction roadmap.

Our six instant coffee production sites consume over 90% of our total operational water. We are working at all our instant sites to identify projects to support an 18% reduction by 2030.

Our other sites produce direct product water in limited quantities of water in the manufacturing process, and the majority of our facilities have extremely high water-stress areas intensive.

In 2023, our focus on water intensity reduction extended to implementing multiple projects with a spend of less than 1% of our capex:

- **Implementation of water-efficient production processes via investments in drain rehabilitation, pipelines, and machines used to produce low water-use products**
- **Using rainwater collected from the roof as an alternative water source for cleaning purposes**
- **Joure, as the biggest groundwater consumer, began piloting initiatives to reduce freshwater use.**

Water quality

Quality water forms the lifeblood of our production processes, especially in the creation of instant liquid coffee. The intricate extraction process for instant coffee, the cooling towers' intake, and the quenching of roasted coffee all rely on the purity of the water we use. At the same time, water is vital in other processes within our production sites, including heating, cooling, and cleaning. Given the key role water plays, we are dedicated to maintaining the highest standards of water quality across our operations.

Every drop of wastewater within our facilities undergoes responsible treatment, whether by us or trusted third parties. Currently, 39 out of our 42 sites process their wastewater on-site, reflecting our focus on environmental accountability.

We have plans in place to bring the remaining sites to the same standard, and we are developing action plans to ensure uniformity in wastewater treatment standards. One initiative involves the implementation of a metering standard, providing a systematic approach to monitor and manage water quality. We also collect chemical oxygen demand (COD) numbers and pH data biannually, and analyse surface water and public sewer outputs. This approach enables us to gauge the impact of our wastewater discharge on the environment, laying the foundation for necessary changes.

We are also developing wastewater training

programmes, which will empower our SHE (Safety, Health, and Environment) experts with the latest knowledge and skills.

In 2023, we initiated an in-depth analysis of our wastewater treatment levels, aiming for complete transparency. While clarity on treatment levels is our priority, we are already making significant progress, and tracking COD impact every six months helps us make informed decisions. While 39 sites currently meet our stringent standards, treatment levels differ between factories, as the processing and local requirements differ per site. At a minimum, we follow WHO standards where local standards are missing. We aim to have full clarity on treatment levels by our 2024 report.

In Johor, Malaysia, we invested EUR 10 million to upgrade an existing wastewater treatment facility after an uncontrolled spillage. These technical upgrades are paired with improved cooperation with environmental authorities. In parallel, we continue to investigate and address wastewater concerns in areas of heightened risk, such as Myanmar.

At several of our sites, we implemented wastewater processing systems that help maintain environmental integrity and generate biogas. This biogas serves as a renewable energy source within our operations, underscoring our commitment to innovation and sustainability.

Water access

In 2023, we introduced the third pillar of our water strategy, ensuring washing, sanitation and hygiene (WASH) facilities are in place for all our manufacturing locations. Water access is a human right, and we believe we need to be completely confident that washing, sanitation and hygiene is up to global standards. Setting the baseline as 2023, we assessed that already 88% of our factories comply with the standards set by the WASH4WORK self-assessment tool. For the plants not yet fully compliant, we have put plans in place to close the gaps in the coming years. More details can be found in our CDP disclosure on Water Security¹⁹ here.

STAKEHOLDER ENGAGEMENT

On multiple occasions in 2023, local authorities requested that our factories minimise water use as a result of local droughts, which occurred in waves in Europe. We actively engaged with local authorities, and highlighted the steps we had taken to minimise our water use and our operations.

OUTLOOK

- We will continue our work on water quality and access in our factories. We will further progress the water-efficient instant coffee manufacturing sites and energy usage is correlated, water reduction initiatives in our e . We expect to introduce new KPIs and recycled water. Additionally, progress with data maturity of our intake and discharge, which will H benchmark and identify further reduction opportunities.
- In 2024, we will further develop our Science Based Targets for Nature-related materiality, set localised water-re-

CLIMATE AND NATURE-RELATED RISKS AND OPPORTUNITIES

INTRODUCTION

Climate change is a huge threat to the planet, and creates a significant risk to the current way of doing business. However, as a business, we need to look for ways to balance risk with opportunities, which can often be leveraged by adapting to changing circumstances.

As we have done in previous years, we use the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to determine our climate-related risks and opportunities and adapt our strategy accordingly. Using this framework enables us to create a better understanding of the climate risks and our resilience, while ensuring we have the right governance, strategy, risk and opportunity management in place. In 2023, we reviewed our existing risks and opportunities and expanded our TCFD approach with the newly released Task Force on Nature-related Financial Disclosures (TNFD) guidance.

GOVERNANCE

Governance and Board oversight of climate change and nature is described in [Sustainability Governance](#) in the Board Committees section of this report. Performance measures related to climate-related impacts are not part of the management remuneration.

RISK AND OPPORTUNITY MANAGEMENT

Coffee is heavily dependent on nature and specific environmental assets and ecosystems. Soil health ensures our coffee has access to the right nutrients when growing. Coffee is primarily rain fed, but requires consistent and predictable precipitation patterns for farmers to rely on. Biodiversity is essential for disease prevention, while ecosystem intactness, tree cover and abundance of different tree species provide insights into the current state of nature. Temperature creates the right climate for coffee to grow.

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. To model the risks associated with this, we chose a 1.5° C scenario and a 4° C scenario to represent the full breadth of possible outcomes, covering accelerated global action through to a delay or failure to fully implement current policy pledges. For the 1.5° C scenario, we used the International Energy

Agency Net Zero Emissions 2050 (IEA NZE 2050) model and for the 4° C scenario we used the Representative Concentration Pathway 8.5 (RCP 8.5) model. Finally, we mapped these risks and opportunities to where in the value chain they have the largest impact. For more details of what is included in our climate scenarios, how the outcomes affect our broader strategy approach, and the direct actions we are taking please see: [CDP response section C3](#).



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Following the model outcomes, we mainly see transition risks in the short (1 year) to medium (>1 to <5 years) term, whereas we believe physical risks and opportunities are more likely to be apparent over the longer term (>5 years). Within our overall enterprise risk management process, we define risk levels (low / medium / high) which are based on the company's financial assessment and risk appetite, depending on the topic. Our risk appetite ranges from Averse (avoid risk) through to Cautious / Prudent / Open / Higher (accept high risk). Overall, climate risks are considered high in risk level, and we take a Cautious approach. The process of identifying, assessing and managing climate and nature risks and opportunities is described in the Risk management process section of this report	Following the model outcomes, we mainly see transition risks in the short (1 year) to medium (>1 to <5 years) term, whereas we believe physical risks and opportunities are more likely to be apparent over the longer term (>5 years). Within our overall enterprise risk management process, we define risk levels (low / medium / high) which are based on the company's financial assessment and risk appetite, depending on the topic. Our risk appetite ranges from Averse (avoid risk) through to Cautious / Prudent / Open / Higher (accept high risk). Overall, climate risks are considered high in risk level, and we take a Cautious approach. The process of identifying, assessing and managing climate and nature risks and opportunities is described in the Risk management process section of this report	Within the quantitative analysis, while all significant transition risks were high in terms of typical ERM values, we chose to categorise the relative risk levels with climate transition risks in order to ensure suitable assessment of mitigation investments. For JDE Peet's' climate analysis, we used a cumulative EBIT risk between 2023 and 2030. Risks were then split into: • Low 0 to <1% EBIT • Medium >1% to <5% EBIT • High >5% EBIT.	Within the quantitative analysis, while all significant transition risks were high in terms of typical ERM values, we chose to categorise the relative risk levels with climate transition risks in order to ensure suitable assessment of mitigation investments. For JDE Peet's' climate analysis, we used a cumulative EBIT risk between 2023 and 2030. Risks were then split into: • Low 0 to <1% EBIT • Medium >1% to <5% EBIT • High >5% EBIT.	restoration and regeneration. No existing JDE Peet's assets were seen to be at risk. To estimate the financial impact of these risks, we have used the following assumptions in our models: growth rate of the business; cumulative impact up to 2030 for transition risks; and scenario planning, from no change in regulation, to regulation change in the EU only, to regulation change worldwide. This has been based on current pricing of our products.	restoration and regeneration. No existing JDE Peet's assets were seen to be at risk. To estimate the financial impact of these risks, we have used the following assumptions in our models: growth rate of the business; cumulative impact up to 2030 for transition risks; and scenario planning, from no change in regulation, to regulation change in the EU only, to regulation change worldwide. This has been based on current pricing of our products.	restoration and regeneration. No existing JDE Peet's assets were seen to be at risk. To estimate the financial impact of these risks, we have used the following assumptions in our models: growth rate of the business; cumulative impact up to 2030 for transition risks; and scenario planning, from no change in regulation, to regulation change in the EU only, to regulation change worldwide. This has been based on current pricing of our products.	restoration and regeneration. No existing JDE Peet's assets were seen to be at risk. To estimate the financial impact of these risks, we have used the following assumptions in our models: growth rate of the business; cumulative impact up to 2030 for transition risks; and scenario planning, from no change in regulation, to regulation change in the EU only, to regulation change worldwide. This has been based on current pricing of our products.
STRATEGY Transition risks In a 1.5°C scenario, environmental regulations will tighten in most regions, beginning in Western countries. 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 • Deforestation regulation • Carbon pricing mechanisms.	STRATEGY Transition risks In a 1.5°C scenario, environmental regulations will tighten in most regions, beginning in Western countries. 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 • Deforestation regulation • Carbon pricing mechanisms.	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 a 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. The area of land suitable for coffee production, under current practices, would be impacted in many regions and competition for land would likely increase. We have identified two physical risks: chronic climate impact on supply chain and soil health. We have also identified one opportunity: Ecosystem protection,	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 a 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. The area of land suitable for coffee production, under current practices, would be impacted in many regions and competition for land would likely increase. We have identified two physical risks: chronic climate impact on supply chain and soil health. We have also identified one opportunity: Ecosystem protection,	Mitigation As described in the table below we have a mitigation strategy in place to address these risks. The initial estimates for mitigating the financial implications have been integrated into our budgeting processes and are part of our business models as described in note 3.3 impairment of non-current assets of the Consolidated Financial Statements . These costs do not significantly increase our cost base.	Mitigation As described in the table below we have a mitigation strategy in place to address these risks. The initial estimates for mitigating the financial implications have been integrated into our budgeting processes and are part of our business models as described in note 3.3 impairment of non-current assets of the Consolidated Financial Statements . These costs do not significantly increase our cost base.	Mitigation As described in the table below we have a mitigation strategy in place to address these risks. The initial estimates for mitigating the financial implications have been integrated into our budgeting processes and are part of our business models as described in note 3.3 impairment of non-current assets of the Consolidated Financial Statements . These costs do not significantly increase our cost base.	Mitigation As described in the table below we have a mitigation strategy in place to address these risks. The initial estimates for mitigating the financial implications have been integrated into our budgeting processes and are part of our business models as described in note 3.3 impairment of non-current assets of the Consolidated Financial Statements . These costs do not significantly increase our cost base.

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Cumulative financial impact on EBIT								
Risk	Nature / Climate related	Value chain	Opportunity / Risk description		Impact	Timeframe	Financial implication (cumulative up to 2030)	Mitigation strategy (management of risk/opportunity)
Transition Risk - Climate Packaging regulation	Climate	Downstream	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.		Currently, 79% of our packaging components is designed to be reusable, recyclable or compostable. The remaining material will still require technological advancements and investment to prevent loss of revenue due to non-compliance.	Downstream	Downward	Our packaging roadmap is in place to transform all materials towards materials. This will be delivered in a sequential approach, leading to year investments in new production lines and trials to validate material change information can be found in the Packaging section of this report. Initial for the cost and capital expenditures to mitigate the financial implications roughly estimated at EUR 300 million up to 2030.
Transition Risk - Nature / Deforestation & deforestation regulation	Nature / Climate	Downstream	Continued deforestation leads to carbon sinks being depleted and nature being destroyed. The EU Deforestation Regulation (EUDR) is in place, which mandates all coffee imported into the European Union be deforestation-free with accompanied due diligence requirements.		Mapping all coffee plots globally allows us to detect deforestation when it happens and allows for restoration before coffee is grown on those plots. For key regions, we have mapped coffee-related deforestation to be negligible since the cut-off date of year-end 2020. As the regulation requires all coffee plots to be mapped, we expect premiums will be paid to ensure supply chains of validated	Downstream	Downward	Our sourcing flexibility allows us to leverage strategic relationships with and continue to develop supply options. More information can be found in the Deforestation-free supply chains section of this report. On top of our current future investments to source responsibly sourced coffee, including protection of local environments, we have also created a roadmap to define future options to reduce impacts including a balance of available technologies and R&D investments. E initial implementation cost to mitigate the financial implications: EUR 10 up to 2030.
Transition Risk - Climate Carbon pricing mechanisms	Climate	Downstream	Carbon pricing mechanisms, such as EU ETS, are expected to broaden in scope and reach, and increase in cost.		An increase in carbon pricing and in global geopolitical activity drive energy costs higher, which impact both JDE Peet's' direct operations and also impact fertiliser costs leading to further pressure on farmer livelihoods.	Downstream	Downward	We have put in place an SBTi-validated climate target to reduce emissions by 2030. We have also created a roadmap to define future options to reduce impacts including a balance of available technologies and R&D investments. E initial implementation cost to mitigate the financial implications: EUR 10 up to 2030.
Physical Risk - Chronic climate impact on supply chains	Nature / Climate	Downstream	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 put upward pressure on the price of coffee, while also likely increasing market volatility.		While we retain our flexible sourcing strategy, this systemic industry-wide risk may lead to increased coffee prices, which might lead to a reduction of coffee variety and quantity, and subsequently might mean that many consumers that today enjoy drinking coffee will not be able to do so in the future.	Downstream	Downward	While climate change trails GHG emissions, and impacts are likely to be most severe over the long-term, we are already investing in addressing the challenges today. Our farmer engagement programmes strengthen coffee agriculture among smallholder farmers. Our support of World Coffee Research contributes to the development of coffee varieties that are more suitable to changing climate. We invest in a diversity of origins to ensure coffee remains a viable and attractive option across a broad set of countries.
Upstream	Downstream	Own operations	<1 year	1-5 years	>5 years	0% to 1% EBIT	>1% to 5% EBIT	> 5% EBIT

JDE Peet's N.V. Annual Report 2023		JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information		
Risk	Nature / Climate related	Value chain	Opportunity / Risk description	Impact	Timeframe	Financial implication (cumulative up to 2030)	Mitigation strategy (management of risk/opportunity)			
Physical Risk - Soil health	Nature		With growing demand for coffee, soil health will be depleted if not managed sustainably. Lack of sustainable soil management, such as erosion control, mulching or efficient use of fertilisers and pesticides, will lead to biodiversity impacts, such as soil quality impact and decreased species abundance.	Soil invertebrates, such as earth worms and insect larvae, and the birds that feed on them, could disappear across coffee sourcing regions. This systemic, industry-wide risk may lead to supply limitations, a reduction of coffee variety and quantity, and subsequently the availability of coffee. Although soil health is highly localised, our analysis against the GCP reference standards show that soil management is poor in all of our sourcing countries and will require multiple years of investment to see improvements.		Cannot be estimated	Our Responsible Sourcing pillar works to provide farmers with the knowledge and skills to improve soil management practices, such as cover crops and trenches. By educating farmers to use soil analysis tooling to find deficiencies, we aim to improve fertility. By investing on the ground, we to foster the right behaviour to protect nature whilst improving farmer Assessment Forms – suppliers are then required to put in place action to improve soil management. The implementation costs to improve soil part of our total approach to responsible sourcing, and is already included in the deforestation mitigation costs.			
Physical Opportunity - Ecosystem protection, restoration and regeneration	Nature		We will invest in farmer programmes to mitigate negative impacts on nature. From this, we expect brands to be in a strong position to leverage these credentials, increasing brand value and revenue.	Our current 63 projects aim to improve resilience and create a nature-positive impact. Our brands are well positioned to leverage the active role we play in nature restoration. Increasing brand penetration and reach, through leveraging the right marketing channels, drives increased sales.			We have active restoration projects running in primary sourcing countries including Uganda, Peru, Indonesia and Vietnam, and we aim to expand scope and impact. These reforestation projects are aimed at enabling keep their farms resilient to the impact of climate change, as well as keep protected areas compliant. The systemic change we are driving through engagement with ICO and GCP is aimed at creating a better future.			
Resilience		Upstream	Downstream	Own operations	<1 year	1-<5 years	>5 years	0% to 1% EBIT	>1% to 5% EBIT	> 5% EBIT
As described in the table above, as part of our mitigation strategy, we are well-equipped to handle the challenges that may arise, thanks to our extensive geographic reach, adaptable supply chain, diverse product offerings, well-established brands and financial stability. These factors give us the resilience and ability to shift towards a more sustainable, lower-carbon business model.		Metrics and targets		More information on the metrics and targets used in this assessment can be found in the responsible sourcing report.						
Consolidated Financial Statements		As described in note 1.2 of the Consolidated Financial Statements, all financial impacts are taken into account in the preparation of the Consolidated Financial Statements. Since all investments listed in the table above are future investments without firm commitments towards suppliers, this is not included as part of capital expenditure in note 3.4.1 Property, plant and equipment - owned assets.								

EU TAXONOMY

INTRODUCTION TO EU TAXONOMY

In 2019, the EU Green Deal was launched, 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

For this year's reporting cycle, companies are required to report on their eligibility for all six environmental objectives. Reporting on alignment for this financial year is only required for environmental objectives of climate change mitigation and climate change adaptation.

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 section of this report, JDE Peet's is the world's leading pure-play coffee & tea company, serving approximately 4,100 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 November 2023, the European Commission published the final set of EU Taxonomy criteria for economic activities making a substantial contribution to the four environmental objectives. In 2022, we worked with the draft annexes for the other four environmental objectives of the EU Taxonomy. Once completed, we used the final delegated acts, and reassessed our eligibility for all six objectives. In the draft version, the activity 'Manufacture of food products and beverages', which covers the majority of JDE Peet's' turnover, was still included. The reassessment however, showed that the largest part of JDE Peet's' turnover was omitted in the final version of the Environmental Delegated Act

Based on the latest EU Taxonomy legislation, JDE Peet's identifies only one economic activity eligible for the Taxonomy:

- Product-as-a-service and other circular business models, and result-oriented service models, and leases coffee machines to customers

Based on this activity, JDE Peet's considers the environmental objectives of the EU Taxonomy to be aligned with the transition to a circular economy.

Activities as mentioned under the Disclosure of Environmental Information in the Act Annex I 1.1.2.2 Numerical indicators for sub categories are not applicable for JDE Peet's and are added as separate activity.

Since reporting on alignment is only required for the two climate objectives, JDE Peet's will not report any turnover, capex and opex for this reporting year. The move to gather the data and assess alignment for next year's reporting cycle is in line with the reporting to environmental objectives.

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 and building renovation measures.

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 last year, refer to the tables below. More information on the analysis of developments in turnover, capex and opex in 2023 can be found in the Financial Performance section of this report.



JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information										
Reporting on KPIs																	
An overview of the KPIs is reported below (in EUR million where applicable):																	
Turnover																	
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)
Substantial Contribution Criteria									DNSH (Do No Significant Harm) criteria								
		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	%
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)*																	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																	
Of which in enabling																	
Of which is transitional																	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
Product as a service	CE 2.13	179	2 %	N	N	N	N	N	Y	N	N	n/a	n/a	n/a	n/a	n/a	1%
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																	
Total (A.1+A.2)																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
Turnover of Taxonomy-non-eligible activities																	
Total (A+B)																	
Not applicable																	
* Alignment only mandatory to disclose on climate change mitigation and adaptation, for which JDE Peet's has no eligibility.																	

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Capex																	
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 (18)
Substantial Contribution Criteria																	
DNSH criteria (Do No Significant Harm)																	
Taxonomy-aligned (A.1.) or eligible (A.2.) capex, year N-1 (18)																	
%																	
Millions, local CCY																	
Y; N; N/EL																	
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Opex																	
Economic activities (1)	Code (2)	Opex (3)	Proportion of opex (4)	Substantial Contribution Criteria				DNSH criteria (Do No Significant Harm)				Minimum safeguards (17)	Proportion of (18)				
				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)		Proportion of (18)
		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	%
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Opex of environmentally sustainable activities (Taxonomy-aligned)*																	
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)				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	0%
Of which in enabling				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	0%
Of which is transitional				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	0%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																	
Product as a service CE 2.13				30 %	N	N	N	N	N	Y	N						31 %
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)				45													31 %
Total (A.1+A.2)				45													31 %
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
Opex of Taxonomy-non-eligible activities				108													69 %
Total (A+B)				153													100 %
Not applicable																	
Alignment only mandatory to disclose on climate change mitigation and adaptation, for which JDE Peet's has no eligibility.																	

JDE Peet's N.V. Annual Report 2023		JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
Assessment of compliance with Regulation (EU) 2020/852. A precise definition is provided per activity included in the annexes of the Climate Delegated Act and Environmental Delegated Act, describing the economic activities that fall within the scope of the EU Taxonomy. The eligible activities reported on in these disclosures were activities that fall within these precise definitions provided by delegated acts and recommendations by the Platform on Sustainable Finance. In our assessment of the eligibility of our businesses' activities, we used the available definitions provided so far and applicable to companies falling under the NFRD for 2022: • The Disclosures Delegated Act, published 10 December 2021 and amended 21 November 2023 • The Environmental Delegated Act, the amendments to the Climate Delegated Act and the amendments to the Disclosures Delegated Act, published 21 November 2023		In addition to these, the reporting utilised the most recent information available from the FAQ document (related to the EU Taxonomy Regulation on the reporting of eligible economic activities and assets) published by the EU Commission in February 2022, December 2022 and June 2023. We have acted in good conscience and have rigorously followed the scope in the definitions provided by the delegated acts and the information provided in the FAQ published by the EU Commission. We have not included as eligible any activities that were deemed out of the scope of these definitions. When there was doubt regarding the inclusion of an activity, we have not included the activity as eligible. If, in the future, any of JDE Peet's' activities are shown to be within the scope of the descriptions included in the EU Taxonomy eligible, they will be added in subsequent reporting years.						



CONNECTING PEOPLE

SUMMARY KPIS²⁰

Our workforce at 31 December

No. of employees	Internal fill rate global leadership team
21,196	61.5%

Diversity, equity and inclusion

Share of women in leadership positions ²¹	Pay equity gap
41.3%	<1 %

Food safety and quality

Total manufacturing sites with FSSC 22000 certification or equivalent	Average training hours per employee
85%	23

Training



Employee workplace experience indicator²¹
77%

DE&I champions & ERG members
270

Occupational health & safety

Total Recordable Incidents rate (TRIR)
0.59

WE UNLEASH THE POSSIBILITIES OF OUR EMPLOYEES!

Our company's purpose, vision and values shape the behaviours of our more than 20,000 employees worldwide.

Our Purpose

We unleash the possibilities of coffee & tea for a better future

Our Vision

A coffee & tea for every cup

Our Belief

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

Our Values

DISCIPLINE SIMPLICITY SOLIDARITY
ENTREPRENEURSHIP ACCOUNTABILITY

In 2023, we continued to embed our values in our operations, ensuring that they helped guide the behaviour at all levels of the organisation.

²⁰ More information can be found in the Overview of our non-financial information tables and the Non-financial information section of this report.

²¹ Percentage of JDE Peet's employees that score with a 4 or 5 (out of max 5) to the engagement survey questions.

²² Employees who are part of the Executive Committee and Global Leadership team of JDE Peet's.

JDE PEET'S EMPLOYEE VALUE PROPOSITION

The employee experience at JDE Peet's is a journey marked by impactful actions, personal and professional growth, and the shared purpose of enhancing the global coffee & tea landscape while having a positive and sustainable impact on the world.

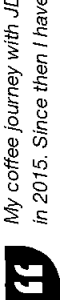
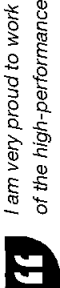
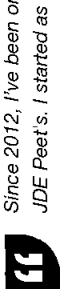
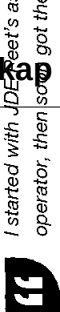
With a love of coffee and all its possibilities, we play a positive role in many cultures in many countries, where millions of coffee moments take place each and every day. We are the champions of coffee democracy. Whoever you are, whatever you enjoy, there is a coffee or tea for you.

We have crafted many brands that are enjoyed around the world, from Moccona, Jacobs, and L'OR, to Douwe Egberts, Peet's and Campos.

We deliver above and beyond. We move fast, each playing our part passionately. Every effort counts. Action is what matters. We are progressive in our outlook, ambitious in nature, resourceful in action, and decisive in approach.

The core of our employee experience:
Unleash Your Possibility

WE ARE LOOKING FOR PEOPLE WHO CARE ABOUT
THE WORLD OF COFFEE & TEA AS MUCH AS WE DO

JDE Peet's N.V. Annual Report 2023				Brønnøysundregistrene							
JDE Peet's at a glance		Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information				
WHAT IS IT LIKE TO WORK AT JDE PEET'S?				WHAT'S IN IT FOR ME?							
	WE ARE IMPACT- FOCUSED AND AGILE										
Our focus demands people who think fast and act. Real life is full of twists and turns, so we are agile, resourceful, and ready to change course at a moment's notice.		We act on our intentions, follow through on what was agreed, and continually push forward.		As the world's leading pure-play coffee company, we have big ambitions. We know you do, too. The world of coffee is dynamic, ever-changing, and offers endless opportunities to learn, develop and thrive, no matter what your role.			I started with JDE Peet's as an operator, then soon got the chance to work in various supervisory and commercial roles. This has provided me with the opportunity to learn and support each other along the way.				
	“										
My coffee journey with JDE Peet's started back in 2015. Since then I have held multiple roles (I am currently on my fourth), and have had the chance to explore the Supply Chain & Sales departments. I have always been a status-quo challenger and a promoter of 'continuous improvement as an attitude', which has brought me continual learning opportunities and great satisfaction over the years.		I am very proud to work for JDE Peet's because of the high-performance culture and the energetic and driven professionals I work with.			Since 2012, I've been on an exciting journey at JDE Peet's. I started as a salesperson in Retail Norway and since then I've had the opportunity to grow and develop within different roles.			Today, I am part of the Nordic Shopper team. This gives me new input to learn and share experiences across different markets. It's exciting and motivating to work with strong brands in several countries, where you are driven forward by talented colleagues who all share the same passion for coffee.			
If you want to boost your career, while having hands-on experience and support from colleagues and mentors, JDE Peet's is the right place to be. It is the place to learn, grow and discover your strengths!		Today, I am part of the Nordic Shopper team. This gives me new input to learn and share experiences across different markets. It's exciting and motivating to work with strong brands in several countries, where you are driven forward by talented colleagues who all share the same passion for coffee.			Today, I am part of the Nordic Shopper team. This gives me new input to learn and share experiences across different markets. It's exciting and motivating to work with strong brands in several countries, where you are driven forward by talented colleagues who all share the same passion for coffee.			This has provided me with the opportunity to learn and support each other along the way.			
Dumitru Cristea Trade Promotion Specialist		Josephine Bijloos HR Manager Professional			Ibis Kalgraaf Customer Shopper Manager			Julia Archie Production Manager			

UNLEASH YOUR
POSSIBILITIES
PLAY YOUR
PART
IN
A
POSITIVE
IMPACT

WHAT AM I PART OF?

PLAYING OUR
PART TO
POSITIVELY
IMPACT THE
WORLD

As a business
committed to
unleashing the
possibilities of coffee &
tea for a better future,
we recognise our
responsibility to elevate
standards within our
business and beyond.

I've been in coffee for over 20 years and
sustainability is a core part of why I enjoy the
industry. As we buy 8% of the world's coffee,
JDE Peet's holds the awareness and drives action on
what and how we can do better; from working with
World Coffee Research to our Common Grounds
programme which support farmers and all levels within
the value chain

Shaun Kumar
Sales Manager & Coffee Ambassador

AN ORGANISATION
AT THE HEART OF
THE WORLD OF
COFFEE & TEA

Coffee & tea are at the
heart of life. During the
big moments and the
small, they keep us
energised and bring us
to life on our special
days. Deals are made,
conversations are had,
life is lived.

It's great to work in a factory with a rich history,
while constantly innovating--all while the smell
of coffee is all around you! My admiration goes
to everyone involved in our products - technicians,
foremen and our operators. We work to prepare a
wonderful coffee experience for our consumers.

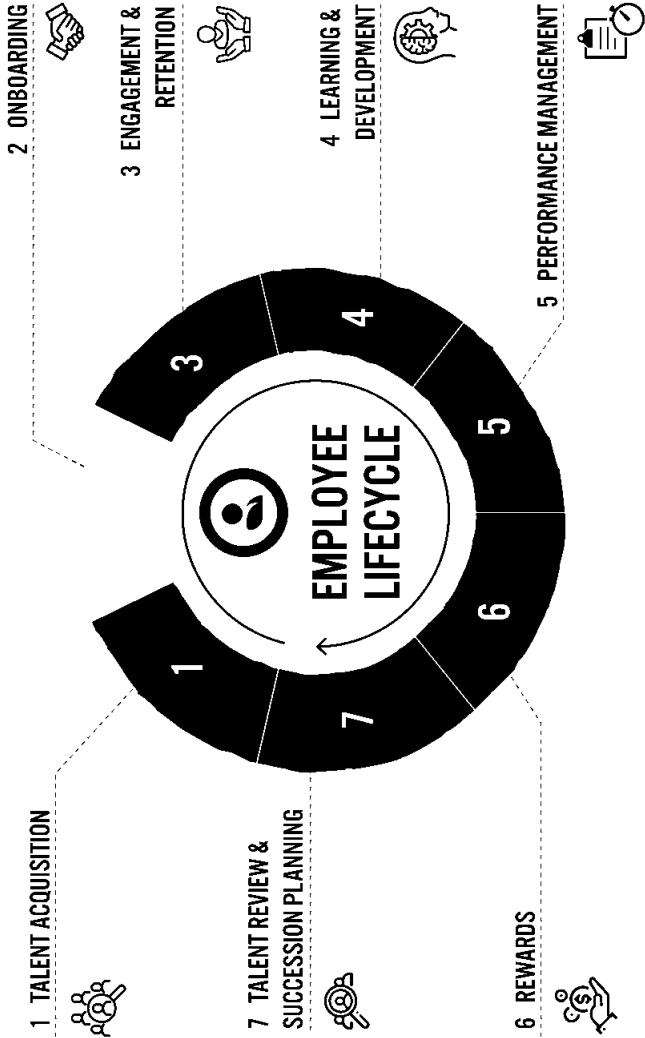
Iveta Urbanová
Production Engineer

GROWING OUR PEOPLE

At JDE Peet's, we use standard playbooks (policies) to guide our global people processes throughout the entire employee lifecycle, from recruitment to performance and talent management.

These playbooks enable us to drive standardisation and objectivity, eliminating potential bias and ensuring an inclusive experience in the workplace. We place our people at the centre of everything we do. These playbooks are shared with our employees via our internal website.

Overviews, capability building materials and guidance on our people processes are available for all relevant target audiences online, while our HR professionals can access detailed guidance and materials through a dedicated global platform.



WE BUILD
DISTINCT STR
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CHAMPION
AND SUST
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TO

TALENT ACQUISITION

At JDE Peet's, we aim for a streamlined talent cycle and talent acquisition (TA) is our starting point. Our objective is: to attract and recruit the right individuals for the right positions to strengthen our talent pipeline, while fostering internal mobility and ensuring a seamless employee experience.

A STANDARDISED APPROACH TO TALENT ACQUISITION

Our TA playbook lays the groundwork for a standardised and robust recruitment process. By applying consistent methodologies and frameworks across the organisation, we streamline and optimise the selection and assessment of candidates. The playbook defines the criteria for the best fit within JDE Peet's through an in-depth assessment and interview process, ensuring alignment with our organisational goals and values.

The best fit for JDE Peet's is defined through four different lenses:



CHAMPIONING EQUITABLE PRACTICES

JDE Peet's is committed to creating an inclusive and diverse workforce, and our talent acquisition practices

reflect this commitment. Our playbook champions equitable practices, including balanced shortlists for gender and nationality. We firmly believe in creating an inclusive culture that celebrates diverse perspectives and experiences, aligning with our goal of building a strong, connected, and high-performing team.

By embedding DE&I principles into our TA process, we strive to attract and select the best talent while fostering a diverse and inclusive workforce. DE&I is embedded in our signature recruitment process to decrease potential bias and increase objectivity. By involving multiple interviewers, leveraging an advanced applicant tracking system, and implementing online assessments, we ensure fairness, reduce potential bias, and enable objective selection.

DRIVING TALENT INSIGHTS THROUGH OUR APPLICANT TRACKING SYSTEM

We use our Applicant Tracking System (ATS) to create a Global TA KPI dashboard that focuses on governance, time, quality, sourcing, and cost. By harnessing this technology, we gain valuable insights to drive optimisation and make informed decisions. Our ATS centralises talent data and provides us with vital insights into our recruitment efforts. Through the Global TA KPI dashboard, we align our strategies with organisational goals and monitor KPIs to enhance recruitment effectiveness and target the right talent pools. The ATS ensures transparent governance by tracking adherence to policies and procedures. It helps us maintain compliance and a fair process for all candidates.

PROGRESS IN 2023

IMPROVING CANDIDATE EXPERIENCE WITH REVAMPED LOCAL CAREER PAGES

In 2023, we successfully relaunched our 40 local career pages. This strategic initiative aimed to effectively communicate our Employee Value Proposition message to prospective employees, providing clear insights into what it's like to work at JDE Peet's and the sense of purpose our employees contribute to.

Our revamped local career pages serve as a window into what working at JDE Peet's is like. Through engaging content, compelling visuals, and real-life employee stories, we provide candidates with a genuine understanding of our culture, values, and the unique opportunities for growth.



ONBOARDING

The purpose of the onboarding process is to integrate new employees into the organisation, done by familiarising them with the company policies, and their roles, providing training, engagement, and ensuring compliance. Effective onboarding enhances retention and the overall employee experience. The JDE Peet's playbook explains the process within the first 90 days of employment.

HAS CLARITY

- Knows the company direction and the business goals
- Knows the market/industry trends
- Knows the company's customer segments
- Knows what is expected of them in their role



IS COMPETENT

- Understands the way of working and is equipped with the necessary tools
- Understands the philosophy and tools practised in the organisation
- Understands the way to develop people



IS ENGAGED

- Is connected with the stakeholders relevant to their role
- Feels 'supported' by the organisation
- Feels that JDE Peet's values them to become the best



ENGAGEMENT & RETENTION

Engagement is an emotional connection to one's role, team or company. Engagement has a profound impact on well-being, and there is evidence that people with higher levels of engagement are less prone to stress or burn-out, and form more effective relationships at work and in their private lives. Research shows that engaged teams and organisations have greater productivity and business performance, generating higher profits and more positive customer experience.

Our engagement strategy is aimed at driving engagement via our people managers, while our Executive Committee is an engagement role model with their engagement results placing them in the top quartile amongst peers. Our Global Leadership team members have a high engagement index of 16.5:1, which shows the ratio of engaged to actively disengaged leaders.

But engagement is more than just a survey; while our annual engagement survey helps us measure and create an engaged workplace, it is part of our employee listening strategy.

PROGRESS IN 2023

In 2023, 85% of our employees took part in our company-wide annual survey, and our aggregated results expressed as the Workplace Experience Indicator showed that 77% of our employees scored a 4 or 5 (on a 5-point scale) on the engagement survey questions, a 2 percentage point increase compared to 2022. Building on the success of the previous year, in 2023 we continued to measure DE&I and well-being through additional questions. Reviewing the ratio of engaged to actively disengaged employees globally per different employee group, in 2023 we saw no significant differences across either gender or generation.

Feedback becomes powerful when we act on it, and we are creating accountability through an efficient process driven by our people managers. Following the release of the survey results, people managers are mandated to share, cascade and discuss results within the company. It is a team responsibility to be candid about engagement and select a number of areas to work on and address with an action plan. In the months following the survey, teams check on the progress of their agreed actions, to course-correct when needed and continue the conversation on engagement.



SUPPLY CHAIN TEAM, BRAZIL

According to Marisa, the supply team in Brazil embraces the company's culture and is inspired by our values to deliver the best results every day: "We focus on developing our team skills and capabilities to enable continuous improvement in our operations in an increasingly challenging context. We have leaders who promote initiatives to recognise our employees, valuing the unique contribution that each one can bring to the team, collaboratively. We are also fostering diversity, equity and inclusion, so that we can promote a work environment in which everyone can feel truly integrated and able to contribute to our organisation. As a result, we saw positive developments in our engagement scores related to management support and growth opportunities. We believe this is a daily journey, that gets better with intentionality and a people-centric mindset."





Global procurement team, the Netherlands

According to Evgeny, having highly engaged employees is critical to success. When people feel strongly connected to their teams, love their jobs, and have positive feelings about the function, they are happy to stay and work hard to help the organisation. and their team, succeed. But when it doesn't go well, how does a team respond?

Evgeny, who went through this process with his global procurement team in 2021, says the first step was to have meaningful conversations with employees, creating emotional connections. This enabled employees to understand how much their success meant to the company, and enabled Evgeny and his team to understand what really matters to employees, what inspires them, and what demotivates them. Based on this, procurement implemented the following activities:

- They created a clear and compelling Procurement Vision, aimed at engaging employees and outlining a strategic direction for their function
- They transformed the organisation's design, creating a range of attractive new jobs to help people build their careers at JDE Peet's
- They equipped their people with simple and effective instruments to map career paths and build development plans to help them improve
- They created a Procurement Capabilities Framework, which helps employees obtain valuable skills and become better professionals
- Finally, they maintained a continuous dialogue with employees through regular individual conversations, procurement events, and regular get-togethers to celebrate successes.

In 2023, procurement employees were far more engaged than they were in 2021, with the engagement survey score increasing to 4.17 (2021: 3.71). The Procurement Leadership team was even more engaged with an overall score of 4.48 in 2023.

The efficiency of the follow-up process is measured by the Accountability Index, which is translated into three additional survey questions: feedback was received; action planning discussion was conducted; progress on action plans was made since the last survey.

Every people manager in JDE Peet's has a performance target to achieve a score of 4 or more (on a 5-point scale) on this index, and is evaluated on this target through the annual performance appraisal. To provide targeted support to our people managers, we benchmark our team results internally and check team distribution over the team quartiles. This approach enables us to monitor team progress and follow the team movements year on year. The survey execution and process are guided by our engagement playbook, which is available to HR and people managers across the company.

LEARNING & DEVELOPMENT

We empower and equip our people to be in the driving seat of their own career and development. Improving current capabilities and developing new ones leads to improved performance and higher engagement, which creates better business results.

Our Learning & Development approach is at the heart of the business strategy and is connected to all business processes, such as performance or development.

Our strategy combines centrally designed development programmes and curriculum-driven initiatives and personalised learning experiences for employees build, based on their unique needs. We believe a strong development programme should lead to 70% on-the job experience, 20% learning and 10% formal training. We provide a variety of learning opportunities and invest in programmes in which employees are encouraged to choose which offering best suits their specific needs.

70%

ON-THE-JOB EXPERIENCE
LEARNING FROM OTHERS

The learning and development strategy is strongly connected to our career development philosophy, and they discuss and review development plans at least once a year with their line managers.

CAREER DEVELOPMENT AT JDE PEET'S

We have defined a Career Development Model to support employees on their journey and provide the right skills, tools and resources to develop their careers with us.

LEADERSHIP
CAPABILITIES

FUNCTIONAL
COMPETENCIES

CRITICAL
EXPERIENCES



LEARNING AGILITY

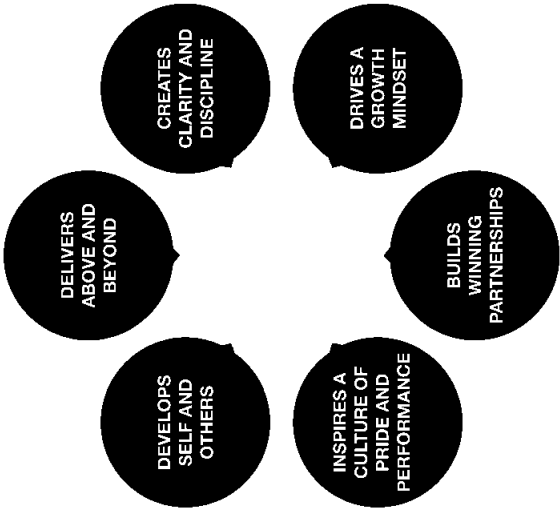
CAREER DEVELOPMENT

Internally, and with the involvement of management and employees, we have defined a set of leadership capabilities, functional competencies and critical experiences that offer orientation and guidance to everyone looking to build a development plan and to develop skills and capabilities for their next career step.

L&D APPROACH

BUSINESS
FOUNDATION

Mission/Purpose
+
Strategy
+
Values
+
Employee
Experience



HOW

Development Method
70-20-10
A mix of on-the-job learning, stretch assignments and projects, formal learning, and learning from others through mentoring/coaching.

WHAT

L&D Pillars
Functional Capabilities
+
Leadership Capabilities
+
Team Development
+
Coffee & Tea

WHY

Results
Increased Performance
+
Better Business Results
+
Associate Engagement

Measurable:
• AOP delivery
• Engagement scores
• 360° survey on Leadership Capabilities

Constantly evolving:
• External world
• Business priorities
• Linked to JDE Career Development Model

Supported by:
• Metrics
• Technology

The Leadership Capabilities support our strategic framework, further crystallising our HOW. While our values define our collective behaviours, our Leadership Capabilities define our personal attitude and our intentionality. We expect every employee to act as a leader irrespective of grade, function or experience. Leadership at JDE Peet's is a mindset, not a job title, which is why Leadership Capabilities are relevant for everyone.

JDE PEET'S UNCONSCIOUS BIAS E-LEARNING

In 2023, we designed and implemented a JDE Peet's unconscious bias e-learning, where employees undertake different activities and interactive challenges related to unconscious bias. Employees follow the coffee journey from bean to cup, which helps them understand how they affect our day-to-day decision-making. This is followed by practical suggestions on how to address such unconscious biases. The course uses real-life scenarios from across the company that connect with each moment of the employee lifecycle.

We created the e-learning in the eight most commonly used languages in the company: English, Dutch, German, Portuguese, Russian, French, Malay and Czech. In many markets, this course is automatically assigned to new employees as part of the onboarding programme, as well as being either assigned or promoted to existing employees depending on their language. We also promote this course ahead of each key training programme as pre-work and at key moments of our core processes, such as our performance review or objective setting.

EMPOWERING OUR EMPLOYEES TO GROW

We equip our people with the right tools, technologies and options to develop. In 2023, we introduced a new Learning Management System (LMS) to enhance the smooth operation and reporting of our learning activities. The LMS provides deeper insights and a more organised structure, enabling us to effectively monitor trends and the progress of our people. It is our one-stop-shop for education and enhancing our employees'

knowledge, which is structured around four pillars: functional capabilities, leadership capabilities, people management skills, and organisational culture, covering topics such as coffee & tea, sustainability, DE&I and well-being. It provides many opportunities for self-paced learning, bite-size learning, webinars, e-learning, or in-person sessions.

LEARNING KICKS

Twice per year, we organise our Global Learning Kicks, which are global virtual training events. In 2023, we offered 73 webinar-format sessions, which saw a total registration of nearly 1,500, representing 30 countries.

These webinars are globally driven and cover a variety of topics identified as relevant, based on in-depth needs' discussions with the local markets. They are open on-demand to all our English-speaking employees, based on seat availability, and are followed by local development initiatives in the local markets. We also included several DE&I-related workshops as part of the Q2 and Q4 Learning Kicks for employees around the world. The aim is to continuously embed DE&I within existing L&D frameworks, and provide opportunities on top of local initiatives for employees to increase their DE&I knowledge and continue fostering an inclusive culture.



Migrating our LMS to the cloud has opened up a complete new set of possibilities for us. We've been able to offer our local associates a more personalised experience, and we can create new content with ease. The ease of access to our associates at the press of a button has only been able to improve on what we were already doing. We were also able to expand our offer to our associates in DACH and to connect with users as a result.

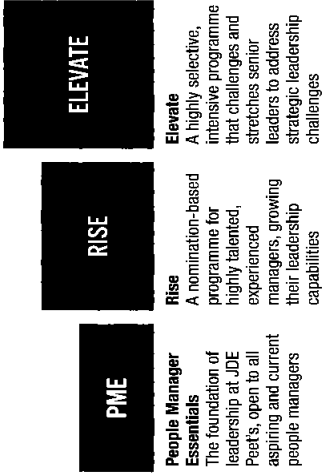
Jannes Kirchoff
Development Expert DACH



OUR LEADERSHIP DEVELOPMENT JOURNEY

We strive for a culture of pride and performance. Each year, leaders at all levels are engaged in a leadership development journey with multiple touch points, to improve leadership capabilities and prepare themselves for the future. We offer several global programmes that cater to the different stages and needs of the management development journey.

The JDE Peet's Leaders' Journey



The programmes are designed as comprehensive and iterative learning journeys, with participants learning from personal insights, leadership frameworks and external industry experts, over a period of several months.

Key elements include self-awareness through assessments and 360° feedback, training with world-class facilitators and external speakers, complex business simulations with observation and feedback, coaching and mentoring, practice and support in groups with peers, planned actions and learning from application and frequent reflection and feedback.

As part of the leadership development journey, we offer external, professional coaching to our leaders through a digital coaching platform. In 2023, employees across the world were able to choose their own International Coaching Federation (ICF) certified coach, setting goals and development areas in conjunction with their managers.

Over the course of the year, there were 63 participants, rating the programmes 4.5/5.

Rise and Elevate programmes



COMPANY-WIDE CULTURAL ALIGNMENT
In 2023, our leadership teams across the globe underwent an extensive cultural alignment called Breakthrough Global. During a session between February and September, 18 leaders participated in one of the 18 sessions across the globe.

The sessions were highly interactive and focused on the following objectives:

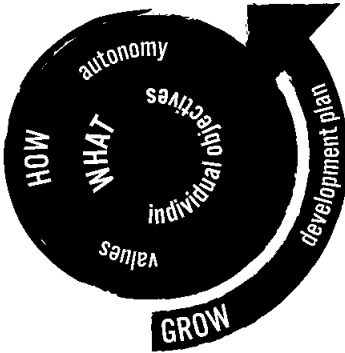
- Align culture with strategy
- Create high-performing teams and stretch goals
- Unlock individual empowerment
- Accelerate growth.

Brønnøysundregistrene



PERFORMANCE MANAGEMENT

Performance management is guided by a global playbook ensuring consistency and objectivity within the company. We want to achieve sustainable results, which is why it is important to meet business expectations and ensure that teams are engaged and focused for the future. Each employee plays an important role in contributing to the company goal.



Performance management is a continuous process, composed of three formal moments:

- Objectives are aligned at the beginning of the year between employees and their direct managers and formalised through the objective-setting process.
- During the year, we recommend that multiple check-ins take place in addition to the formal half-yearly check. These involve conversations between the manager and the employee.

- At the end of the year, a formal evaluation of the employee's overall yearly performance takes place, with a calibrated outcome that has embedded multiple data points and stakeholder feedback. The calibration ensures that potential rating bias is reduced and ratings are relative to performance amongst peers, as well as being consistently applied across the organisation.

PROGRESS IN 2023

In 2023, 88.0% of JDE Peet's employees were in scope for performance appraisal conversations. Our people managers are committed to delivering high-quality performance discussions that cover performance development, personal engagement and growth. To ensure that all employees in scope receive their objectives and valuable feedback, these processes have a 95% or more completion rate set as a KPI, which allows room for local exceptions to be made in case of for example long-term absence.

An important part of our performance management is dedicated to employees' development and growth through the creation and follow-through of a continuous development plan.

Our newly implemented L&D platform enables our employees to easily search the learning catalogue and link learning items directly to their development plans.

To monitor efficiency, we report on KPIs, ensuring we apply a DE&I lens where possible. During the evaluation of end-of-year performance data in 2023, deliberate

efforts were made to review performance processes for potential (gender) bias.

REWARDS

Our rewards philosophy reflects who we are and is a key enabler of our entrepreneurial culture. This philosophy is designed to be simple, effective and transparent and supports us to:

- Attract, engage, incentivise and retain coffee & tea champions
- Drive a high performance, entrepreneurial culture where champions act as owners
- Encourage collaboration, as an essential part of our success.

Pay for performance is core to our rewards philosophy. At the same time, our philosophy and key processes are designed to enable us to determine and distribute rewards fairly, with regard to what each employee brings to the table.

Whilst the actual components of employees' reward packages may differ by location, depending on local market practice, regulations, applicable collective bargaining agreements and other factors, there are key guiding global principles to support our philosophy as described below.

BASE SALARY

We aim to provide an equitable and market-competitive base salary in order to attract, engage and retain coffee & tea champions. Salaries are aligned with the

employee's level of experience, scope of responsibilities, location and performance.

Unless otherwise dictated under local bargaining agreements, we review salaries in line with our pay for performance philosophy to ensure that we continue to pay competitively and equitably.

SHORT-TERM INCENTIVES

In line with our focus on pay for performance, thirds of our employees participate in short-term incentive plan. The majority of these participants in the annual bonus plan, and rewards the delivery of our annual priorities. These priorities may include as personal objectives that contribute to our financial plan.

For the employees participating in the plan, the financial performance measures the same as those applicable to the company as described in the Remuneration Report, with targets aligned to the performance responsibility:

- Net Sales, net of commodity inflation
- Adjusted Earnings Before Interest and Taxes
- Average Operating Working Capital

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SHARE PLANS Thinking and acting as owners is part of our company culture. We offer senior leaders in JDE Peet's the opportunity to participate in our share plans in order to balance short- and long-term focus, incentivise long-term value creation and align their interests with those of our stakeholders. During 2023, we expanded the eligible population of our Share Purchase Plan (SPP) to over 600 employees, determined by band. Under the SPP, eligible employees can choose to purchase shares in JDE Peet's and, subject to holding these shares for at least three years, receive one matching share from the company for every three shares purchased. OUR COMMITMENT TO EQUAL PAY We are committed to all employees receiving equal pay and treatment for carrying out the same work or work of equal value. To ensure this is practiced throughout the company, we work with Mercer, a leading external HR consultancy, to measure the impact of our pay policies through periodic gender pay equity analysis. This ensures both independent quality assurance as well as the adoption of best-in-class methodology. You can find more information in the Breaking Down Potential Barriers to Women's Empowerment section in this chapter.							
TALENT REVIEW & SUCCESSION PLANNING The Talent Review & Succession Planning playbook sets out global principles, defining roles and responsibilities, providing an evaluation framework, philosophy, communication materials, definitions and guidelines, as well as toolkits and templates for executing the process to achieve its purpose. The purpose of our Talent Review is 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 pool. Our leaders own the talent review decisions, succession pipeline and the development of their employees, and together with their teams, they are responsible for the next generation of leaders, aligning their views and leveraging their strengths as a group to create growth opportunities. DE&I considerations are embedded in the talent discussions, ensuring that diversity in the talent pipeline and succession plan is visible and actively highlighted throughout the process. Leaders focus on their respective scope, with the minimum requirement that all employees at manager level and up are part of the process. Expanding the scope to other employees is based on local priorities. The process builds up from local, to regional, to global reviews, ending with our Executive Committee review of the company's top talent and their development steps, and succession for mission-critical roles.							
Digitalising the Employee Lifecycle We recognise that in a hybrid and inclusive world, we need to continue to invest in technology that can support our employees with an engaging user experience and managers with actionable insights that drive performance. In 2023, we continued to optimise our managing performance, development and succession planning. We expanded the key metrics we use to drive the right decisions across the business. We built on this with the launch of a tool for HR to further support the business, their people and organisations in questions that impact where it matters. We launched additional learning tools and resources, to help us understand if employees have the necessary onboarding to be successful in their roles. Why employees leave the company, and exit surveys now provide the context into how to improve the employee experience for a successful start at JDE Peet's, and reasons are behind voluntary turnover.							
Some of the data analytics reviewed as part of the process are for talent pools, talent retention and turnover, movement of talent, talent and succession planning pipelines, and specifically for gender balance within them.							
Netherlands, we have various measures in place, such as reduced working hours prior to retirement, a pre-retirement course, or advice.							

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OUTLOOK

In 2024, we aim to focus on raising awareness of JDE Peet's as an employer of choice. We will engage external talent, as well as internal employees, with our employee value proposition through online and offline channels. By leveraging our employer branding narrative and showcasing action-to-impact local stories, we aim to increase internal engagement, especially around the topic of the importance of our day-to-day work, and to attract external talent that would find a fit in our entrepreneurial environment.

In 2024, we plan to continue investing in the power of teams by driving a team development framework. This will consist of a wide range of activities designed to improve overall team performance and build high performing teams. We know from research that teams make better decisions, produce more innovative ideas, and implement them faster than individuals working alone, making effective teamwork a competitive advantage.



WE STAND TOGETHER IN OUR DIFFERENCES

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.

OUR GLOBAL APPROACH TO DIVERSITY, EQUITY, AND INCLUSION

At JDE Peet's, we share a common understanding of what diversity, equity and inclusion (DE&I) means for us as a company:

- Diversity describes the parts we all bring as an individual or group that make each of us unique. Diversity is the blend that demonstrates the representation we collectively bring and that defines who we are as a company.
- Equity is about fostering fair access, opportunity and advancement for all and being supportive of differences. Equity is also about identifying and

eliminating potential barriers that may hinder fair access and opportunities.

- Inclusion is the conscious act of creating a culture of belonging, where all employees can be their true selves and are celebrated for who they are. Inclusion is also about listening, learning and making the voices of everyone heard. It requires each of us to take active steps to counteract potential biases and stereotypes.

We recognise DE&I as a key business enabler, and one of our most material topics as it contributes to each pillar of our strategy²³:

- **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 talent, regardless of who they are.

OUR GLOBAL DE&I POLICY PROGRESS IN 2023

We introduced a global DE&I Policy in 2023, expanding on our existing Board Diversity Policy, which underscores our commitment to our employees, provides more explicit guidance internally to our change makers, and meets the growing expectations from our external stakeholders. The policy explains how we define DE&I within the company,

sets out our approach under the DE&I strategic framework, and details how we monitor and report on our progress. Together with our DE&I strategy, it constitutes the basis for the deployment of DE&I throughout the organisation. The policy relates to our ambitions on gender equality and, specifically, gender representation within the Board, the Executive Committee and other leadership positions. It also states our commitment to pay equity and non-discrimination, the latter reinforcing our Code of Conduct and Speak Up Policy.

The policy applies to employees, directors and officers of JDE Peet's. The CEO is accountable and the Chief HR Officer is responsible for the policy's implementation. The Remuneration, Selection and Appointment Committee of the Board review the policy, including its effectiveness, and recommends as appropriate, any revisions to the Board for approval. The policy contributes to the United Nations Sustainable Development Goal #5 on Gender Equality and is in line with the Dutch Corporate Governance Code.

By setting this policy, we recognise the interests of our employees in being part of a diverse workforce that represents the world we live in, in being able to access equal opportunities and in being able to be their true and authentic selves. We also recognise the interests of our stakeholders, as DE&I contributes directly to each pillar of our business strategy.

During the year, we also launched our internal TrueYOU hub, which states our DE&I strategy and story and

contains a library of resources, video images of past global activations. The employees have easy access to this aware of, and aligned with, our stance DE&I globally.

OUR GLOBAL FOCUS AREAS AND MODEL FOR LOCAL ACTIVATION

To ensure we are on a journey toward globally, while acknowledging local differences, we have selected two global priorities:

1. Break down potential barriers to empowerment
2. Value differences to ensure our employees who they truly are.

We bring awareness on these priorities to employees globally, in part through activation moments:

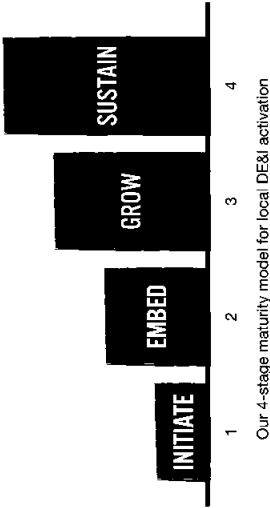
- Gender Balance Month in March, recognise the importance of achieving balance and equity and use International Day as a 'kick off' for these discussions
- Pride Month in June, when we recognise people globally by amplifying their supporting their rights, and celebrating TrueYOU Week in October, when we advance the awareness of DE&I globally, with an international leadership inclusion.

²³ See the [Our strategy](#) section of this report for more information.

PROGRESS IN 2023

The local activation of our global DE&I strategy is driven by more than 270 DE&I champions and employee resource group members globally. In 2023, this was 28 more than 2022. Every market, site or local country team is empowered to define their local focus areas which fit their social or legal context.

In 2023, we launched the second version of our DE&I activation toolkit, initially launched in 2021. This toolkit outlines a pragmatic and systemic approach for local DE&I activation, and is based on a maturity model structured in four stages (see figure). The updated toolkit provides more clarity on deliverables of stages 1 and 2, more in-depth guidance and further internal case studies to instill best practices. This enables our markets and sites to be fully equipped to activate DE&I locally with optimal guidance.



Stage 1: Initiate

We expect three key outcomes:

1. All key stakeholders to clearly articulate the case for change and the business impact
2. Commitment demonstrated and accountability established for key stakeholders
3. Awareness achieved across the market/site via training and development.

These outcomes enable us to create a solid foundation and set the local market/site up for success with the right structures, commitment and tools.

In practice, we measure progress by identifying whether some key deliverables have been attained, such as:

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

Stage 2: Embed

We expect three key outcomes:

1. Change initiated in stage 1 to be embedded into our structures (not just in isolation)
2. DE&I strategy (informed by data) agreed on by key stakeholders
3. Leaders consistently demonstrate inclusion and articulate the actions and behaviours expected of others.

These outcomes help ensure that transformational change is sustained across the workforce and workplace pillars of our global strategy, while establishing accountability for delivery of the strategy and KPIs, and to measure our progress.

In practice, we measure progress by identifying whether some key deliverables have been attained. For instance:

- Data points are collected to inform action/improvements via local surveys (>40% participation rate), focus groups/listening sessions conducted per diversity dimension.
- Locally relevant dimension(s) of diversity have been determined as long-term strategic priorities and include KPIs to assess progress.
- Global/local DE&I strategy is included in the local onboarding programme and employees are aware of the role they play, and how they can get involved.
- At least 10-15 champions, representing all functions and areas and the establishment of one employee resource group (ERG) per long-term priority.
- Management seek 360° feedback as part of their development plan from a diverse group, including

their team, share results with the in individual action planning.

At the end of 2023, we had reached of over 98% for stage one (an 18 bps compared to 2022) and over 33% of all markets (a 33 bps increase compared to 2022).

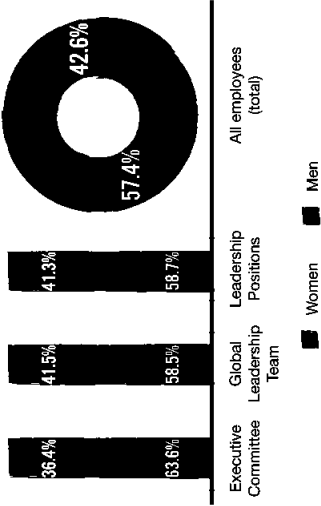
We activated DE&I across our 18 markets in Europe and Brazil by making plant their HR site manager, responsible for within their plant. Each plant leader and has been invited to be part of the makers community and join the bi-monthly Makers Circles. They follow guidance activation toolkit.

BREAKING DOWN POTENTIAL WOMEN'S EMPOWERMENT PROGRESS IN 2023

Reinforcing our commitment to continue Nations Sustainable Development Goal Equality, we are proud to have joined Empowerment Principles in 2023. This accelerates the progress we have been making that employees from all genders feel to thrive at JDE Peet's. The United Nations Empowerment Principles are to help their practices, projects, and policies equality, and they help us to enforce our towards our employees and external

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

Gender ratio



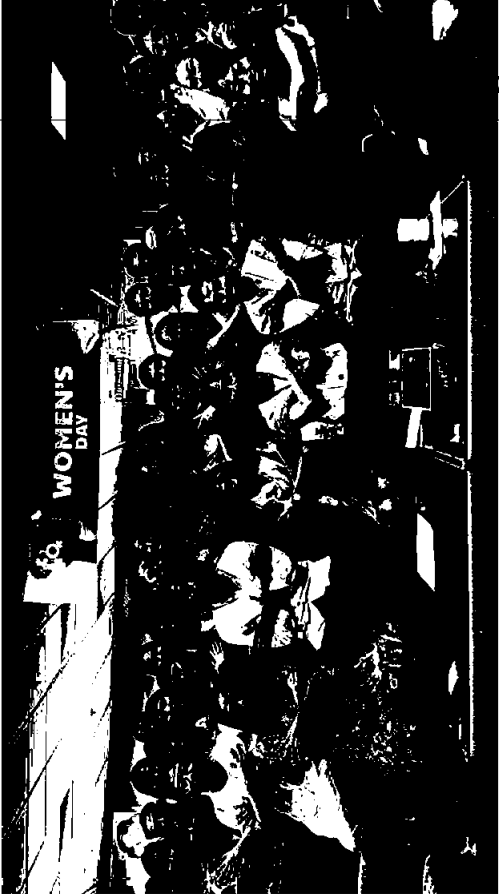
In 2023, we became a global supporter of Catalyst, a global non-profit organisation supported by many of the world's most powerful CEOs and leading companies to help build workplaces that work for women. Through

this partnership, our community of change makers, champions and ERGs, as well as our global HR community, benefits from access to tools and resources aiming to support them in their actions related to gender equality and DE&I.

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

In 2023, for the second consecutive year, we measured our commitment to a respectful workplace through our global employee survey, asking our employees whether they feel respected at work. We are proud to report that we reached a score of 4.37 on a scale of 1-5 (4.34 in 2022), with no significant difference in the result between men and women.

We believe that equal pay is key to fostering diversity, equity and inclusion and ensuring that all genders feel equally empowered. This is why we are committed to all employees receiving equal pay and treatment for carrying out the same work or work of equal value. To ensure this is practiced throughout the company, we work with Mercer, a leading external HR consultancy, to measure the impact of our pay policies through periodic



gender pay equity analysis. This ensures both independent quality assurance as well as the adoption of best-in-class methodology.

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

continue to promote fair and equitable
Peet's.

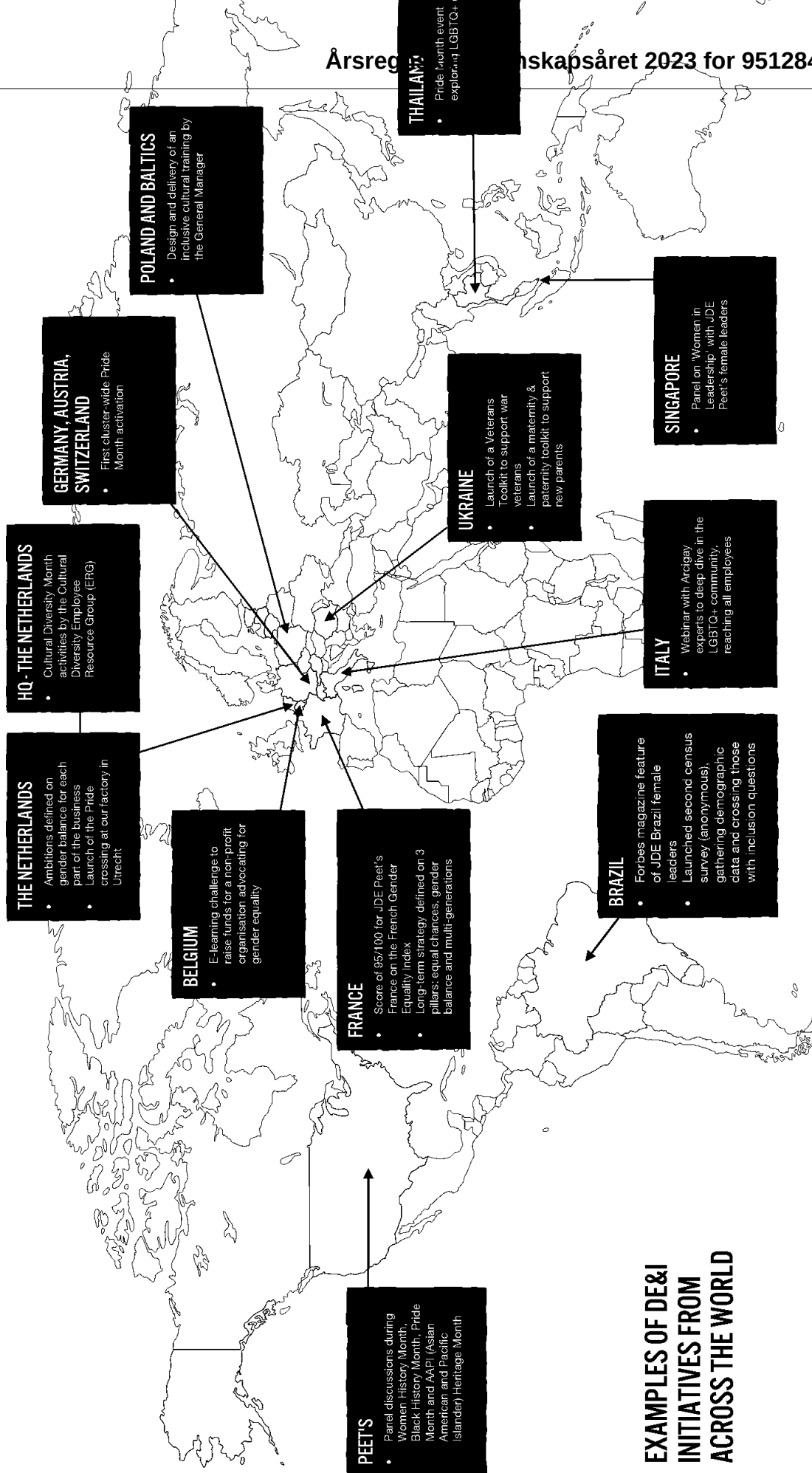
On a local level, our DE&I Champions members have helped deliver a range including on gender equality and work empowerment.

- Our French organisation celebrated 95/100 on the French gender equality points compared to 2022. This is a tool for improving gender equality pay and promotions within company keeps our French team above the companies (88/100) and in the leading companies.

- Our team in Ukraine implemented a maternity leave toolkit that offers comprehensive support for employees throughout their maternity journey, including before, during, and after maternity leave. It encompasses various components, such as recommendations for completing work tasks before childbirth and an introduction to the maternity community.
- In Singapore, the team hosted a panel discussion on Women in Leadership, featuring accomplished panellists from diverse backgrounds, including Lara Brans (President of APAC region), other leadership team members and external speaker Ms. Teri Liew. They shared their experiences and insights on women's leadership, allyship, and the essential skills that define an inspiring female leader.
- During Gender Balance Month, the Belgium team organised a compelling challenge, encouraging colleagues to complete the Everyday Sexism e-learning from our L&D Café. This training addressed everyday scenarios of sexism and ways to take action or become allies. A total of 92 employees participated in this challenge, reinforcing the commitment to gender equality, and, as a result, we did a donation to a charity that brings awareness to gender equality.
- In light of their solid journey on gender equality, our Brazilian organisation was invited by Forbes magazine to be part of its March special edition with a branded content on the important role of women in the world of coffee, with the participation of the six female leadership team members, and quotes from the country General Manager. JDE Peet's

- Brazil has achieved gender equity in senior leadership positions, where women make up 54% of the leadership team.
- Peet's Coffee in North America increased awareness of women's empowerment by organising a discussion panel in celebration of Women's History Month on the theme of Women in leadership. The panel was hosted by and featured three Peet's Coffee female leaders.





EXAMPLES OF DE&I INITIATIVES FROM ACROSS THE WORLD



Janusz



Nolwazi



Karel



Laura



Samuel



Laura Wang

ENGAGEMENT IS UNIQUE TO EVERYONE – AND EVERYONE IS UNIQUE!

HOW DOES BEING MYSELF ENABLE ME TO BE MORE ENGAGED AT WORK AND TO REALISE MY FULL POTENTIAL?

KaWing Lau

Supply Chain Manager, New Zealand



Coming to work every day is a real joy. Being myself means I can have genuine interaction with others across the business. I get to enjoy the day to its fullest, and I also experience those moments of inspiration and real collaboration that only come from being in a safe and comfortable space.

Maria Collarte

Global Marketing Manager, Senseo



Honestly, I only know how to be myself. In my personal life or at work, I believe that to be happy you need to be true to yourself and to your values. And at the end of the day, when you are happy, in this case at work, you see life in a different light.

Nolwazi Tshabalala

CIC Coordinator, South Africa



I bring energy into every room I enter, and this is what helps me truly engage with my colleagues and my friends. This also helps me involve everyone in the workplace, because team work does dream work!

Janusz Idczak

General Manager Poland & Baltics



I show everyone my true nature, and show my whole team that you can be yourself at work. I care that people have the space to express their opinions. I do my best to help our people preserve a good work-life balance. And finally, even if sometimes being authentic leads to exposing our weaknesses and failing, we treat this as a source of learning, nothing more.

Karel Skvaine

Plant Director Valasske, Czech Republic



We all play our part, and everyone is unique. And this is just great, because this is what creates a unique environment and creates JDE Peet's.

Janusz Idczak

General Manager Poland & Baltics



I show everyone my true nature, and show my whole team that you can be yourself at work. I care that people have the space to express their opinions. I do my best to help our people preserve a good work-life balance. And finally, even if sometimes being authentic leads to exposing our weaknesses and failing, we treat this as a source of learning, nothing more.

Laura Wang

HR Specialist, China



As HR, we listen and use empathy to cultivate deep and meaningful relationships with our colleagues. By cultivating a culture, we help people managers address unconscious bias that could shape their helping to create a culture in which everyone is empowered to speak up, this is respectful and does their best every day.

Samuel Silva

HR Intern, Brazil



My role and my function is to ensure that workers feel comfortable about themselves, to embrace diversity, to embrace kind and welcoming to people, to people feeling excluded.

ENGAGING OUR COMMUNITIES

HOW OUR PEOPLE ENGAGE WITH COMMUNITIES WITH A BIG HEART

For many, coffee & tea are an integral part of everyday life, providing warmth and connection for moments big and small. JDE Peet's is a proud member of local communities around the world. Just as we believe "It is amazing what can happen over a cup of coffee & tea", we also believe it is our responsibility to bring people together, engaging and connecting with our local communities to offer our help, time, skills, warmth and be part of the change for a more supportive and brighter future. Around the world, in 2023 our employees continued to take action to provide support. Some of their stories are outlined below.

COMMUNITY AND ENVIRONMENTAL SUSTAINABILITY: China: Cultivating community roots through public tree planting

The village committee of Wuxi Xishan district orchestrated a community-wide initiative, bringing together individuals from diverse backgrounds to engage in public welfare tree planting activities. The event fostered a collaborative effort to contribute to the well-being of the community and the environment.

Brazil: Community development and support in Piumhi and beyond

Partnering with Gaia Social NGO, JDE Peet's' initiatives in Piumhi and the surrounding region focus on environmental education, selective collection, awareness campaigns, and sustainability. For example, the success of the Agenda Canastra Sustentável programme, recognised with the ECO Award 2022, highlights the company's commitment to socio-environmental development. In response to natural disasters, such as the 2023 floods in São Paulo, JDE Peet worked to provide aid to affected communities, such as donating 248,000 cups of Pilão coffee to the Jundiai Solidarity Fund. The company's consistent contributions play a vital role in social actions, benefiting communities, hospitals, and social funds.

Czech Republic (Valasske): Nurturing community life in Valasské Meziříčí

Our Valasske plant supports two local charitable organisations annually, providing CZK 50,000 to each charity. Diakonie Citadela, a care facility for the elderly with special needs, received funds for a high-capacity clothes dryer. Charity, with a broader community role, assists homeless and addicted individuals and families on society's edge, allocating funds for specialised equipment in bathrooms. Our plant has backed Valasské Meziříčí's largest children's playground for 15 years, contributing CZK 200,000 annually used for new play equipment. JDE Peet's also supports activities led by employees in various associations or communities, distributing a total of CZK 162,000 among nine programmes in 2023.

Singapore: Sharing festive joy through food and coffee donations

We actively participated in supporting our community by donating and preparing 100 food packs for the residents of Geylang Bahru during the Chinese New Year festivities, contributed 300 packs of coffee and cereal, and organised a dedicated food donation and packing drive.



CHILDREN'S WELL-BEING:

Brazil: Empathy in action - Providing bicycles and joy to children

In May 2023, JDE Peet's Brazil organised a heartwarming event for 53 underprivileged children supported by the Casa da Fonte Association, backed by the Jundiá Social Solidarity Fund (FUNSS), providing each of them with a bicycle. This initiative took root in March during the Engagement event with Brazil's leadership, focusing on fostering teamwork and the "Delight the Consumer and Shopper" attitude. The team, comprising nine groups, was assigned the noble task of assembling bicycles for children recommended by Casa da Fonte. Discovering that only 9 out of the 53 children were initially selected, our compassionate employees took it upon themselves to ensure inclusivity and happiness for all, collectively deciding to purchase the remaining bicycles. This gesture exemplifies their dedication to making a positive impact on the lives of these children.

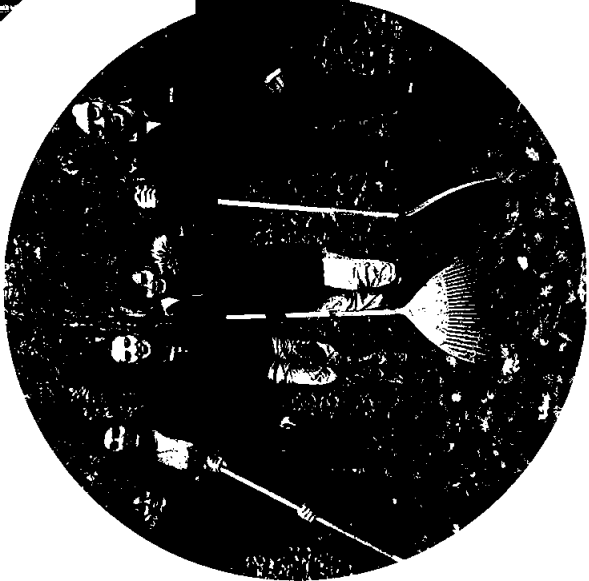
South Africa: Spreading Christmas joy

Annually, the Santa's Shoe Box Project distributes gifts to orphans and underprivileged children in the Southern African region. In 2023, our 35-strong team in South Africa contributed 100 gifts to children in need. Each gift is thoughtfully curated, containing essential items such as clothing, a toy, a treat or sweet, school supplies and stationery, as well as oral care and personal care products. For many of these children, this gesture represents their sole gift for the entire year.

Ukraine & EECA: Celebrating children's day with acts of kindness

We commemorated Children's Day on 1 June 2023 with a focus on upholding the rights of children worldwide. As part of our corporate social responsibility commitment, we made substantial donations to various orphanages, including contributions to the orphanages in Pryluky and Sosnytsia region in Ukraine. Our approach involved inquiring about their specific needs and fulfilling them, providing items such as toys, pyjamas, and beds. Our team personally visited the Pryluky orphanage, where the children prepared a special concert for us and other patrons. Additionally, our efforts extended to the Solnyshko Children's Home in Kazakhstan, where we provided art kits, stationery supplies, hula hoops, board games, nappies, and fulfilled the children's requests for swimming caps and training boards. In Belarus, our support was directed to the Slutsk Specialized Children's Home, while in Georgia, we presented toys, sweets, clothing, and essential care items to orphaned children at the Tbilisi Children's Home.

SINCE ITS LAUNCH IN FEBRUARY 2020, OVER 100 OF OUR ASSOCIATES IN THE DACH REGION HAVE USED THEIR 'SOCIAL DAY'. A DAY-OFF TO VOLUNTEER THEIR TIME, HELP AND KINDNESS.



53 EMPLOYEES IN THE UK & IRELAND CONTRIBUTED TO 224.5 HOURS OF VOLUNTEERING EFFORTS IN 2023

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SOCIAL CONNECTION AND VOLUNTEERISM:

Australia: Volunteering at a community foodbank

In a proactive initiative, 10 of our employees volunteered for a day at Foodbank in West Sydney, a food bank that plays a crucial role in helping more than 337,000 households in the city each month. The organisation depends heavily on the support of food producers and volunteers to operate smoothly and address hunger issues.

Spain: Breakfast against loneliness - JDE Peet's contribution to social connection

At JDE Peet's in Spain, we decided to support San Juan de Dios in their mission against loneliness by organising a charity breakfast, aimed at raising funds for projects addressing this important issue. The event successfully raised almost EUR 500, which JDE Peet's matched, resulting in a total donation of EUR 1,000.

DACH: Uplifting local communities with hot coffee and conversation

In Bremen, where JDE Peet's has its German offices, the Bremer Tafel food bank has been collecting and distributing food to those in need since May 1995, with approximately 250 locals visiting every day. For the past eight years, our people have been offering the Bremer Tafel their time and help. What began as an informal volunteer programme in 2015 has grown into an initiative in which every JDE Peet's employee in Germany has the opportunity to participate. Each month, a group of employees visits the food bank during their workday.

UK&I: Engaging communities through volunteerism and charitable initiatives

During 2023, our people in the UK & Ireland participated in various volunteer events, dedicating their time to support a range of organisations. During Volunteers' Week in June, the team organised impactful events, including GroceryAid's Windermere Row and engaging awareness talks. The collective commitment to charity was evident, with an office clear-out raising £800 for GroceryAid and Alzheimer's Society. Additionally, successful student-led charity events contributed funds to diverse charitable causes. Demonstrating a profound commitment, employees in the UK & Ireland maximised their two paid volunteering days, with an impressive 53 employees collectively contributing 225 hours to volunteering efforts during the year.

The Netherlands: JDE Peet's NL volunteer week - uniting colleagues for social impact

The objective of 'Bragt bij elkaar' (Brings together) week is to foster unity among colleagues while engaging in meaningful social projects. In December, 240 of our Out-of-Home employees in the Netherlands each dedicated four hours to volunteer work at various client locations, including elderly homes. Examples of the activities they undertook include taking walks with elderly individuals, canoeing with refugees and playing games with the elderly.

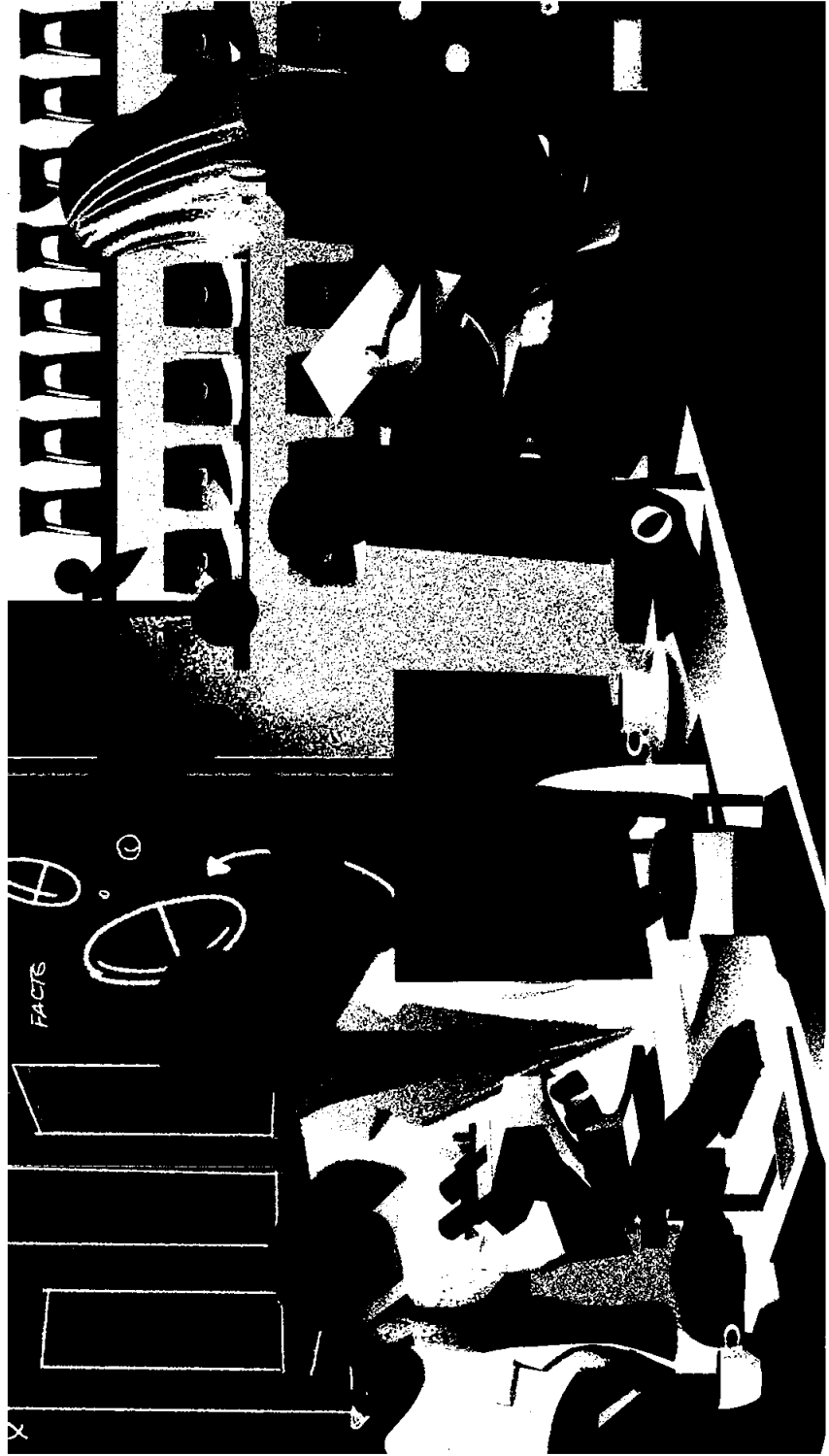
Norway: Friele supporting community through a long-lasting partnership City Mission.

Friele's partnership with the Church of Norway, a profit organisation aiding those facing social challenges, began in 2007, with Friele contributing to various initiatives. In 2023, Friele donated 1 million cups of coffee, emphasising its commitment to social impact. JDE Peet's Norway employees actively participate by day at cafés or initiatives led by the Church of Norway Mission, and in 2023, 85 employees participated.

Peet's Coffee: Connecting communities through coffee

At Peet's, each of our 202 coffee stores actively engages and connects with its local community across the United States. For instance, Bridgeport Village volunteers at the Coffee Store, where in 2023, employees donated 5,000 cups of coffee to support the local community facing food insecurity. Another Southern Peet's Seal Beach donated coffee to support local teachers prepared to return to the classroom, supporting their first day back.

DELIGHTING AND PROTECTING OUR CONSUMERS WITH EVERY CUP



FOOD SAFETY AND QUALITY

Food safety and quality are our primary foundation upon which consumer trust is built.

JDE Peet's is committed to the design, manufacture and delivery of safe food that meets consumer and customer expectations. To achieve this, JDE Peet's has established a company-wide Quality Management System that developed high food safety and quality standards across the organisation and along our supply chain. Our systems and standards are based on industry standards, product defects and product retrievals throughout the food chain.

Our QMS applies the internationally recognised Hazard Analysis and Critical Control Points (HACCP) system to ensure food safety. This preventive approach identifies, evaluates and controls food safety risks. Our HACCP systems are reviewed annually. These systems are applied globally and are verified by independent certification bodies and internal audits.

JDE Peet's is a member of the Consumer Goods Forum (CGF) and promotes adherence to the Global Food Safety Initiative (GFSI) standards. As a result, 100% of our internal and key suppliers are certified to GFSI standards. In consequence, our JDE Peet's Quality Management System is verified annually by an external body on FSSC 22000, a programme recognised by GFSI.

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No non-conformances were identified during the 2023 audit. By the end of 2023, 85% of our internal and external manufacturing sites were GFSI-certified.

In addition to our certification approach, JDE Peet's Quality has developed a highly skilled auditing team to perform internal audits and ensure we bring internal and external practices to the highest level of food safety and quality.

We manage food safety and quality from the field to the consumer's home. We carefully check all incoming materials, processes and products in our factories, while carrying out thousands of analysis per year on our raw materials and, at different stages of the process, ensuring full compliance to our quality, food safety and regulation standards.

At the core of our commitment to customer satisfaction, we place immense value on consumer and customer feedback. Our well-established global consumer call centre serves as the primary point of contact for inquiries, feedback, and concerns, playing a pivotal role in shaping the overall customer experience and fostering loyalty. Handling hundreds of thousands of contacts annually, our consumer call centre is a key driver in strengthening consumer loyalty and propelling our continuous improvement initiatives forward.

PROGRESS IN 2023

We took a number of steps forward in 2023, including:

- We strengthened our Issue & Crisis Management programme, introduced mandatory e-learning modules for all employees, and trained over 100 employees within the company on processes for prevention, preparation, response, and learning.
- We revamped our internal auditing programme to enhance adherence to our QMS system and actively promoted GFSI compliance among new suppliers.
- We remain committed to embracing new technologies to mitigate emerging risks and enhance our traceability capabilities. This includes implementing an error-proof loading system and integrating SAP with our WMS.
- We seamlessly integrated our Supplier Quality & Food Safety management system with SAP to safeguard our supply chain and prevent inadvertent sourcing of non-approved materials.
- We deployed our customer feedback monitoring on a global scale, and consumer insights on product quality and safety are embedded into our strategy and business model.
- We made significant investments in the training and development of our employees who work on quality.
- For the first time in 2023, our strategic focus was on conducting quality and food safety culture assessments to fortify these crucial aspects within the organisation, enhancing our overall quality culture.

OUTLOOK

Looking ahead, we are on track to meet 100% of our manufacturing sites' certifications. In 2024, we plan to:

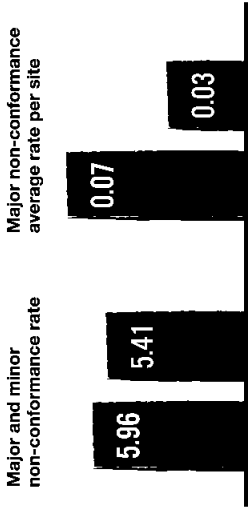
- Address ingredient sourcing and pressures by establishing strong reliable suppliers, conduct thorough ensure a robust traceability system internal and external monitoring.
- Continue to keep pace with evolving regulations and expand our presence associations to gain support for risk mitigation while investing in risk mitigation n

The collage consists of four square posters arranged in a 2x2 grid. Each poster has a black background with white text and a small portrait of an employee. The top-left poster is by Caroleyn Adams, top-right by Isabelle Gasste, bottom-left by JDE, and bottom-right by JDE.

284629

- Deliver on consumer expectations through continued transparency, as the quality and safety 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.

GSFI certification result 2023



By addressing these challenges proactively, and continuously improving food quality and safety practices, we enhance consumer trust, protect brand reputation, and more effectively meet regulatory requirements.

NUTRITION

Our purpose is to unleash the possibilities of coffee & tea to create a better future. Drinking coffee & tea in moderation can be enjoyed as part of a healthy diet. A healthy diet should optimise health, defined broadly as being a state of complete physical, mental and social well-being, rather and not merely the absence of disease²⁶. Coffee & tea can play a role in all these aspects of health.

Coffee is not only one of the most consumed beverages in the world, but also one of the most researched parts of our diet. Accumulating research published in peer-reviewed scientific journals suggest that coffee can be considered a healthy beverage. Coffee contains, in addition to caffeine, many other biologically active compounds, including polyphenols such as chlorogenic acid and lignans, trigonelline, and modest amounts of magnesium, potassium, and vitamin B3 (niacin). These coffee compounds may reduce oxidative stress, improve the gut microbiome, and modulate glucose and fat metabolism. In fact, consumption of 3 to 5 standard cups of coffee daily has been consistently associated with a reduced risk of several chronic diseases²⁷.

JDE Peet's closely follows further 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 coffee and sustainability.

Optimal hydration is essential for good health. Coffee and tea without added sugar or milk doesn't contain calories and contributes to the daily recommended fluid intake. Coffee and tea can help to stay alert and focused during the day, and for those sensitive to caffeine there are decaffeinated coffee and caffeine-free infusions in our portfolio. We have mapped our products that contain no calories or meet the official criteria²⁸ for low sugar, low saturated fat and low salt content and are proud that approximately 75% of our sales volume fits into this healthy category.

Consumer trends increasingly favour new beverage segments that are more nutritious and which, due to the fat and sugar content, may be subject to a range of government measures, including sugar tax, front-of-pack labelling and/or marketing restrictions.

PROGRESS IN 2023

In order to protect our traditional unique healthy position, in 2023 we published our JDE Peet's Nutrition Policy. Crafted with our consumers' preferences in mind, this policy is a public commitment of our Health and Indulgence programme and provides guidance for innovative, high quality, and sustainable products that can be enjoyed as part of a balanced diet and healthy lifestyle. Our ambition is to grow our brands in a sustainable way and positively impact people's beverage consumption habits, in line with the scientific targets for healthy diets as set by the EAT Lancet

Commission²⁷. It serves as a clear roadmap for development, preserving our heritage offerings.



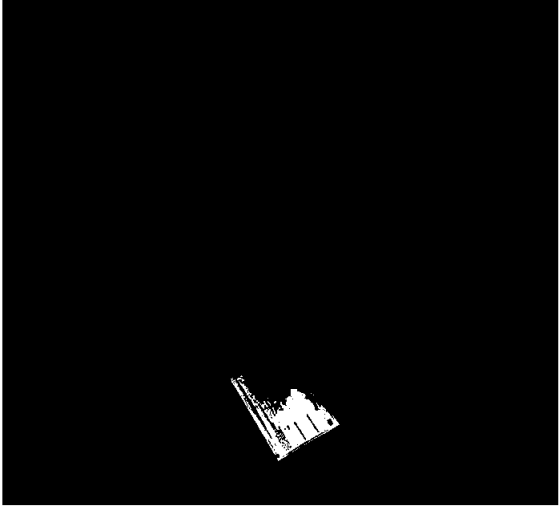
or 951284629

²⁶ EAT Lancet

²⁷ Van Dam RM, Hu FB, Willett WC. Coffee, Caffeine, and Health. NEJM. 2020 Jul 23; 383:369-378

²⁸ WHO, EFSA, Nutri Score, Traffic Lights, Nutri Grade

Our Health & Indulgence initiative is dedicated to improving the nutritional profiles of our products without compromising their sensory appeal. Since 2020, several collaborating teams within our R&D community have been actively innovating and reformulating our products across global markets, aiming to significantly reduce sugar and saturated fat content in our indulgent products in a two-step process and making our products fully compliant to our Nutrition Policy by 2030. By their very nature, our beverages are low in salt and artificial ingredients.



²⁹ Equals less than 2g saturated fat per serving.

In 2023, we reformulated several recipes in our Ready-to-Drink portfolio, enabling us to meet the first step threshold for our internal Healthy Indulgence programme and achieving, on average, a 20% sugar reduction. Similarly, we have upgraded multiple recipes within the Tassimo category, mainly by focusing on a 30% (on average) reduction in saturated fat, so that they no longer qualify as products that are HFSS (high fat, sugar, salt) in the UK and meet our internal thresholds. We also began preparing for an additional round of improvements for Tassimo products. Within the Senseo category, we made saturated fat reductions of between 5% and 10% to our milky products, enabling them to comply with the Healthy Indulgence programme step 2 thresholds²⁹. We also achieved significant improvement steps in our mixes portfolio, which will be launched on the market in 2024. Additionally, we introduced plant-based milk alternatives in both retail and professional spheres, offering consumers the choice to reduce animal-based foods.

To ensure compliance and to monitor our progress, we have developed a comprehensive Nutrition Dashboard. This tool not only tracks our products based on their energy, saturated fat, and sugar content, but also incorporates external nutrition-related measures, including front-of-pack labelling. We have implemented additional thresholds and key performance indicators, particularly focused on saturated fat and sugar content, allowing us to refine nutritional compositions whenever feasible, in terms of sensory and technical aspects. In

line with the nutrition adjustments, we aim to reduce portion and packaging sizes where relevant.

OUTLOOK

Looking ahead to 2024, our commitment to continuous improvement remains steadfast. We are striving to further optimise our product portfolio through our Health & Indulgence programme, aiming for virtually no products falling into the high category of saturated fat and sugar levels by 2025. Concurrently, we will refine our Nutrition Dashboard, making it an integral part of our operations. Addressing any data gaps in our specification system is a priority, ensuring the tool's accuracy and reliability. We will regularly review and adapt our nutritional target values in response to emerging scientific insights and regulatory changes.

As we progress, we are vigilant about potential challenges, such as delays in implementing new recipes due to supply chain hurdles and time-intensive testing procedures. We remain watchful for forthcoming technological advances that could bolster our quest for healthier products, all while upholding the same level of taste and quality. Our ongoing dedication to these principles is what propels us toward a future where coffee & tea not only tantalise the taste buds but also contribute significantly to healthier lifestyles.

PRODUCT LABELLING

Product labelling is fully integrated into our innovation and renovation processes to ensure compliance to

applicable food laws and inform the products' attributes. In our ongoing maintaining the highest standards, a crucial role in ensuring that we adhere labelling requirements across the division which we operate. Our regulatory affairs meticulously assesses and validates ensuring compliance with regional and product labelling standards.

PROGRESS IN 2023

In 2023, we received no significant financial or monetary sanctions for non-compliance with regulations concerning product and labelling. Where applicable, a free label has been included on the packaging of products contain full labelling information, offering full transparency to consumers to make an informed choice. We started a project to automate and improve the product-labelling process, which continued in 2024.

We engaged with stakeholders in a number of ways during the year, including external and trade associations and industry bodies, to support competitive initiatives. We stepped up our process by expanding our external communication with trade associations network.

OUTLOOK

Looking ahead, we fully support the European Commission's aim for a harmonised system for front-of-pack food labelling that is meaningful to consumers. The proposal for harmonised mandatory front-of-pack nutrition labelling to enable consumers to make health-conscious food choices has been delayed, but we are pleased that this is on the priority list for 2024. We also seek to explore AI tools to further expand the scouting capabilities, allowing timely anticipation on regulatory developments.

RESPONSIBLE MARKETING

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.

PROGRESS IN 2023

In 2023, 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. We do not actively target our advertising to consumers below the age of 14. Instead, we focus advertising on channels that target 18+ consumers, complying with all applicable laws governing marketing communications to children under the age of 14.

We constantly work to comply with all applicable laws and regulations in all the markets in which we operate.

Our products are clearly and comprehensively labelled. We seek to display accurate product information, for example their nutritional value, so that consumers can make informed choices. Marketing seeks to innovate and adapt products to further reduce sugar and (saturated) fat levels to contribute to our consumers' healthy diet.

OUTLOOK

As we work towards our commitment of 100% responsibly sourced green coffee by 2025, we will bring our ambition to life through our brands. In 2023, under our Common Grounds programme, we introduced the Sourcing for Better claim on our Jacobs product range. From 2024, we will begin introducing our responsible sourcing claim on our packs. We are also working on our Sourcing for Better claim FOB and our Jacobs reignite. We seek to introduce a 100% responsible sourcing claim on our packs from 2024. In 2024, we are also working towards instant refill paper bags and multi-serve (R&G and beans) in recyclable packaging.





FUELLING THE EVERYDAY CHANGEMAKERS

BRAND HIGHLIGHT



Found in more than

20

markets globally

Coffee mixes

pioneer

in the Asia region

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 across the coffee, tea, cereal and soy categories. The vision remains unchanged: to serve beverages that refresh, recharge and renew everyday people.

To promote health and well-being, SUPER has already started enhancing the formulation of its mixes range with the reduction of sugar and saturated fat, which in turn has improved its nutritional rating on-pack.

SUPER is also proud to offer options through the Pure Instant Coffee with SUPER Classic in Thailand with a SUPER Espresso.



→ brands overview

© 2025 SUPER

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
 SAFEGUARDING OUR HEALTH AND SAFETY At JDE Peet's, We Work Safety or We Don't Work! We are committed to providing a safe and healthy work environment for our employees, contractors and visitors. As well as being our moral and legal duty, good health and safety is good business. Throughout 2023, we undertook a number of initiatives to further strengthen the safe and healthy work environment across the company. PROGRESS IN 2023 In 2023, we celebrated Health and Safety week with five days of activities and a focus on our strategic priorities. To drive our culture to interdependent level, our senior leaders stepped forward showing accountability, stating Safety Starts with Me. This message is echoed through our organisation and all local leaders followed suit.							
Key to our improvement journey was the creation of workgroups to address our key losses and opportunities, engaging the sites and community to be involved in our improvement journey. We partnered with external consultant Metafocus to train all plant managers and SHE leads in Europe on leadership and culture, and the training was cascaded across all sites through Europe in 2023. Process safety is a priority, and we developed our capabilities with hazard and operability study methodologies as we continued building process safety standards and procedures. High pressure cleaning is a necessary but dangerous activity to clean our systems. We were not satisfied with current industrial practice and developed and implemented a new industry best practice with technical controls that is making this task much safer and healthier. Healthy body, healthy mind, and healthy relationships remain top of our agenda. During the year, our Healthy You work group paid particular focus to mental health, building awareness and understanding on this important topic. We are also working on building capabilities among our SHE professionals and have improved our induction programme. We continued to operate a management system that is ISO 45001 compliant across all our manufacturing sites. By the end of 2023, 22 sites were ISO 45001 certified and all sites will be certified by 2025, at the latest. While we are not obliged by law to implement management systems, we do it because it helps us improve. We continue to carry out worker participation consultations, in line with ISO 45001, covering risk assessments, changes and developments. Additionally, we hold an anonymous engagement survey annually and carry out an anonymous SHE survey before every SHE assessment, as well as a formal meeting with trade unions on every SHE assessment at each manufacturing site. We use a number of different tools and systems to assess risk annually. These include: • Department and task risk assessments are done using the Fine and Kinney method³⁰ • For ergonomic risks, we use MAC and ART tools³¹ or equivalent country-specific tools • For process risks we use HAZOP³² • Machine safety is risk assessed with the requirements of Use of Work Equipment Directive 2009/104/EC • ATEX³³ risks are assessed in compliance with Directive 2014/34/EU							
For non-routine tasks, we use Work Risk Assessments³⁴, applied for a frequency of less than three months. We have incident reporting systems at sites, and risk reporting is encouraged at many of the sites' recognition system or We Don't Work! is a clear expectation for all employees to stop any unsafe immediately. By engaging our people and driving improvement, we are both improving and building ownership and pride in continue instilling safe behaviour with spontaneous safety conversations, with a minimum of two planned and two spontaneous conversations per employee per month. OSHA (Occupational Safety and Health) standard as a reference for injury report and treat high potential near miss as recordable injuries while occurrences are reported in the same way as injuries. Incident, injury and illness investigations with a strong focus on system improvement and not on 'blame' mentality. Annual Report 2023 for 95128462							

³⁰ The Fine & Kinney method is used to estimate the degree of risk and to determine which measures should be taken to reduce these risks.

³¹ These are Manual Handling Assessment Charts (MAC) and Assessment of Repetitive Tasks (ART).

³² 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.

³³ The ATEX directives are two EU directives describing the minimum safety requirements for workplaces and equipment used in explosive atmospheres.

³⁴ These aim to identify and prioritise potential risks to develop effective strategies for mitigating them.

We use 4W1H, basic condition check, 6M, 5Why and, to ensure root cause focus, we also use DNV SCAT^{35,36}. All recordable injuries and high-potential near misses are reviewed by the regional operational director, global OPEX director and global SHE. The global SHE also follows up on agreed actions and their effectiveness. All incident investigations are emailed to every site as for-your-information and review.

Before beginning a new job at one of our site facilities, employees follow an induction programme that covers a broad range of health and safety topics, from our Health & Safety Policy and emergency preparedness, through to safety risks in the workplace and correct PPE usage. Contractors undergo thorough induction training on relevant risks. Key information and communication is cascaded monthly from global SHE meetings to every site, where campaigns, incidents and standard updates are distributed and displayed on information boards and discussed during town halls and meetings.

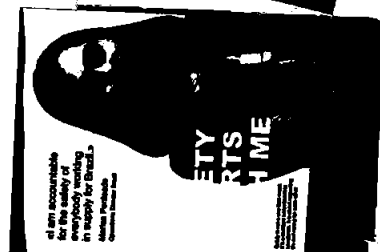
Throughout the year, we continued to ensure that occupational health services were implemented per country based on local legislation. Occupational health is an integral part of our management system, including hazard identification and risk assessments, and we continued to make progress on our health & safety culture. In 2023, our global Total Recordable Incidents Rate (TRIR) increased to 0.59 (2022: 0.46). Globally, 60 injuries occurred in 2023.

Regrettably, we must report a tragic incident that occurred in 2023 resulting in the loss of one of our valued colleagues. This incident has profoundly impacted our organisation, and we recognise the need for continuous improvement in our occupational health and safety practices. We have undertaken a comprehensive review of the circumstances surrounding the incident to understand the root causes, enabling us to identify areas for improvement and implement corrective measures, such as investment in enhanced training programmes, safety audits and inspections, and technologies to create a safer work environment.

OUTLOOK

Looking ahead, we will focus on furthering our process safety. Following the success of our partnership with Metafocus on leadership and culture training in Europe, we will roll out similar initiatives in other geographies in 2024. We seek to advance our Healthy You programme and health within the organisation, and increase our scope to report on incidents beyond manufacturing sites. We will also drive improvement initiatives focused on leadership calibration, contractor management, competency building and system simplification and user friendliness. With an expanding scope and lean organisation, we face challenges with time and human resources. We will address this in 2024 by investing time in the global SHE conference to better develop assessing capabilities in all our SHE leads to enable solidarity in assessing and helping each other improve.

SAFETY STARTS WITH ME



³⁵ As root-cause analysis techniques, 4W1H refers to Who, What, Where, When and How; 6M refers to Manpower, Method, Machine, Milieu and Measurement; ³⁶ DNV SCAT is a systematic cause-analysis technique to learn from accidents and near-misses to prevent injury, environmental damage and quality losses.

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



RESPECTING HUMAN RIGHTS

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

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

We recognise that human rights issues, including child labour, forced labour and harassment, are complex and require solutions involving other industry players,

governmental institutions and other relevant stakeholders, including NGOs.

In recent years, we have seen an increase in the number and scope of regional, national, and state-level laws focused on human rights due diligence. Consequently, in 2023, and guided by the internationally recognised framework of the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct, we strengthened our Human Rights Due Diligence programme. This included revising our policies, Responsible Sourcing Principles and management systems to better assess our own operations and supply chains to identify human rights risks, and subsequently develop and implement due diligence measures and action plans to prevent, address and mitigate any identified risks.

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

PROGRESS ON HUMAN RIGHTS DUE DILIGENCE PROGRAMME

We acknowledge that potential human rights risks may exist across different areas of our business and supply chain and that these risks require specific approaches to human rights due diligence. Our human rights due diligence is therefore focused on identifying and addressing any negative human rights impacts in key

areas: our own operations/ manufacturing, coffee & tea sourcing, and procurement of other goods and services, with working teams in each respective area. These teams are overseen and advised by steering committees composed of our senior management. In 2023, supported by an external company that specialises in human rights advice, we finalised and cascaded our standard operating procedures for human rights due diligence tailor-made to each of the three areas mentioned above, which will be further deployed in 2024.

PROGRESS ON OUR GRIEVANCE MECHANISM

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

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

JDE Peet's joined the Q C Cont ("What people tell" in colloquial in Brazil. The project uses a fan and stakeholder dialogue cond Solidaridad to analyse and prov recommendations on how a co baseline grievance mechanism adapted to the local Brazilian e The results are expected to pro on the effectiveness of grievan mechanisms for preventing an human rights (and environ in coffee supply chain. The pr includes a local stakeholder wo involving sector representative under the umbrella of the Germ Association. It began in Novem will run until the end of March 2

PROGRESS ON TRAININGS

In 2023, we conducted targeted train human rights and due diligence pro leadership and our employees from o sourcing, procurement, operations a raise their awareness of human right diligence framework, including the d standard operation procedures.

JDE PEET'S SITES AND MANUFACTURING

The health, safety and well-being of our employees is of the utmost importance to JDE Peet's. All employees are required to sign the JDE Code of Conduct or Peet's Code of Conduct, as applicable, which set out the standards of behaviour we expect from our entire workforce. We have also embedded diversity, equity and inclusion in our values and how we manage our business. This means that we do not tolerate any form of discrimination based on race, ethnicity, nationality, religion, age, sex, gender identity, sexual orientation, disability, socio-economic background, or any other relevant basis, and we encourage anyone to use our Speak Up channels to report a concern. For more information on how we embed our Codes of Conduct into our operations, see the Ethics and Compliance section of this report.

To verify the implementation of our Human Rights Policy, we conduct self-assessment questionnaires for our own sites, enabling us to better understand the human rights risks and labour standards in our operations as we work to design and implement a robust programme of human rights risk management for our own operations. This is in addition to our programme of health and safety audits. The insights from these self-assessment questionnaires will allow us

to monitor and evaluate the risks in our manufacturing sites and take appropriate action (including SMETA (Sedex Members Ethical Trade Audit) ethical audits) where needed, to prevent and mitigate potential human rights impacts, and remediate any actual impacts if found.

PROGRESS IN 2023

- We completed Sedex SAQ for our manufacturing units located in APAC, LARMEA,³⁷ and Peet's' site in Alameda
- We completed Sedex SAQ for 93%³⁸ of our European plants
- We trained our operations leaders, site HR business partners and SHE leads on human rights due diligence across our 33 sites³⁹
- We defined our Standard Operating Procedure to address and manage human rights risks at our sites.

OUTLOOK

Our targets for 2025 are:

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



COFFEE & TEA SOURCING

Respecting and advancing human rights is clearly a priority for JDE Peet's. Over 80% of the world's coffee is grown by smallholder farmers and both coffee & tea production systems are largely informal in the employment of seasonal coffee harvesters and tea

pickers. Human rights challenges are to us, and, over the years, we have Responsible Sourcing pillars to implement and farmer and worker programmes addressing topics such as child labour in Vietnam and Honduras, worker protection and gender pro

³⁷ Excluding our manufacturing units in Saint Petersburg, Novosibirsk and Kazakhstan, and manufacturing units of Peet's China, Stumptown and Intelligentsia.

³⁸ Excluding Les 2 Marmottes

³⁹ Excluding Les 2 Marmottes for Europe, Banbury site in UK and exclusion above

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information	
There is no place for child labour in our supply chain. The causes of child labour are complex, and often linked to economic, social and cultural issues in a given community. Each situation in each country is different, and can even vary within a region in a country. We believe it is important that we help address the situation, making sure we act. Walking away from an at-risk supply chain or region from where we source our coffee or tea is not the right solution, and fails to resolve the problem. This is why we are acting in Honduras. We are aware that there are increased risks of child labour during the coffee harvest period, due to a shortage of labour, the fact that there are many migrant families seeking work, or the fact that schools are closed. Since 2018, we have been partnering with World Vision and ADECAFEH (Asociación de Exportadores de Café de Honduras), and have together established 11 childcare centres in the middle of the coffee growing areas. These are safe places where parents can bring their children, enabling the parents to go to the farms and harvest coffee without worrying about the well-being of their children. The children receive warm meals, activities and learning opportunities throughout the day from qualified staff. Without these childcare centres, it would mean parents have no other option but to take their children to the fields, exposing them to unnecessary risks. However, for this approach to work we need the involvement and buy-in of the whole community and local authorities, from securing the land to building the centres, ensuring there is capable staff available. This project has been able to prevent over 2,000 child								
working hours, giving children an opportunity to play and learn as they are meant to. OUR PROCESS AND PARTNERSHIPS Our approach to Human Rights Due Diligence builds on our commitment to address and prevent negative human rights impacts in our supply chain while conducting business responsibly and ethically. These standards, and our expectations of suppliers to support our commitment, are communicated through our Responsible Sourcing Principles and our Supplier Code of Conduct, which all suppliers are required to comply with. We have deployed an ongoing risk management process that follows a multi-step approach, focusing on supplier engagement, risk assessments, remediation and action plans. This allows us to both identify suppliers that are aligned and those that require time-bound improvement plans. Through the process, we have also set up a clear governance and decision-making structure involving cross functional teams and senior leadership. PROGRESS IN 2023 In 2023, we joined the International Labour Organization (ILO) Child Labour Platform, an inter-agency business initiative to eradicate child labour in supply chains. One of the projects established under this initiative is to tackle the root causes of child labour in supply chains, focusing primarily on coffee production in Honduras, Uganda and Vietnam. This coalition brings together								
governments, workers and employers, companies, and civil society stakeholders to facilitate knowledge sharing, cooperation, and collective action to tackle the root causes of child labour. Despite being the world's largest producer of coffee, a significant portion of Brazilian coffee is produced by smallholder farmers. These individuals often require additional labour support, particularly during the coffee harvest. In 2023, we launched a Common Grounds project with Exportadora Guaxupé, aimed at preventing forced labour and improving working conditions. As a kick off to the project, we brought in our long-standing partner, Verté, to train the agronomists and the sustainability team to identify and prevent work analogous to slavery using the Socially Sustainable Sourcing Toolkit (S3T), an outcome of a collaborative effort in <u>The Cooperation On Fair, Free, Equitable Employment (COFFEE) Project</u>. Together with Exportadora Guaxupé, we expect to reach over 350 farmers by the end of 2026. Through comprehensive training on labour legislation, efforts to enhance workers' accommodations, and providing water filters, we aim to positively impact more than 2,000 individuals in rural areas. In 2023, we extended our participation into the third phase of the Ethical Tea Partnership (ETP) and UNICEF 'Improving Lives' programme, which is building better lives for children and families living in tea communities in Assam, India. This programme is an excellent example of the power of collaboration to address systemic social challenges supported by several tea								
companies. The programme aims to improve the lives of 200,000 women, and families living across 20 countries. It focuses on improving healthcare, nutrition, access to education, sanitation and hygiene facilities, education, and enhanced child protection all of which are critical to the well-being of workers and their families and the sustainable change for children. Find out more about the programme at jdep.com/childlabour OUTLOOK Going forward, we will build on our commitment to child labour prevention and supplier engagement approach and implement programmes in partnership with governments, NGOs, and suppliers, ensuring we include the needs of farming communities, children and young people in our sourcing. We will continue to work with governments, including local government institutions, civil society organisations, and workers' organisations. The larger challenge is eradicating child labour, which is often one of the underlying causes of forced labour. Changing cultural norms and increasing awareness about the importance of education and the impacts of child labour are fundamental to addressing this challenge, which require building local capacities and community resilience for long-term s								

PROCUREMENT OF OTHER GOODS & SERVICES

As part of our focus on responsible sourcing and our commitment to our Supplier Code of Conduct, in 2023 we made important progress on our responsible sourcing journey along our non-coffee & tea supply chain.

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

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

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

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

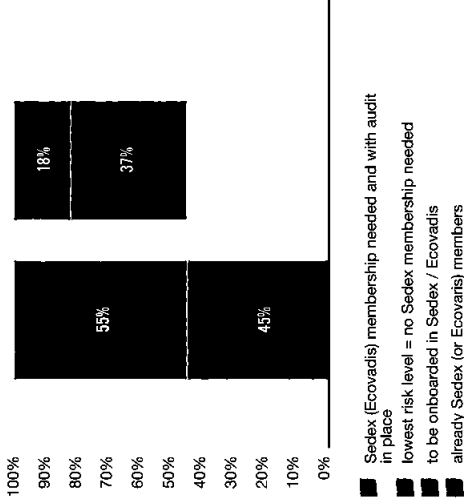
PROGRESS IN 2023

During the year, we monitored the locations of our non-coffee & tea European COGS suppliers which represent roughly 40% of the total number of COGS locations in Europe. Based on our standard operating due diligence procedure, approximately:

- 45% locations are considered to be low risk and therefore not required to be in Sedex, in line with our policy
- 55% locations are instead required to be in Sedex (or Ecovadis)
- 37% are already Sedex (Ecovadis) members and the remaining 18% still need to be onboarded in Sedex (or Ecovadis).

The following graph shows the percentage mentioned above.

European COGS suppliers locations



Additionally, we trained 90% of our COGS buyers on our standard operating procedure for COGS suppliers, which will help ensure a smooth cascade into the markets.

OUTLOOK

Looking ahead, our 2025 target is to source 100% of our COGS suppliers from all regions and all suppliers compliant with our standard operating procedure for due diligence, and have them further aligned with our standard operating procedure for due diligence begin designing the due diligence procedure for COGS suppliers. This will allow us to better understand the human rights risks in our supply chain on both a site-by-site basis and aggregate, enabling us to design and implement effective human rights due diligence procedures to investigate potential impacts before they become material.

ACTIVE PROJECT

Uganda Communities: Promoting Child Education



COMMODITY: Coffee
TIME FRAME: 2020-2023
LOCATION: Greater Masaka and Rwenzori districts, Central and Western Uganda
SMALLHOLDER FARMERS REACHED: 4,200
PARTNERS: Rainforest Alliance, Kyagalani Coffee Ltd, Community Empowerment for Rural Development (GEFORD), Netherlands Enterprise Agency (RVO)

Uganda is the second largest coffee producer in Africa, and the eighth largest worldwide - producing about 10% of the world's coffee supply. Despite this, the majority of Ugandan smallholder coffee farmers live below the poverty line, which increases the risk of child labour and the likelihood that their children won't receive a quality education.

Demonstrating the true power of collaboration to address a systemic challenge, we are proud to have made a positive impact in these children's lives through the project over the last three years, including:

- 200 youths trained in artisanal skills
- 45 youths completed training in coffee production
- 4,200 farmers trained in Good Agricultural Practices to improve productivity
- 15 schools adopted child-friendly learning activities to attract and keep children at school

ACTIVE PROJECT

Tackling Child Labour in Vietnam



COMMODITY: Coffee
TIME FRAME: 2020-2024
LOCATION: Gia Lai, Dak Lak
SMALLHOLDER FARMERS REACHED: 1,500
PARTNERS: Vinh Hiep Coffee Company, Simexco Daklak Ltd, Rainforest Alliance, Netherlands Enterprise Agency (RVO), TMT Consulting

The project seeks to address child labour in identified risk areas of the Central Highlands of Vietnam, with a particular focus on indigenous communities. Through a multi-faceted approach, the project aims to foundation for better livelihoods by providing training to 1,500 farmers promoting gender equality, educating children through remedial classes and children's clubs and enhancing access to vocational training for indigenous communities, while training coffee sourcing companies to enhance child labour prevention and remediation systems.

Achievements include:

- 32 key trainers in participatory teaching methods
- 1,889 farmers trained
- 465 children in child-led clubs
- 158 members in child protection groups
- 24 youths trained on vocational skills

BRAND HIGHLIGHT

100 UPLIFTING YEARS OF GREAT TASTING COFFEE

#2
brand in the UK
(market share)

100
years
(established
in 1923)

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 2023, Kenco accelerated its sustainability agenda by launching Kenco Plant-Based Oat and Almond Latte specialities, and by pivoting its focus to refills, Kenco confirmed its #1 position in the refill segment.

Kenco endeavours to use this expertise to continue to bring even more coffee occasions, for many more years to come.

Kenco. Made to Uplift

Back to 100 Years of coffee

2023 for 100 Years of coffee

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NON-FINANCIAL INFORMATION

OUR APPROACH

JDE Peet's reports on its financial and non-financial performance in a transparent and integrated manner. We are making progress on our sustainability journey, which includes preparing to comply with the Corporate Sustainability Reporting Directive (CSRD), which takes effect from 2024. This will include making improvements to our data quality, process and controls when it comes to non-financial information. The first step towards CSRD compliance is reporting upon our double materiality analysis in this annual report, which is the basis of our sustainability reporting.

To accelerate this transformation, for 2023 we have increased the number of KPIs under limited assurance of Deloitte to 15 from 10 KPIs under limited assurance in 2022.

REPORTING PERIOD AND SCOPINGS

The non-financial information in this report covers the performance of JDE Peet's for the period from 1 January 2023 up to and including 31 December 2023, unless otherwise stated. The scope of entities included in our non-financial reporting is equal to the basis of our consolidation that can be found in note 1.1 of the Consolidated Financial Statements, unless otherwise stated. More information can be found in note 9.7 of the Consolidated Financial Statements, including a list of our most significant subsidiaries. The scope extends to cover material impacts, risks and opportunities in the upstream and/or downstream value chain resulting from double materiality assessment.

For the KPIs selected for limited assurance, any scoping adjustments have been included in the basis of preparation tables below. All other scoping adjustments are included in the Overview of our non-financial information section.

As part of our enterprise risk management process, we identify and monitor risks that could impact JDE Peet's, which includes sustainability risks. These main risks are included in the Risk management section of this report.

JDE Peet's has manufacturing facilities in the following regions:

Region	Number of manufacturing facilities
Europe	15
LARMEA	13
APAC	8
Peet's	6

LIMITED ASSURANCE ON SELECTED NON-FINANCIAL KPIs

As we continue our sustainability journey, we increased the number of KPIs over which Deloitte provides limited assurance. In 2023, this increased to 15 non-financial KPIs, which we consider to be the most relevant non-financial KPIs for JDE Peet's. These KPIs were selected based on the material topics identified in our double materiality assessment as being important to stakeholders, KPIs which are linked to our loan facility, and the KPIs that are also, but not only, monitored in our Common Grounds sustainability programme.

For each of the KPIs included in the limited review scope, we prepared a basis of preparation, which includes the definitions, scope, internal controls, evidence and calculations for the respective KPIs. A summary has been included in the table below.

Five of the non-financial KPIs, namely (i) certified or verified coffee purchases, (ii) RSPO-certified palm-based oils, (iii) smallholder farmers reached in 2023, (iv) packaging designed to be reusable, recyclable or compostable and (v) share of the science-based GHG emissions reduction target (Scope 1 & 2) for 2030 to abate in each year, are included in the Loan Facilities Agreement entered into with our core banks and linked to the applicable interest rate. Our performance against the targets are reported annually to the banks and subject to limited assurance by our external auditor. More information can be found in the note 5.2 of the Consolidated Financial Statements section in this report.

REPORTING PRINCIPLES

This report was developed in accordance with the reporting principles defined by the GRI 2021 Standards: Stakeholder Inclusiveness (more information can be found in the Engaging our stakeholders section of this report) and Sustainability Context (more information can be found in the External trends section and in the Our performance section of this report).

CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD)

From 2024, we will report in line with the requirements of the CSRD, which requires companies to report on the environmental, social and governance (ESG) activities have on the environment, society, and requires the audit (limited or reasonable) information. In this 2023 annual report, we include initial strategies, policies, impacts, opportunities, and metrics as defined in the CSRD, and prepare the switch to CSRD reporting.

DATA QUALITY

To ensure data quality, we have implemented a collection process for non-financial information performed an internal review of our data for the KPIs in scope for limited assurance.

The data used in this report is based on data management and monitoring systems, respective functions and departments. Once the data was collected and consolidated, levels of review were applied to the data. Additionally, the data has been reviewed by the committee and monitored during the sustainability review process.

Certain non-financial KPIs disclosed in this report may include assumptions and definitions and availability of (quality) cases, be less mature. For these KPIs, and estimates can be found in the footnotes.

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To continue to improve the accuracy of our data, where applicable, we have increased the use of third-party verified information as input for our calculations and continue to improve our non-financial data collection process.

Changes in legislation, as well as new and innovative ideas and technologies, are developing continually, and JDE Peet's will continue to evaluate these changes and adapt to new realities when needed.

In 2022, we began implementing the JDE Peet's non-financial internal controls framework, using the KPIs for limited assurance to define the first scope. CSRD also increases this need, as all disclosure requirements as defined in the European Sustainability Reporting Standards (ESRS) are under limited assurance of the auditor. Consequently, in 2023 we increased the number of KPIs under limited assurance to 15.



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BASIS OF PREPARATION

The table below sets out the basis of preparation for the KPIs selected for limited assurance and the results of these KPIs. Pursuant to the responsible sourcing definitions set out below, a product or material which is “responsibly sourced” does not mean or imply the absence of human rights violations or other supply chain risks in connection with the supply of such product or material.



RESPONSIBLE SOURCING

KPI	Definition	Scope	Calculation	Baseline year	Reference
% of responsibly sourced green coffee	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.	All consolidated JDE Peet's entities	Volume of responsibly sourced green coffee divided by total volume of green coffee (weight in MT)	n/a	Overview of non-financial KPIs - Responsible Sourcing
% of responsibly sourced tea	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 its sustainability/verification requirements. These third parties may include, Rainforest Alliance/UTZ, Fairtrade, ETP, Enveritas, etc.	All consolidated JDE Peet's entities except Les 2 Marmottes and Intelligentisia	Volume of responsibly sourced green leaf or processed tea or rooibos divided by total volume of green leaf or processed tea or rooibos (weight in MT)	n/a	Overview of non-financial KPIs - Responsible Sourcing
% of responsibly sourced palm oil	Direct responsibly sourced palm oil refers to the purchased palm oil with Roundtable on Sustainable Palm Oil (RSPO) certification	All consolidated JDE Peet's entities	Volume of responsible sourced palm oil divided by total volume of palm oil (weight in tonnes)	n/a	Overview of non-financial KPIs - Responsible Sourcing
% of deforestation-free virgin pulp & paper	The FSC 100%, FSC mix and PEFC certified portion of volume of virgin packaging materials, paper cups and point-of-sales materials of products sold. JDE Peet's continues to work with our suppliers to mature information flows with respect to FSC and PEFC certification information. Whilst we are able to verify that relevant suppliers hold FSC and PEFC certification, we remain reliant on confirmation from those suppliers that individual materials supplied fall under those certification schemes.	All consolidated JDE Peet's entities, except 12Oz, Maison Lyovel, Tea Forté, Campos, Les 2 Marmottes, Peet's China	Total materials metric tonnes with FSC, PEFC certificate divided by the total sold volumes in metric tonnes	n/a	Overview of non-financial KPIs - Responsible Sourcing
# of smallholder farmers reached in 2023	Smallholder farmers are small-scale agricultural producers that primarily rely on family or household labour or workforce exchange with other members of the community, including permanent, seasonal, part-time, migrant and third-party contractors, female and male. By 'reached smallholder farmers' we mean producers and workers who have been registered by the project implementing partner (supplier, NGO, local government entity) as recipients or beneficiaries of field projects that JDE Peet's is investing in. 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.	All consolidated JDE Peet's entities	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	n/a	Overview of non-financial KPIs - Responsible Sourcing



MINIMISING FOOTPRINT

KPI	Definition	Scope	Calculation	Baseline year	Reference
Packaging intensity	Total weight of the packaging materials per cup. The average grammes of product per cup is 5.4, actual serving sizes differ per product based on recipe formulation.	All consolidated JDE Peet's entities, except 12Oz, Maison Lyovel, Tea Forté, Campos, Les 2 Marmottes, Peet's	Total weight of packaging materials in grammes divided by serving sizes of units sold (cups).	n/a	Overview of non-financial KPIs - Minimising Footprint
% of packaging components designed to be reusable, recyclable or compostable	- Designed for re-use: Packaging designed to be reusable, specifically to be refilled for the same or different purpose. - Designed for recycling: Packaging designed to be recyclable must be accepted 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 it discarded state. - Designed to be compostable: Packaging which meets ISO13432 standard at a minimum is classified	All consolidated JDE Peet's entities, except 12Oz, Maison Lyovel, Tea Forté, Campos, Les 2 Marmottes, Peet's China	Total packaging classified as designed for re-use, recycling, composting divided by total weight packaging sold (weight in metric tonnes)	n/a	Overview of non-financial KPIs - Minimising Footprint
% of (absolute) reduction of Scope 1 & 2 GHG emissions	All JDE Peet's Scope 1 & 2 greenhouse gas (GHG) emissions as defined by the GHG Protocol Corporate Accounting and Reporting Standard, using the operational control approach.	All consolidated JDE Peet's entities	GHG emissions Scope 1 & 2 2020 baseline minus GHG emissions Scope 1+2 of current year divided by GHG emissions Scope 1 & 2 2020 baseline	2020	Overview of non-financial KPIs - Minimising Footprint
Absolute Scope 3 GHG emissions (in tCO2e)	All JDE Peet's Scope 3 greenhouse gas (GHG) emissions as defined by the GHG Protocol Corporate Accounting and Reporting Standard, using the operational control approach.	All activities in operational control of JDE Peet's value chain outside Scope 1 & 2 emissions. See details below, in methodology	Activity data times emission factor	n/a	Overview of non-financial KPIs - Minimising Footprint

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KPI	Definition	Scope	Calculation	Baseline year	Reference				
% of water intensity reduction	Water withdrawal includes all the water sources that come into the site, streams/intake for processing, and sanitary purposes. It includes dilution, moistening, casing & flavour, steam, quenching water, cleaning purpose and cooling water. Produced volume is the amount of consolidated finished goods produced.	All manufacturing units of all consolidated JDE Peet's entities	Water withdrawal 2020 baseline minus water withdrawal of current year divided by total produced volume in 2020 baseline (weight in m3/tonne)	2020	Overview of non-financial KPIs - Minimising Footprint				
Maintain waste to landfill under 1%	Maintain waste-to-landfill under 1% is where waste (kg/t) is disposed less than 1 % of waste to landfill (kg/t). (Waste incineration without energy recovery is also considered landfill category). Total waste is the sum of all hazardous and non-hazardous waste streams.	All manufacturing units of all consolidated JDE Peet's entities	Landfill (kg/t) plus waste incineration without energy recovery generation (kg/t) divided by total waste (kg/t) multiplied by 100	n/a	Overview of non-financial KPIs - Minimising Footprint				

Årsregnskap regnskapsåret 2023 for 9512846



CONNECTING PEOPLE

KPI	Definition	Scope	Calculation	Baseline year	Reference
% of women in leadership positions	Leadership positions refers to employees who are part of the Executive Committee and Global Leadership team of JDE Peet's. Employees part of the Global Leadership team hold positions of Directors and General Managers (or equivalent) within JDE Peet's.	All consolidated entities apart from a small portfolio of entities contributing to less than 5% of total revenue and 19% of employees	Headcount of women holding leadership positions divided by the total headcount of employees holding leadership positions	n/a	Overview of non-financial KPIs - Connecting People
% of manufacturing sites with food-safety certifications	Food Safety Quality Certified Manufacturing sites: any internal and external manufacturing site that has passed a food safety quality audit performed by an international recognised certification body.	All consolidated JDE Peet's entities. It includes internal and external manufacturing sites	Number of manufacturing sites with a valid GFSI certificate divided by total number of manufacturing sites	n/a	Overview of non-financial KPIs - Connecting People
Total Recordable Incidents Rate	Total number of recordable of lost time injuries, restricted work cases and medical treatment cases in JDE Peet's manufacturing units.	All manufacturing units of all consolidated JDE Peet's entities	Number of lost time injuries, restricted work cases and medical treatment cases times 200,000, divided by total hours worked for employees and contractors	n/a	Overview of non-financial KPIs - Connecting People
Voluntary turnover rate in leadership positions	Voluntary turnover during the year in the Global Leadership team and Executive Committee. Employees part of the Global Leadership team hold positions of Directors and General Managers (or equivalent) within JDE Peet's.	All consolidated entities apart from a small portfolio of entities contributing to less than 5% of total revenue and 19% of employees	Voluntary turnover in leadership divided by total turnover in leadership	n/a	Overview of non-financial KPIs - Connecting People

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Methods to calculate Scope 3 data							
Scope 3 Reporting		Calculation Methodology	Explanation				
Scope 3.1: Purchased goods & services		Supplier specific Hybrid Spend based	Green coffee purchase uses sampling of the complete farm-to-port value chain, through third party Enveritas, which is converted to emissions using methodology. Includes both land management and post-harvest activities. Land Use change is included using FAO stat commodity data by country. Packaging uses supplier-specific data. Raw materials (e.g. tea, dairy, sugar, oils) and pack materials purchases, product-related emissions are linked on usage to GaBi average emissions data by material, unless supplier-specific data is available. All remaining goods and services use a spend-based method using factors from DEFRA				
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 GaBi country average transmission losses				
Scope 3.4: Upstream transportation and distribution		Distance based	GLEC (Global Logistics Emissions Council) data linked to individual route distance & mode from supplier to JDE Peet's and JDE Peet's to customers				
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	Use distance / mode data linked to GaBi data sets for when data is available from central travel agent (majority of data)				
Scope 3.7: Employee commuting		Distance based Average data	Use fuel-based spend for rental cars from expense system. Use spend based for other travel from expense data Based on average DE public commuting data linked to average emissions per transport type and distance Data adapted by employees in operations (no WFH) and those in wider business (hybrid working but working to WFH policy)				
Scope 3.8 : Upstream leased assets		Not applicable	Estimated impact per pallet based on customer public report, and retail store impact from retailer scope 1&2 reported data, converted to tonnes				
Scope 3.9: Downstream transportation & distribution		Average data	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 equipment used by our consumers to prepare our products.				
Scope 3.10: Processing sold products		Not applicable	Use servings sold by the professional business within both the Beans and Liquid categories, as proxies for the servings prepared in JDE Peet's vending machines. For other regional location-based data to these servings to the average energy use per serving type. For other vending machines use average energy use per serving type. 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 average location-based electricity data.				
Scope 3.11: Use of sold products		Average product	Assume EU average domestic disposal routes for our products (EuroSTAT)				
Scope 3.12: End-of-life treatment of sold products		Average product	Using ISO 14040 LCA data on typical products by product category, apply average EOL life data from this to all servings sold in each product category				
Scope 3.13: Downstream leased assets		Not applicable	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 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 franchisee, this is all that JDE Peet's has operational control of.				
Scope 3.14: Franchises		Average data					
Scope 3.15: Investments		Not applicable					

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. Moreover, the financial information meets the requirements as set out in Title 9, Book 2 of the Dutch Civil Code. 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, Governance and Risk management, excluding the Report of the non-executive Directors and the Remuneration report.

This Annual Report follows the elements and principles of the IIRC Framework. To report its non-financial performance in a robust and transparent manner, this report has been prepared in compliance with the GRI 2021 Standards. The full GRI Content Index is available as a separate PDF. JDE Peet's adopts the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and of Task Force on Nature-related Financial Disclosures (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; references to these goals are provided in the [Double Materiality](#) table.



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OVERVIEW OF OUR NON-FINANCIAL INFORMATION



RESPONSIBLE SOURCING

	2023	2022	2021	2020
Responsibly sourced raw materials purchases				
Responsibly sourced green coffee	83.8 %	77 %	30 %	21 %
Responsibly sourced tea (and rootbos)	40 %	27 %	32 %	100 %
Responsibly sourced palm oil	100 %	100 %	72 %	11 %
Smallholder farmer engagement				
Smallholder reached	700,900	590,000	470,000	300,00
Number of active projects	63	61	50+	30
Active projects in no. of origins	23	22	18	15
Deforestation-free main commodities				
Mapped coffee-growing plots that are deforestation-free	99.9 %			
Deforestation-free virgin pulp & paper (%)	34.4 %			
Animal welfare - Cage-free eggs				
Cage-free eggs (directly) purchased	2 %	3 %	*	

*No KPI was disclosed for prior years due to lack of data availability for these



MINIMISING FOOTPRINT

GHG emissions

	2023	2022	2021	2020
Total Scope 1 & 2 GHG emissions (market based, tCO ₂ e)	421,670	454,877	509,878	537,263
Total Scope 1, 2 & 3 GHG emissions (market based, tCO ₂ e)	4,551,236	5,034,520	4,894,300	5,064,338
Total GHG intensity (in tCO ₂ e/t of production) (market based, tCO ₂ e)	6.7	7.1	6.6	7.0
Total GHG intensity (in kgCO ₂ e/ € of revenue) (market based, tCO ₂ e)	0.56	0.62	0.70	0.62
Scope 1: Direct emissions (tCO ₂ e)	326,791	344,841	374,250	377,443
Scope 2: Indirect emissions, purchased energy (tCO ₂ e)				
– Location based	137,371	157,127	159,255	164,033
– Market based	94,879	110,036	135,628	159,820
Scope 3: Indirect emissions, value chain (tCO ₂ e)	4,129,565	4,579,643	4,384,422	4,527,075
– Scope 3.1: Purchased goods & services	3,333,387	3,780,625	3,552,062	3,695,136
– Scope 3.2: Capital goods	171,043	149,571	163,477	167,356
– Scope 3.3: Fuel and energy-related activities	97,206	104,024	112,343	103,788
– Scope 3.4: Upstream transportation and distribution	200,036	208,082	207,691	226,849
– Scope 3.5: Waste generated in operations	1,134	1,433	1,308	2,716
– Scope 3.6: Business travel	14,893	11,526	4,634	3,441
– Scope 3.7: Employee commuting	9,846	9,623	9,658	9,044
– Scope 3.9: Downstream transportation and distribution	87,890	95,263	103,549	98,511
– Scope 3.11: Use of sold products	34,766	22,100	23,858	15,871
– Scope 3.12: End-of-life treatment of sold products	173,228	192,256	200,404	197,235
– Scope 3.14: Franchises	6,134	5,139	5,437	7,128
Scope 1 & 2 GHG emissions reduction from a 2020 base year	21 %	15 %	5 %	– %
Scope 3 GHG emissions reduction from a 2020 base year	9 %	(1)%	3 %	– %
Location based (For info not SBTi Target)				
Total Scope 1 & 2 GHG emissions (location based, tCO ₂ e)	464,162	501,968	533,505	541,476
Total Scope 1, 2 & 3 GHG emissions (location based, tCO ₂ e)	4,593,727	5,081,610	4,917,927	5,068,551
Total GHG intensity (in kgCO ₂ e/ € of revenue) (location based, tCO ₂ e)	0.56	0.62	0.70	0.62

⁴⁰ Two of the manufacturing facilities were recent acquisitions and therefore out of scope.⁴¹ Note that the energy was reported in PJ in 2022.⁴² It includes energy consumption within and outside of the organisation.

2022

2023

Emissions Trading Schemes

Emissions covered by ETS (Scope 1)

Allocated allowances

Purchased allowances

Environmental Management System

Total number of manufacturing facilities

Manufacturing facilities certified against ISO 14001

Energy⁴¹

Total energy consumption within the organisation (in MWh)

Total energy intensity (in MWh/t of production)⁴²

Total energy intensity (in kWh/€ of revenue) (sector c10.83)

Total direct fuel consumption within the organisation (in MWh)

– Direct non-renewable fuel consumption (in MWh)

– From natural gas

– From coal

– From other energy sources

Direct renewable fuel consumption (in MWh)

Direct renewable fuel consumption (in %)

Total electricity purchases (in MWh)

– Thereof from renewable sources (in %)

Total third-party heat & steam purchases (in MWh)

Total direct and indirect energy from renewable sources (in MWh)

Total direct and indirect energy from renewable sources (in %)

2022

2023

Packaging

Total packaging volume (in kt)

– Glass

– Paper & cardboard

– Bioplastic plastics

– Combined plastics

– Aluminium

– High-density polyethylene (HDPE)

– Low-density polyethylene (LDPE)

– Polyethylene Terephthalate (PET)

– Polypropylene (PP)

– Polystyrene (PS)

– Steel

– Textile

– Wood

– Other

Total renewable packaging materials (in kt)*

Total non-renewable packaging materials (in kt)*

Virgin plastic (in kt aggregated including bioplastics)

Packaging intensity (in g/cup)**

Progress against our sustainable packaging 2030 targets

Design 100% of our packaging to be reusable, recyclable or compostable (as percentage of total weight)

– Glass

– Paper & cardboard

– Plastics (aggregated including bioplastics)

– Aluminium

– Steel

– Textile

– Wood

– Other

Use of recycled content in our packaging (as percentage of total)

– Glass

– Paper & cardboard

– Plastics (aggregated including bioplastics)

– Aluminium

– Steel

– Textile

– Wood

– Other

⁴³ It includes supplier verified data (no industry averages applied as in 2021 and 2020).

* Material fractions include bioplastics, paper & cardboard, wood

** JDE only excluding Yangon, Arsin, Duzce

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CONNECTING PEOPLE

Our workforce at 31 December

	2023	2022	2021	2020
No. of employees ⁴⁴	21,196	20,710	21,027	20,231
% Permanent	96.3 %	95.3 %	93.3 %	93.0 %
% Temporary	3.7 %	4.7 %	6.7 %	7.0 %
% Full-time	78.4 %	79.1 %	79.6 %	81.3 %
% Part-time	21.6 %	20.9 %	20.4 %	18.7 %
No. of external contractors ⁴⁵	3,039	3,001	3,275	3,098
New hires in the year	25.6 %	32.1 %	30.4 %	16.8 %
Internal fill rate - Global Leadership team	61.5 %	52.8 %	*	*
Internal fill rate - All employees (Total)	27.6 %	26.7 %	*	*
Turnover rate	28.1 %	32.3 %	32.4 %	25.2 %
Share of women at 31 December⁴⁶				
Non-executive Directors	38.5 %	38.5 %	23.1 %	23.1 %
Leadership positions (%)	41.3 %	41.0 %	36.2 %	*
Leadership positions (Headcount)	129	*	*	*
Executive Committee	36.4 %	33.3 %	25.0 %	36.4 %
Global Leadership team	41.5 %	41.2 %	36.7 %	35.5 %
People managers	40.2 %	37.9 %	*	*
All other employees	43.0 %	43.0 %	43.0 %	41.7 %
All employees (Total)	42.6 %	42.3 %	*	*
Nationalities at 31 December				
Non-executive Directors	8	8	10	10
Executive Committee	8	8	8	8

⁴⁴ Employees of all consolidated entities of JDE Peet's have been included, with no significant difference year on year. Refer to note 1.1 Reporting entity of the Consolidated Financial Statements.

⁴⁵ The most common types of external workers cover activities such as: facilities and other outsourced activities, transactional activities in finance, IT contractors, operators servicing coffee machines (Out-of-home) and manufacturing temporary labour. No significant difference year on year.

⁴⁶ Excludes employees that indicated their gender as "undisclosed" or "other" (which represents 0.8% of the total workforce) as we acknowledge that gender is not binary. This exclusion applies to all tables where gender is reported.

⁴⁷ The scoping exclusion below does not apply to these KPIs.

⁴⁸ The scoping exclusion below does not apply to these KPIs.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information	At 31 December 2023					Human capital (Headcount)										
								Gender		Region													
								Women	Men	Europe	LARMEA	APAC											
								7,236	9,751	6,589	3,367	2,791											
								6,936	9,413	6,187	3,323	2,599											
								300	338	402	44	192											
								4,940	8,467	5,990	3,351	2,689											
								2,296	1,284	599	16	102											
								Occupational health & safety															
								Total Recordable Incidents Rate (per 200,000 hours worked) - total												0.59	0.46		
Number of work-related injuries - total ⁴⁹												60											
– Number of work-related injuries - Employees ⁴⁹												44											
– Number of work-related injuries - Contractors ⁴⁹												16											
Lost-Time Injury Frequency Rate (LTIFR) - total ⁵⁰												0.31											
– LTIFR - Employees ⁵⁰												0.25											
– LTIFR - Contractors ⁵⁰												0.48											
Workplace fatalities - employees												1 ⁵¹	0	0	0	0							
Workplace fatalities - contractors ⁵²												0	0	0	0	0							
Manufacturing facilities with ISO 45001 certification												22	19	17	17	17							
Pay equity																							
Pay equity-gap												<1 %											
Gender diversity - Additional data (%) at 31 December 2023																							
Junior people managers												Women		Men									
												39.5 %		60.5 %									
People managers - revenue generating functions ⁵³												38.5 %		61.5 %									
All employees STEM ⁵⁴												54.8 %		45.2 %									
Generations (%) at 31 December 2023																							
Executive Committee												<30 years old		30-50 years old		>50 years old							
												— %		27.3 %		72.7 %							
Global Leadership team												— %		58.3 %		41.7 %							
All employees (Total)												28.0 %		50.7 %		21.3 %							
Arbeidsregnskap regnskapsåret 2023 for 951284629																							
Ethnicity (%) at 31 December 2023 (Peet's Coffee US)												Asian		Black or African American		Hispanic or Latino							
												11.1 %		4.9 %		27.0 %							
All employees (Total)												6.3 %		1.3 %		3.8 %							
Global Leadership Team																							

⁴⁹ No KPI was disclosed for prior years due to lack of available data for these periods

⁵⁰ It only includes JDE manufacturing sites

⁵¹ This incident corresponds to the supply chain area, the scope of the rest of OH&S indicators covers manufacturing units.

⁵² There was one fatal accident involving a subcontractor of a contractor at one of our stores in 2023.

⁵³ All employees holding Sales & Marketing functions.

⁵⁴ All employees holding R&D functions.

⁴⁹ No KPI was disclosed for prior years due to lack of available data for these periods

⁵⁰ It only includes JDE manufacturing sites

⁵¹ This incident corresponds to the supply chain area, the scope of the rest of OH&S indicators covers manufacturing units.

⁵² There was one fatal accident involving a subcontractor of a contractor at one of our stores in 2023.

⁵³ All employees holding Sales & Marketing functions.

⁵⁴ All employees holding R&D functions.

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								Turnover rate (%)		Voluntary turnover rate (%)		Involuntary turnover rate (%)					
								Women	33.3 %	26.2 %	7.0 %	<30 years old	1.712	30-50 years old	3.422	>50 years old	1.102
								Men	23.8 %	14.7 %	9.1 %						
								< 30 years old		55.5 %	46.4 %	9.1 %					
								30 - 50 years old		18.9 %	11.5 %	7.5 %					
								> 50 years old		15.2 %	6.2 %	9.0 %					
								APAC		29.7 %	19.1 %	10.6 %					
								Europe		13.8 %	7.1 %	6.8 %					
								LARMEA		16.9 %	7.9 %	9.0 %					
Peet's		57.4 %	49.2 %	8.2 %													
Global Leadership Team		12.4 %	5.4 %	7.0 %													
Employee Group																	

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Countries with Collective bargaining agreement and social dialogue in place at 31 December 2023

Coverage rate	Collective bargaining agreement		Social Dialogue	
	Employees - EEA	Own workforce - Non-EEA	Workspace representation (EEA only)	
0-19%		APAC Region		
		US Region		
		UA-EEMA Region		
20-39%	Poland		Yes	
40-59%	Denmark		Yes	
60-79%		UK	Yes	
80-100%	Czech Republic		Yes	
	Netherlands		Yes	
	Spain		Yes	
	Sweden		Yes	
		Norway	Yes	
	France		Yes	
	Belgium		Yes	
	Romania		Yes	
	Germany		Yes	
		Brazil	Yes	

Scoping adjustment for Connecting People KPIs

All consolidated entities of JDE Peet's, apart from a small portfolio of entities contributing 5% of total revenue and approximately 19% of total employees, have been included. This does not apply to the total number of employees, where all employees of consolidated entities of JDE Peet's have been included.

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Restatement of information

During 2023, we took additional steps to improve our non-financial data quality and collection. As part of this process, we have revised our methodology and definitions for certain KPIs within our Minimising Footprint and Connecting People pillars. The following material changes were made:

	Change in methodology	Impact of restatement
Minimising Footprint		
Scope 1: Direct emissions (tCO2e)	Base year has been restated to include impact of entities that are now part of JDE Peet's ; (Campos & Les 2 Marmottes) & updated emission factors (0.4)%	
Scope 2: Indirect emissions, purchased energy - market based	Base year has been restated to include impact of entities that are now part of JDE Peet's ; (Campos & Les 2 Marmottes) Emission factors have been updated to most recent DEFRA / IEA factors (including all prior years data)	+3%
Scope 3.1: Purchased goods & services	-Green coffee emissions previously used an assumption that certified coffee came land-use change and burden free. This has been changed to reflect that no certification schemes commit to being deforestation-free in 2000 -Addition of spend-based impact related to addition of all entities (12Oz / Maison Lyovel / JobMeal / Campos) all years -Restatement of raw material usage - through improved automated tools replacing manual estimates -Replacement of revenue uplift estimates for missing data, with category average material usages related to missing data linked to known production volumes rather than revenue basis - Correction on spend based reporting & Update Instant coffee emission factors aligned with updated green coffee data	Estimated at +160,000 tonnes on base year and subsequent reporting data (+ 4% JDE Peet's total) Addition Maison Lyovel / 12Oz / Campos JobMeal (+1.4% JDE Peet's total) Spend correction and updated raw material data and emission factor + 50kt (+1% JDE Peet's total)
Scope 3.4 & 3.9	Updated GLEC emission factors related to higher well-to-tank emission factors, correction of missing routes in base year and subsequent years. All JDE Peet's inbound and outbound included under 3.4. Addition in reporting of Customer logistics and retail outlet impacts included in downstream 3.9, not previously reporting	10% increase in logistics reported impact Customer logistics & retail impact approx 50kt (2% in Peet's Scope 3)
Scope 3.11: Use of sold products	Addition of vending machines sold / leased by Maison Lyovel & JobMeal	Minor <0.1% JDE Peet's total
Scope 3.14 Franchises	Addition of 12Oz and Cafe do Ponto previously not included	Minor <0.1% JDE Peet's total
Intensity indicators	Production volumes for 2020 base year were incorrectly stated and have been reset	intensity reduction lower than previously shown - applied missing volume from 2020 base year data
- Total GHG intensity - Total energy intensity - Waste intensity - Water intensity		
Total packaging volume (in kt)	- Weight of wood (pallets) has been included in total packaging weight annually dating back to 2020	Increased total packaging weight on average 32.6kt a 2020-2023. No impact to carbon accounting as pallet through spend
Total packaging volume (in kt)	- Assumptions of missing packaging weight for plants not integrated into JDE ERP software were included using weight of finished goods sold, serving size per product category, and average packaging intensity per material type	2020 - 10.13kt increase 2021 - 8.74kt increase 2022 - 8.78kt increase 2023 - 8.23kt increase

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Total packaging volume (in kt)								Change in methodology
								Impact of restatement
Total packaging volume (in kt)								1.47% increase across all material fractions
								2020 - 3,07kt increase
Design 100% of our packaging to be reusable, recyclable or compostable (as percentage of total weight)								Weight of wood has negligible impact; inclusion to be packaging weight. Inclusion of plants, missing data, E
								RRC each year: 2020 -4.52% 2021 -3.50% 2021 -3.65% 2023 -3.50%
Use of recycled content in our packaging (as percentage of total weight)								Weight of wood resulted in lower recycled content; so
								year dating back to 2020. Inclusion of plants, missing decrease results by ~1% year over year.

GOVERNANCE AND RISK MANAGEMENT

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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 2023).

More detailed biographies of our Board of Directors can be found on [JDE Peet's website](#).

EXECUTIVE DIRECTOR



FABIEN SIMON

French (1971), man

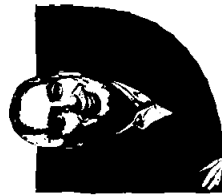
Executive Director and CEO

First appointed in 2020

Principle position: CEO JDE Peet's N.V.

Previous positions: non-executive Director of the company, partner at JAB. Chairman of National Veterinary employees. Chief financial officer of JDE (2014-2019), 13 years at Mars, Incorporated in various leadership roles, including Asia-Pacific corporate staff, vice president, chief financial officer of Petcare Europe, eight years at Valeo in a variety of leadership roles.

CHAIRMAN OF THE BOARD



OLIVIER GOUDET

French (1964), man

Non-executive Director and Chairman of the Board

Non-independent

First appointment 2020, end of current term AGM 2026

Principle position: senior investment advisor of JAB

Other board memberships: chairman of the board of Krispy Kreme, member of the board of directors of Keurig Dr Pepper, Coty 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.

NON-EXECUTIVE DIRECTORS



JOACHIM CREUS

Belgian (1976), man

Non-executive Director

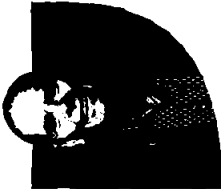
Non-independent

First appointment 2020, end of current term AGM 2026

Principle position: managing partner vice-chairman of JAB.

Other board memberships: member of the board of directors of Coty and several JAB controlled companies.

Previous positions: a number of executive positions at several JAB holding entities, various related positions at Siemens, Rödl & Tibberghien Lawyers.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
	LUC VANDELDE	Belgian (1951), man	Non-executive Director and Lead Independent Director, member of the Audit Committee and member of the Remuneration, Selection and Appointment Committee				
		Independent					
		First appointment 2020, end of current term AGM 2026					
		Principle position: founder and chair of Change Capital Partners LLP.					
		Other board memberships: chair of Change Capital Partners LLP, chair of Majid Al Futtaim Leisure & Entertainment and Cinemas.					
		Previous positions: chair of Marks and Spencer Group plc, senior independent director of Vodafone Group plc and chair of its remuneration committee, non-executive director Vodafone Group plc, director of Soci�t� G�n�rale S.A., chair of Carrefour, various positions at Kraft Foods for 24 years in Europe and the United States in finance, business development and mergers and acquisitions, CEO of Kraft Jacobs Suchard's French and Italian operations.					
	PETER HARF	German (1946), man	Non-executive Director and member of the Remuneration, Selection and Appointment Committee				
		Non-independent					
		First appointed in 2020					
		Principle position: chair and a managing partner at JAB.					
		Other board memberships: chair of the board of directors of Coty, member of the board of directors of Keurig Dr Pepper.					
		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, deputy chair of Reckitt Benckiser, CEO of Coty.					
	DENIS HENNEQUIN	French (1958), man	Non-executive Director and member of the Remuneration, Selection and Appointment Committee				
		Independent					
		First appointment 2020, end of current term AGM 2024					
		Principle position: founding partner of French Food Capital and a founder of The Green Jersey consulting firm.					
		Other board memberships: vice chairman and member of the remuneration committee of Pret A Manger, non-executive director and chair of the remuneration committee of Bakkav�r 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.					
	ANA GARC�A FAU	Spanish (1968), woman	Non-executive Director and member of the Remuneration, Selection and Appointment Committee, Board Sustainability Committee				
		Independent					
		First appointment 2022, end of current term AGM 2026					
		Principle position: non-executive director of Properties SA (Spain), Gesamp Auto and Celinex Telecom (Spain).					
		Other board memberships: non-executive director and chair of the remuneration committee (Portugal), member of advisory board Pictet (Iberia), Salesforce (AMEA) and Alumni Council (Spain); is an external Cosentino Group in Spain.					
		Previous positions: CEO of all for the Latin American businesses before exiting the US Hispanic market, chief corporate officer and CFO of TPI (Yellow Pages businesses) at the Telefon�a Group, board and member of audit and risk Eutelsat Communications SA and Telet�fono de Espa�a (France), DLA Piper LLP (US) and G&L (Spain).					

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STUART MACFARLANE

British (1967), man

Non-executive Director and Chair of the Audit Committee

Independent

First appointed in 2020

Principle position: director 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.



LAURA STEIN

American (1961), woman

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

Non-independent

First appointment 2022, end of current term AGM 2026

Principle position: executive vice president, corporate & legal affairs, general counsel and Corporate Secretary of Mondelez International, Inc.

Other board memberships: board member of several non-profit organisations including the Pro Bono Institute and CEEI Institute, member of the American Law Institute Council, the leaders council of the Legal Service Corporation and the advisory board of the Harvard Law School Center on the Legal Profession and Corporate Pro Bono, where she serves as co-chair.



AILEEN RICHARDS

British (1959), woman

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

Independent

First appointment 2020, end of current term AGM 2026
Principle position: independent non-executive director on several boards.

Other board memberships: independent director on several boards including Lloyds Banking Group and Samworth Brothers (Holdings) Limited.

Previous positions: senior executive director at Mars, Incorporated, responsible for human resources strategy and Mars Financial Services (Mars IT, Mars Financial Services and Mars Financial Services), various senior international roles in Mars, including at Mars procurement and manufacturing at Mars B.V.

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PAULA LINDENBERG

Brazilian (1975), woman

Non-executive Director

Independent

First appointment 2022, end of current term AGM 2026

Principle 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

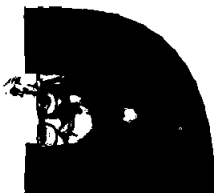
Non-executive Director

Non-independent

First appointment 2023, end of current term AGM 2027

Principle position: partner at JAB.

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 Agrícola.



JEROEN KATGERT

Dutch (1968), man

Non-executive Director and member of the Audit Committee

Non-independent

First appointment 2023, end of current term AGM 2027

Principle position: senior vice president finance, Mondelēz Europe.

Previous positions: various leadership positions at Mondelēz, including vice president commercial and FP&A, vice president finance Coffee Europe and vice president finance 'Project One Europe', 16 years at Unilever in a variety of roles, including vice president finance Unilever, supply chain Europe and finance director M&A and treasury.



FRANK ENGELÉN

Dutch (1971), man

Non-executive Director and member of the Audit Committee

Non-independent

First appointment 2020, end of current term AGM 2025

Principle position: managing partner financial officer of JAB.

Other board memberships: member of several JAB controlled companies. Previous positions: partner at JAB in senior partner at JAB in September 2017, including member PwC for 17 years, including member PwC Netherlands for five years and member of PwC Europe for 18 years.

REPORT OF THE NON-EXECUTIVE DIRECTORS

INTRODUCTION

This report provides further information on the way we performed our duties in 2023.

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 25 May 2023, Jeroen Katgert and Patricia Capel were appointed as non-executive Directors of the company. They have temporarily filled in vacancies on the Board as stand-in non-executive Directors, Patricia Capel since 26 September 2022, and Jeroen Katgert since 11 May 2022. With these new appointments, the Board broadened its diversity while introducing additional expertise and knowledge of the fast-moving consumer goods sector. These new non-executive Directors followed an induction programme in the course of 2022 when they were nominated as stand-in non-executive Directors. Additional trainings (including on business conduct and anti-bribery and corruption) have been also offered to the Board and can be followed at the discretion of the Board.

At the upcoming AGM in 2024, the Board will propose to the shareholders to appoint

Aileen Richards, Stuart MacFarlane and Denis Hennequin as non-executive Directors for a second term of four years.

MEETINGS AND ACTIVITIES OF THE BOARD

ATTENDANCE

The Board held six meetings in 2023. One additional Board call was organised to discuss and approve the acquisition of Maratá's coffee & tea business in Brazil. In addition, as part of the Board's meeting in September, which was held in France, the Board visited the company's capsules factory in Andrézieux, France. The CEO attended all Board meetings. Other members of the Executive Committee, as well as certain Global Leadership team members, 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. In addition, the Chair and the CEO held regular one-to-one meetings to discuss progress and key topics. 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 2023, except for a limited number of occasions (of which each absence had a valid reason). An overview of the individual attendance of our non-executive Directors at the meetings of the Board and of

its Committees is set out below. All non-executive Directors set aside adequate time to give sufficient attention to the company's business.

Non-executive Directors	Attendance at Board meetings	Attendance at Audit Committee meetings	Attendance at Selection Committee meetings
Olivier Goudet	7/7		
Aileen Richards	7/7		
Stuart MacFarlane	7/7		
Peter Harf	5/7		6/6
Joachim Creus	7/7		
Frank Engelen	7/7		6/6
Luc Vandeveldre	7/7		6/6
Jeroen Katgert	7/7		6/6
Laura Stein	5/7		
Ana Garcia Fau	7/7		6/6
Denis Hennequin	6/7		
Paula Lindenberg	5/7		
Patricia Capel	6/7		

BOARD EVALUATION

Each year, the Board assesses its performance, including with respect to its composition, diversity and how effectively its members work together, with the aim of helping to improve the effectiveness of the functioning of both the Board and the Committees.

In 2023, the Board invited an independent third-party to facilitate the Board's evaluation. This evaluation consisted of individual interviews with the executive

both the outcome of the evaluation and the actions to enhance the effectiveness of the Board. The evaluation included topics such as the expertise of the Board and its Committees, the Board's strategy, risks, succession to information, frequency and quality of meetings and the timeliness of the company's stakeholder interactions with the company's stakeholders.

The outcomes of the Board evaluation were generally positive and reflected an improvement over the 2021 and 2022 Board self-assessments. The Board is well-managed, properly fulfilling its duties and responsibilities, and follows the appropriate processes to ensure that the Board is providing the right level of oversight over the company. The Board was also positive about the performance of the executive Director and more generally, its relationship with the company's senior management.

The responses provided formed the basis for the discussion within the entire Board on how to further leverage the expertise and knowledge on different topics within the Board, as well as what topics should receive additional attention in the future.

The Board concluded that it would continue to focus on continuously improving Board governance on the identified topics.

BOARD FOCUS

In 2023, we continued to witness inflation, supply chain disruptions and geopolitical tensions. Consequently, our top priorities included pricing for inflation and supply chain strategies and resilience in the context of a turbulent geopolitical environment.

Other key topics included, amongst others:

- Strategy and sustainable long-term value creation: the Board discussed and advised the management on the company's Annual Operating Plan which is dedicated towards long-term sustainable growth and profitability through the company's strategic priorities to be more global, more digital and more sustainable and investments in people, sustainability, brands, appliances and innovation.
- Business performance: Each quarter, the Board was updated in detail on the company's business performance including on key financial KPIs and factors impacting performance, both on a global level and at segment level. In this context, we discussed the pricing strategy, the effects of inflation on our portfolio performance, and the importance of talent while navigating through supply chain disruption challenges.

- Financial reporting and governance: the Board reviewed the company's annual report, the annual and interim financial statements, the related reports from our external auditor, as well as the accompanying press releases. The Board approved the dividends to be paid to the company's shareholders in 2023. Furthermore, upon recommendations from the Audit and the Remuneration, Selection and Appointment Committees (as applicable), the Board reviewed and approved a number of key policies, including the company's Diversity, Equity and Inclusion Policy and the Board Profile. Furthermore, the Board approved the Remuneration Policy which will be presented for vote at the AGM in May.

- Sustainability: the Board had two dedicated sustainability updates, as part of which we reviewed the company's progress on the sustainability commitments and the strategic initiatives for 2023, as well as a debrief of investor feedback on our progress on sustainability commitments from the capital markets day. The Board recognises the company's extraordinary efforts in driving its sustainability agenda and resulting progress on ESG improvements (for example, the company's unique carbon accounting tool to measure CO₂ emissions per cup) with strongly improved ESG ratings.
- M&A and other projects: The Board discussed and reviewed the company's M&A opportunities, including the acquisition of Maratá's coffee and tea business in Brazil, Caribou transaction and other partnerships as well as restructuring projects including the combination of the Out-of-Home and CPG Europe segments.

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 CHRO.

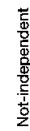
Furthermore, the Board regularly interacts with members of the Executive Committee to be present at Board meetings on and also interact with the company's employees receiving information on relevant topics. Leaders and experts in the company meetings, full Board meetings, as part of induction programmes or other occasions, factory visits.

INDEPENDENCE

We believe it is important to strive for a Board composition that incorporates experience, competencies and capital equipped with a strategic vision that benefit the company and its stakeholders. Composition is a critical success factor for the company and a critical success factor for Board members to act critically with term value creation for the company stakeholders.

Without undermining the foregoing, the company's shareholder structure (with Mondelez being major shareholders) thirteen of our non-executive Directors considered independent within the meaning of practice provision 2.1.8 of the Dutch Governance Code. Five of these non-Directors (Olivier Goudet, Pieter Harf, Frank Engelen and Patricia Capel) are JAB, whereas the remaining two (Lau Jeroen Katger) are representatives of

Response	Percentage
5	100%
2	40%
3	60%



The Audit Committee held four regular meetings in 2023, and two additional meetings dedicated to the company's full-year and semi-annual financial results. Throughout the year, the Audit Committee's Chair 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 the Committee members was 100%.

AUDIT COMMITTEE

independent in accordance with best practice principle 2.3.4 of the Dutch Corporate Governance Code: Stuart MacFarlane, Ana Garcia Fau and Luc Vandeveldde are independent within the meaning of the Dutch Corporate Governance Code, whereas Frank Engelen and Jeroen Katgert are representatives of JAB and Mondelez, respectively. The members of the Audit Committee as a whole have the relevant experience and competencies relating to financial matters, all of them have the required competency 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.

The Audit Committee held four regular meetings in 2023, and two additional meetings dedicated to the company's full-year and semi-annual financial results. Throughout the year, the Audit Committee's Chair 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 the Committee members was 100%.

- Throughout the year, the Audit Committee closely monitored the company's performance. In this respect, the provided updates on the company's

- Throughout the year, the Audit Committee closely monitored the company's performance. In this respect, the committee provided updates on the company's performance to each Committee's meeting. The committee also reviewed the company's 2023 financial statements and press releases prior to publication, together with the company's internal control procedures, (including IT control procedures), disclosures, accounting policies, Out of Home and CPG scope, the LARMEA goodwill impairment capital structure and debt management tea sourcing.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information														
- Was provided with in-depth updates on matters such as internal audit, compliance, whistleblower alert line reports, litigation, tax, treasury and hedging strategies including in relation to the procurement of green coffee. - Was presented with the update on the Enterprise Risk Management, including the 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 yearly Internal Audit Plan, assessed the functioning of the Internal Audit function considering the external valuation of the internal audit function done by an independent third party, and concluded that the Committee is satisfied with its effectiveness. - Discussed with the company's independent external auditor the company's audit plan, management letter, audit report, including its scope and materiality, as well as condensed consolidated interim and year-end consolidated financial statements for 2023. Together with the external auditor, the Audit Committee reviewed the key audit matters identified by the external auditor, financial reporting procedures and internal controls. In 2023, we also deep-dived into a selection of specific topics, including the company's compliance with applicable international sanctions adopted against Russia, the current status of the company's cyber security and related mitigation plans, and the		company's preparation for the reporting under the upcoming EU Corporate Sustainability Reporting Directive (EU CSRD) . REMUNERATION, SELECTION AND APPOINTMENT COMMITTEE At 31 December 2023, Aileen Richards (Chair), Luc Vandeveldel, Peter Harf, Denis Hennequin and Laura Stein 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 Luc Vandeveldel are independent within the meaning of the Dutch Corporate Governance Code, whereas Peter Harf and Laura Stein are representatives of JAB and Mondelez, respectively. We held four regular meetings of the Remuneration, Selection and Appointment Committee in 2023. The attendance rate of the Committee members was 100%. 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 Committee's Chair shared the highlights of each Committee meeting with the full Board and presented the Committee's recommendations on the topics to be approved by the Board. Throughout the year, the Remuneration, Selection and Appointment Committee:			- Approved bonus targets for 2023 and the bonus pay-out related to 2022 as well as changes to the company's share-based plans. - Discussed and reviewed the performance 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 proposed company's Diversity, Equity and Inclusion Policy, the proposed changes to the Board Profile as well as the Directors' Remuneration Policy (the latter being subject to the approval at the AGM). - Reviewed the Board's reappointment schedule, and recommended to the Board to approve the reappointment of Aileen Richards, Stuart MacFarlane and Denis Hennequin for a second term of four years at the upcoming AGM in 2024. - Together with management, reflected on the company's employee engagement survey result. - 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 was subsequently approved by the Board. - Reflected on the AGM advisory vote and investor feedback on the 2022 Remuneration Report including the progress made since the prior year's report.																
					Overview of the Board committee																
					<table><tr><td>Olivier Goudet</td><td>Aileen Richards</td><td>Stuart McFarlane</td><td>Peter Harf</td><td>Joachim Creus</td><td>Frank Engelen</td><td>Luc Vandevelde</td><td>Jeroen Katgert</td><td>Laura Stein</td><td>Ana Garcia Fau</td><td>Denis Hennequin</td><td>Paula Lindenberg</td><td>Patricia Capel</td></tr></table>	Olivier Goudet	Aileen Richards	Stuart McFarlane	Peter Harf	Joachim Creus	Frank Engelen	Luc Vandevelde	Jeroen Katgert	Laura Stein	Ana Garcia Fau	Denis Hennequin	Paula Lindenberg	Patricia Capel			
Olivier Goudet	Aileen Richards	Stuart McFarlane	Peter Harf	Joachim Creus	Frank Engelen	Luc Vandevelde	Jeroen Katgert	Laura Stein	Ana Garcia Fau	Denis Hennequin	Paula Lindenberg	Patricia Capel									
					Arsregnskap regnskapsåret 2023 for 951284629																
					<table><tr><td>Auc</td><td>Committee</td><td>Ch</td><td>Memb</td><td>Memb</td><td>Memb</td><td>Memb</td></tr></table>	Auc	Committee	Ch	Memb	Memb	Memb	Memb									
Auc	Committee	Ch	Memb	Memb	Memb	Memb															

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.

Olivier Goudet
Joachim Creus
Ana Garcia Fau
Jeroen Katgert
Paula Lindenbergh
Luc Vandeveldde
Frank Engelen

Peter Harf
Denis Hennequin
Stuart MacFarlane
Aileen Richards
Patricia Capel
Laura Stein



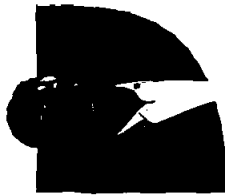
OUR EXECUTIVE COMMITTEE



FABIEN SIMON
French
Chief Executive Officer



KHALED RABBANI
Dutch
Chief Legal & Corporate
Affairs Officer



EVERT MEINDERTSMA
Dutch
Chief Supply Officer



LARA BUIJS
Dutch
President APAC



SCOTT GRAY
American
Chief Financial Officer



JOHAN VAN GOSSUIN
Belgian
Chief Human Resources
Officer



ERIC LAUTERBACH
American
President of Peet's



TATIANA ROMANOVA
Russian
President LATAM



FIONA HUGHES
Australian
Chief Marketing Officer



CAROLYN ADAMS
British
Chief Research and
Development Officer



JUAN AMAT
Spanish
President Europe



BRAND HIGHLIGHT

SERVES EVERYONE MORE HAPPY

#1

pod brand
in the UK and
Germany

Tassimo is now co-
owned by more than 5 million households
across Europe and continues to be an
exciting brewer and innovator, with
innovations to space for consumers even

Tassimo was born 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.

#2

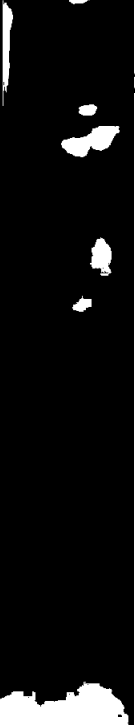
pod brand
in France

With the unique and patented
Intellibrew™ 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.

In 2023, Tassimo f
partnership with C
to bring more indu
consumers' homes
launch of a new Li
flavour range.

As of 2023

Back to brands overview →



CORPORATE GOVERNANCE

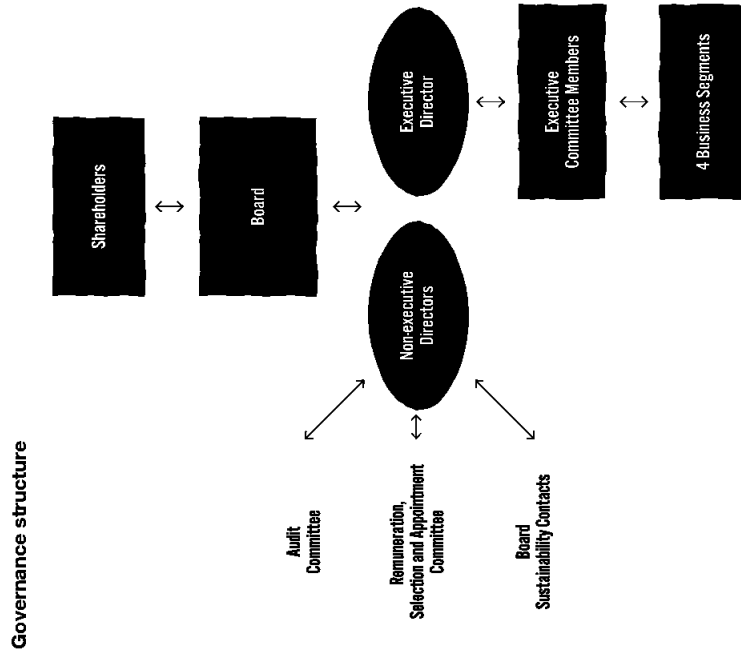
This section contains an overview of our corporate governance structure and its functioning. It provides information on the Board's role, its functioning and duties, as well as on the company's General Meeting and its capital structure.

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.

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 2023, the Dutch law provisions, commonly referred to as the large company (*structuurevennootschap*) 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.



SHARES AND SHAREHOLDERS

SHARE CAPITAL STRUCTURE

The company's ordinary shares have been listed on Euronext Amsterdam since May 2020. At 31 December 2023, the issued share capital of the company comprised 487,445,857 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 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 annual General Meeting on 25 May 2023. 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 2023.

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 Chairman or the Lead Independent Director at least 60 days before the date of the General Meeting.

One or more shareholders holding (in aggregate, collectively) at least 1% of the issued share capital or a market value of at least 1% of the share capital may request the company to disseminate information prepared by them in connection with a General Meeting in the event the company does not do so, if the company has not held a formal identification round of the shareholders. The company may refuse to do so, if the company has held such a round of the shareholders within seven business days prior to the day of the General Meeting, if the information gives or could give a false or misleading signal or if, in the absence of the information, the company can reasonably be expected to disseminate it.

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

The General Meeting is chaired by the Chairman of the Board; or in his/her absence by the Lead Independent Director or in the absence of the Chairman and the Lead Independent Director, by any Director present. The Directors shall convene a General Meeting, unless they are unable to do so, in which case an external auditor of the company is asked to convene the General Meeting.

At the General Meeting, all resolutions are adopted by a simple majority of the votes validly cast, except for resolutions on matters requiring a quorum being required, except for the matters mentioned in the articles of association, which require a greater majority or a quorum.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
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 is valid for a period 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 2023, and 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,							
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 the company 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.							
each time, subscribe for up to a maximum number of preference shares corresponding 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 the exercise of the call option will be deducted from this maximum. The Protective Foundation may exercise its option right repeatedly, on each occasion up to the aforementioned maximum, in order to protect the interest of the company and its business.							
Related-party transactions are subject to the approval of the Board. No related-party transactions have been approved by the Board without the approval of the Board. The Related-Party Transaction Policy includes the affirmative vote of the majority of the Directors, who are independent with respect to the Dutch Corporate Governance Code. Related-party transactions are considered to be conflicted with respect to the interest of the company and its related-party transaction. Any Director or indirect personal interest in the transaction, cannot participate in the decision-making with respect to the transaction concerned. The Board may terminate or suspend the Related-Party Transaction Policy if it determines that the interests of the company and its related-party transaction are not served by the continuation of the policy. Amendments to the company's Related-Party Transaction Policy require the approval of the Board, including the affirmative vote of at least two-thirds of the Directors, who is independent with respect to the interests of the company and its related-party transaction. For so long as the company is a subsidiary of International Holdings Netherlands B.V., the company is entitled to designate at least one Director to the Board. The Related-Party Transaction Policy shall not be terminated without the prior written consent of the Board.							

(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 25 May 2023, 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 25 May 2023, 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.

On 25 May 2023, the General Meeting approved the cancellation of 15,300,000 ordinary shares in treasury. At 31 December 2023, the company held 1,403,020 treasury shares.

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.



JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
COMPLIANCE WITH THE DUTCH CORPORATE GOVERNANCE CODE Whilst 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 2023, 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 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 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. Best practice provision 5.1.3 and 2.1.9: independence of the Chair of the Board: Olivier Goudet is the Chair of the Board. Mr. Goudet is not "independent" within the meaning of best practice provision 2.1.8 of Dutch Corporate Governance Code. 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, Peter Harf and Luc Vandeveldre ; (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. 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. Best practice provisions 3.1.2 (v) and (vi): the company is not compliant (in relation to the LTI) with best practice provision 3.1.2 (v) that requires that the variable remuneration component is linked to measurable performance criteria determined in advance and with best practice provision (vi) that requires that shares awarded to directors should be held for at least five years after they are awarded.					
REASONS FOR THE DEVIATION		Since JAB and Mondelez are two major shareholders of the company, 7 out of the 13 non-executive Directors are representatives of Olivier Goudet, Peter Harf, Joachim Creus, Frank Engelen and Patricia Capel are representatives of JAB, and Laura Stein and Jerome representatives of Mondelez. To ensure good corporate governance and independence of the Board, the company has a Lead Independent role of the Lead Independent Director is to serve as a liaison between the independent non-executive Directors and the Chair CEO. More details about the responsibilities of the Lead Independent Director can be found in the Report of the non-executive Directors. Through JAB, the company has a proven, long-term oriented shareholder with strategic vision. JAB's strategic vision is reflected in through its representatives on the Board which, the company believes, benefits both the company and its stakeholders. Similarly, that it and its stakeholders benefit from having MIHN's representatives on the Board. The company considers that the experience in global food and beverage industry (including within the broad portfolio of JAB consumer goods companies) is a competitive advantage outweights any perceived disadvantage of non-independence. Furthermore, as explained above, the company has a Lead Independent preserve independence of the Board. More details about the responsibilities of the Lead Independent Director can be found in the executive Directors section. The company believes that Mr. Goudet's experience in the global food and beverage industry (including within the broad portfolio of goods companies) benefits the company and its stakeholders, and this benefit outweighs any perceived disadvantages. In addition, in accordance with the company's Articles of Association and the Board Rules, as the Chair of the Board is not independent, appointed a Lead Independent Director to ensure there is an independent counter-voice. More details about the responsibilities of Independent Director can be found in the Report of the non-executive Directors section. Following the company's IPO in 2020, the company has opted for phased board appointments in order to avoid the risk of Directors resigning at the same time. More details can be found in the Term of appointment section. However, the initial term appointments of non-executive Directors in 2023 is in compliance with the relevant provisions of the Code. In accordance with the company's Directors' Remuneration Policy, the non-executive Directors have received part of their fixed grants in restricted share units (the RSUs) under the company's long-term incentive plan as set out in the company's Remuneration Vesting of these RSUs is not subject to any performance conditions. Given the company's geographical footprint, the company paying part of the non-executive Director fee in shares promotes its interests and that of its shareholders by strengthening ability to attract and retain highly competent non-executive Directors internationally, thereby supporting diversity. As disclosed in the company's Remuneration Report, the executive Director has received a grant in restricted share units (the company's long-term incentive plan which vest in three years after the RSU grant, in line with market practice, subject to continued employment. The value of the RSUs is directly linked to the future market value of JDE Peet's and therefore the company's long-term incentive appropriately links the executive Director's remuneration with long-term value creation. Furthermore, the reason to require the executive Director to hold the shares for five years, since the executive Director has made a personal Executive Ownership Plan to foster a long-term commitment as explained in the Remuneration Report, and therefore already incentive to pursue the long-term interests of the company.					

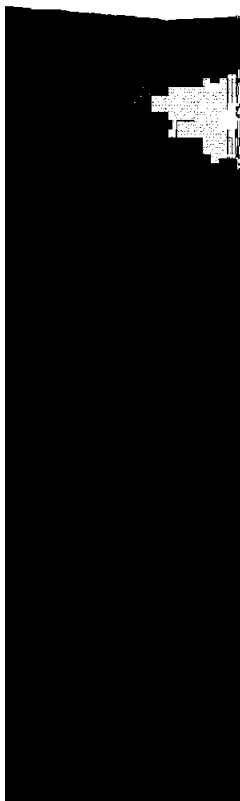
CORPORATE GOVERNANCE STATEMENT

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 the financial 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 Connecting People 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.





BRAND HIGHLIGHT

FOR LOVERS OF COFFEE

#1

Instant brand
in Australia &
New Zealand

During the year, we continued our expansion into Greater China, Singapore, Thailand and Malaysia with our instant, pure, freeze-dried and speciality mixes range.

In 2023, the Moccona Cadbury Mocha Speciality Mixes range was voted Australian coffee 'product of the year'™ via a consumer survey of product innovation. We launched our latest innovation in our Cadbury partnership, with our velvety smooth Vanilla Mocha blend, delighting both coffee and chocolate lovers everywhere.

Moccona. For lovers of coffee

[Back to brands overview](#)



4.3 M

Moccona cups
consumed daily
in Australia

With the purpose of reigniting the thrill of romance and sparking moments of unmistakable delight, we invite consumers to indulge in their love of coffee and life. With rich heritage and craftsmanship, we continue to deliver premium quality in every cup, and will expand into even more occasions in the future.



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 issues (ESG), 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

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.

Pursuant to the Investor Rights Agreement, MIHN is entitled to nominate a specific number of non-executive Directors for appointment. More information about MIHN's rights to nominate Directors can be found in [Investor Rights Agreement](#) in this chapter.

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 period of four years per appointment. In 2020, Fabien Simon was appointed a Director for an initial period of four years. Annual General Meeting of Shareholders 2025.

Non-executive Directors are in principle for a period of four years. After the initial period, non-executive Directors may then be reappointed for a period of four years. A non-executive Director may be subsequently reappointed again for a period of four years, which appointment may be extended for not more than two years. Following the IPO in 2020, the company has, however, initial appointment terms of non-executive Directors of one year, in order to avoid the risk of a non-executive Director resigning at the same time, thereby ensuring continuity of knowledge and experience in handling

Director re-appointment schedule⁵⁵

Name	Initial appointment date	End of current term
Executive Director		
Fabien Simon	18 November 2020	2025
Non-executive Directors		
Olivier Goudet	2 June 2020	2026
Peter Harf	2 June 2020	2026
Luc Vandeveldre	2 June 2020	2026
Joachim Creus	2 June 2020	2025
Aileen Richards	2 June 2020	2024
Denis Hennequin	2 June 2020	2024
Stuart MacFarlane	2 June 2020	2024
Frank Engelen	18 November 2020	2025
Laura Stein	11 May 2022	2026
Ana Garcia Fau	11 May 2022	2026
Paula Lindenberg	11 May 2022	2026
Patricia Capel	25 May 2023	2027
Jeroen Katgert	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 2023, 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. Pursuant to the Investor Rights Agreement, each Board Committee comprises at least three members and, to the extent allowed under

applicable laws and regulations, MIHN is represented by one of its designees in all committees. In addition, the Board appointed the Sustainability Board Contacts to stay alert to current and emerging ESG trends and any potential risks related to sustainability and related issues to 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 (among other things):

- 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
- The monitoring of financing and tax policy of the company.

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 a Board and submitted to the company Meeting.

The Remuneration, Selection and Appointment Committee meets as often as required for 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

The Board regularly, but at least two times a year, oversees the implementation of the agenda and policies including climate-related issues and ESG-related issues. The progress on ESG-related issues is included in the annual report, including climate-related issues, responsible sourcing, packaging, health and safety, and diversity, and the progress on our Corporate Sustainability programme, goals and objectives.

To place even greater focus on ESG, the Board has appointed two Sustainability Board Contacts. The Board Contacts provide an oversight of ESG-related issues and advise the Executive Committee and senior management. Their detailed responsibilities can be found in the Sustainability Policy, which is available on the company's website.

⁵⁵ The Board will propose to the shareholders to appoint Aileen Richards, Stuart MacFarlane and Denis Hennequin as a non-executive Directors for a second term of four years at the upcoming AGM in 2024.

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

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

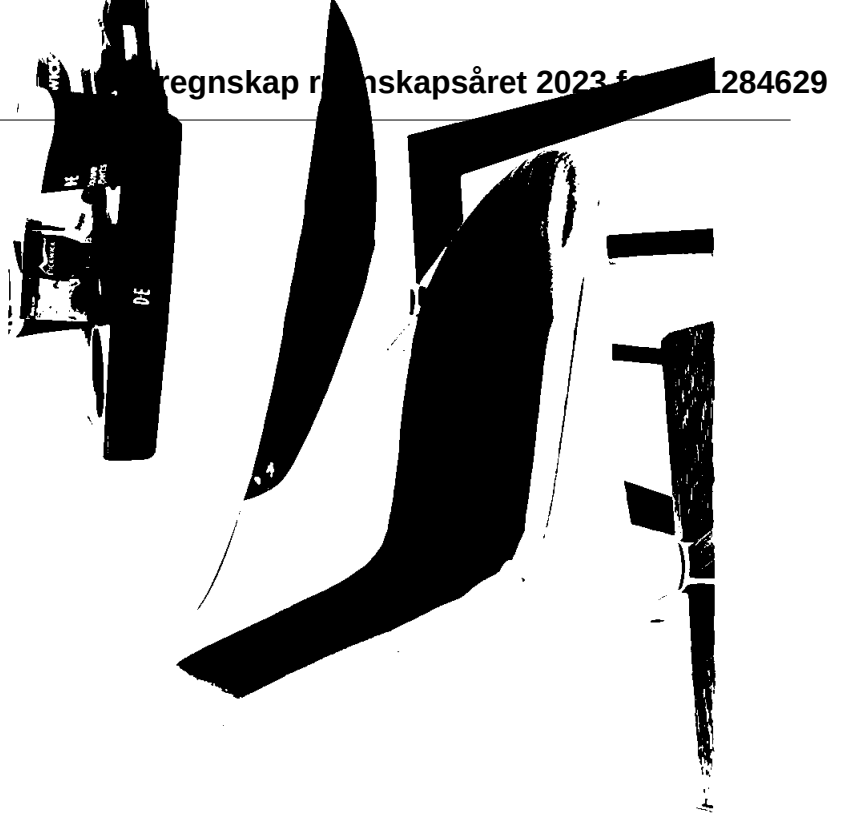
Throughout the year, the company held Quarterly Programme Review sessions, during which ESG subject-matter experts reported on the performance of KPIs related to the Common Grounds programme and its key pillars to the Vice President Sustainability. The company's CEO takes part in these sessions at least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

More information on the Common Grounds programme can be found in the Common Grounds section earlier 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.

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 2023. 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 2023, 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 assists the CEO 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 Executive Committee reports to the CEO. 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

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.

In the selection of 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.

In 2023, the company expanded its diversity, equity and inclusion Policy to apply throughout the company, and amended its Board profile to include additional desired expertises for its non-executive Directors. The full text of the diversity, equity and inclusion Policy and the [Board profile](#) are available on the company's website.

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).

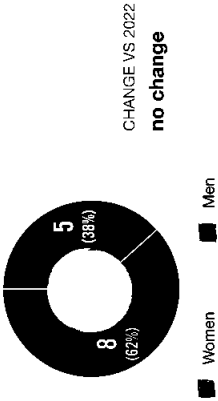
The Board annually assesses the size and composition of the Board. As part of the procedures for appointing new Directors, the Directors are invited to give their input on identifying potential candidates. Members of the Remuneration, Selection and Appointment Committee propose suitable candidates for 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 the composition of its Executive Committee in accordance with the company's diversity and inclusion Policy, the company's objective that at least 30% of the executive Directors Board (if more than one is appointed) are men, and that at least 30% are women in the Executive Committee positions and at least 30% by men. The company believes that such a diversity ambition Committee is appropriate for a fast-growing goods company and generally reflects its

In 2023, the company met its gender diversity objectives when it comes to its composition Board and Executive Committee.

For more information on our diversity aspirations, including for the Global People section, refer to the [Connecting People](#) section.

Number and percentage of women and men non-executive Directors in 2023



Nationalities non-executive Directors	
French	
American	
British	
Belgian	
German	
Spanish	
Dutch	
Brazilian	
Total	8

Number and percentage of women and men in the Executive Committee in 2023 (including executive Director)



Nationalities Executive Committee	
French	
American	
British	
Belgian	
Spanish	
Australian	
Russian	
Dutch	
Total	8



JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information							
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														
Non-executive Directors		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	Sustainab
Oliver Goudet	French	1964	M	0		0	0		0	0	0	0	0	0
Aileen Richards	British	1959	F	0		0	0	0				0	0	
Stuart MacFarlane	British	1967	M	0		0	0		0	0		0	0	
Peter Harf	German	1946	M	0		0	0	0	0	0	0	0	0	0
Luc vandeVelde	Belgian	1951	M	0		0	0		0	0	0	0	0	0
Joachim Creus	Belgian	1976	M	0	0	0	0			0	0	0		0
Denis Hennequin	French	1958	M			0	0	0	0	0	0		0	
Frank Engelen	Dutch	1971	M	0	0	0	0				0	0		
Laura Stein	USA	1961	F	0	0	0	0	0		0	0	0	0	0
Ana Garcia Fau	Spanish	1968	F	0	0	0	0			0	0	0	0	0
Paula Lindenberg	Brazilian	1975	F			0	0	0	0	0		0	0	
Patricia Capel	Brazilian	1972	F	0		0	0	0	0	0	0	0	0	0
Jeroen Katgert	Dutch	1968	M	0		0	0			0		0		0

Årsregnskap regnskapsåret 2023 for 9512846



BRAND HIGHLIGHT

#1

White Coffee
Mixes in Malaysia,
Singapore and
Hong Kong

200

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

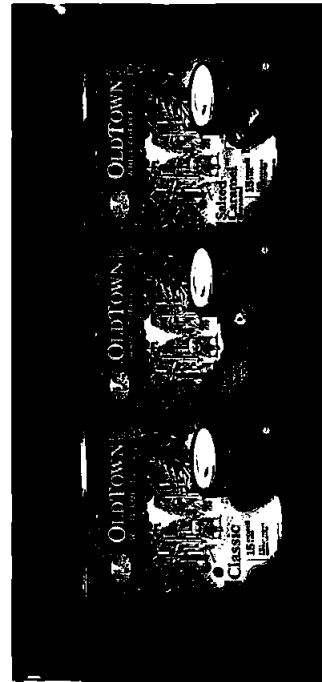
WHERE HERITAGE MEETS CRAFT

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 in the present day.

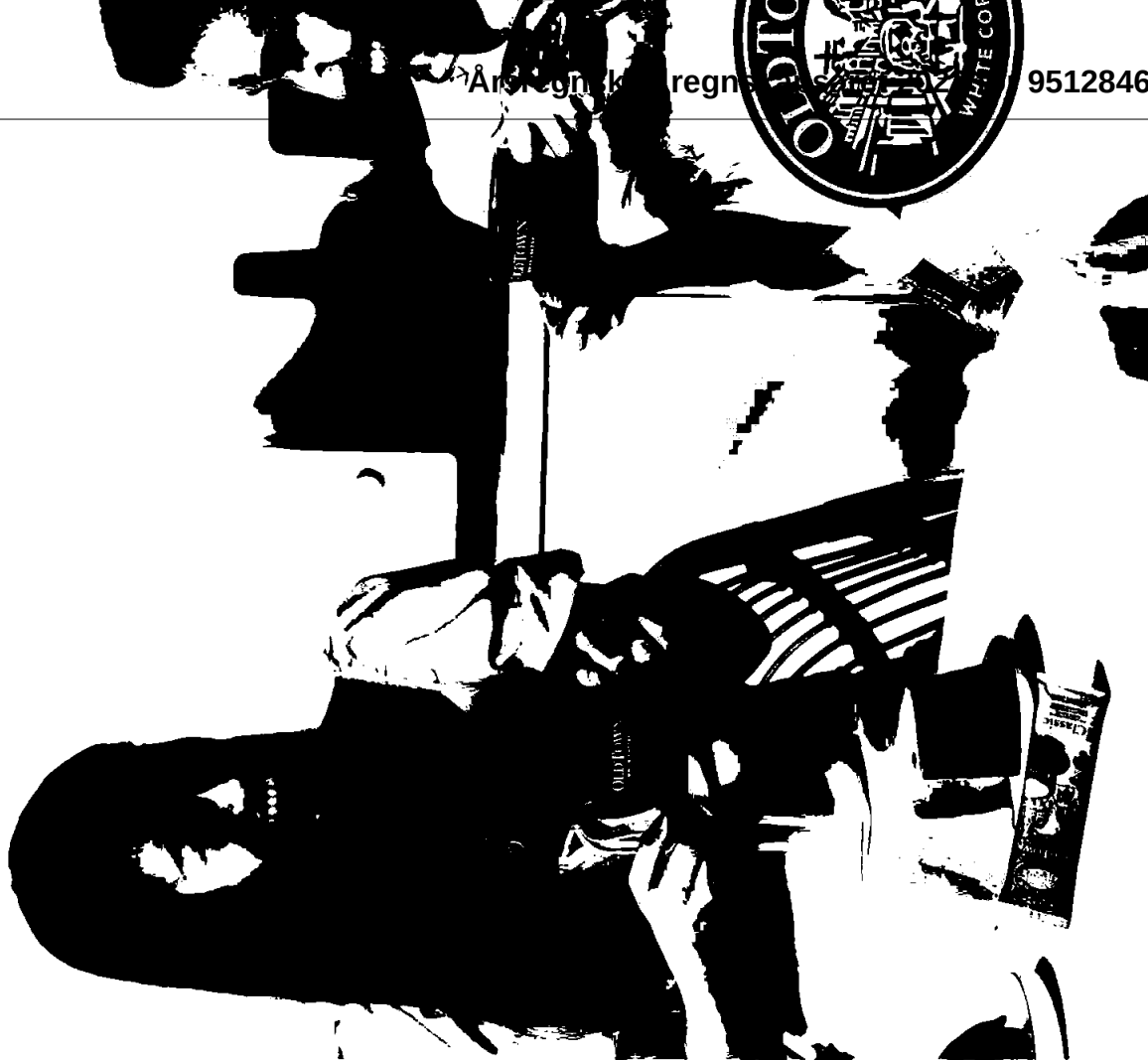
value among top brands in coffee mixes in these markets.*

Since the launch of its refreshed identity last year, OldTown has been recognised with several accolades – the KANTAR Brandz Award for Best TVC in Malaysia, the FairPrice Partners Excellence Award for Most Popular Brand in Singapore, the Lazada LazMall Local Superstar Award in Malaysia, Malaysia Franchise Awards, the Halal Franchise Excellence Award and Putra Aria Brands Awards.

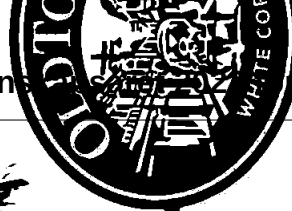
The recent launch of OldTown's Salted Caramel White Coffee and Smooth Roast Less Sugar Kopi reaffirms the brand's growing appeal to contemporary tastes. OldTown is the No. 1 White Coffee brand in Malaysia, Singapore and Hong Kong. It is also the fastest growing brand in



[Back to brands overview](#)



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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 delighted to present the 2023 Remuneration Report. The Remuneration Report provides a summary of the application of the Remuneration Policy for the executive and non-executive Directors in 2023.

The focus of the Remuneration Policy is on ensuring an 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 and the Remuneration Policy is designed to support an ownership mentality.

In this letter, I draw your attention to some of the key items in the Remuneration Report.

Executive Director Remuneration in 2023

The short-term incentive for the executive Director is strongly aligned to performance, with measures being unchanged from previous years: Net Sales (net of commodity inflation/deflation), adjusted EBIT and average Operating Working Capital improvement.

Based on the company's performance during the year, the total bonus outcome for 2023 for the executive Director reflects a multiplier of 1.22x of target (61% of the maximum bonus opportunity). This reflects performance below target for Net Sales (net of commodity inflation/deflation) and above target for both adjusted EBIT and average Operating Working Capital improvement. You can read more about the company's 2023 financial performance in the Introduction to the Annual Report.

As part of its periodic review of remuneration, the Committee also made adjustments to the annual base fee and short-term incentive opportunity for the executive Director. These adjustments are intended to ensure that his remuneration remains competitively positioned, whilst maintaining the majority of the package being variable and long-term in line with our pay-for performance philosophy.

Updated Remuneration Policy Approval 2024

In line with the requirements of the Dutch Civil Code, which require that the Remuneration Policy is approved by the AGM at least every four years, the Policy will be presented for a shareholder vote at the AGM to be held on 3 October 2024.

During 2023, the Committee has assessed the 2020 Directors' Remuneration Policy and considers that it remains fit for purpose and continues to support the company in attracting, retaining, engaging and motivating the required calibre. The Committee is therefore not proposing changes to the overall policy or the Remuneration Policy. The Committee has, however, taken this opportunity to propose certain updates to further enhance alignment between remuneration arrangements and sustainable long-term value creation, taking into account relevant shareholder expectations.

You can expect to find detailed information on the proposed Remuneration Policy updates in the Company's 2024 AGM and Explanatory Notes of the 2024 AGM.

Looking ahead to 2024

We are monitoring the developments in the market and will ensure that the Policy continues to align with the creation of sustainable long-term value for JDE Peet's, our shareholders and all other stakeholders.

Next steps

I trust that you will find the Remuneration Report clear in explaining the implementation of the Remuneration Policy during 2023. We understand the desire and need of shareholders for transparency around remuneration and have made strides to make this Remuneration Report transparent and easier to read. I trust that you will find the information you need to be able to support this Remuneration Report at the 2024 AGM.

I would like to thank shareholders for their continued support and I look forward to presenting this Report at the AGM.

Sincerely,



Aileen Richards

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 the details of the actual remuneration of the executive and non-executive Directors in 2023.

All references in this Remuneration Report refer to the current Remuneration Policy which was applicable during 2023. This Remuneration Policy was first adopted by the General Meeting on 25 May 2020 and amended at the Extraordinary General Meeting on 18 November 2020, and is available on the company's website. In line with the requirements of the Dutch Civil Code, which require that the Policy is put to the vote at least every four years, the Remuneration Policy will be presented for a shareholder vote at the AGM to be held on 30 May 2024. The Convocation Notice and Explanatory Notes of the AGM contain more details on the proposed provisions of the Remuneration Policy from 2024.

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.

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 market benchmark data, considering compensation levels and trends in the market as well as international remuneration standards.

SUMMARY OF REMUNERATION POLICY AND IMPLEMENTATION

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

Policy element	Design per Remuneration Policy	Implementation in 2023
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
Short-term incentive	• Performance-related short-term incentive paid in cash subject to the achievement of annual targets	• Target of 130% • Maximum cap of 200%
Long-term incentive	• Awards of Restricted Share Units (RSUs) which are settled in shares on vesting • Vesting three years from award date • Forms a substantial part of the total remuneration • Grant capped at 500% of base fee	• Grant of 400%
Retirement and other benefits	• Defined contribution plan and allowance in respect of salary above the pensionable cap • Other benefits include health, disability and life insurance, and mobility (car) allowance	• In line with typical market practice

The Board has intentionally designed a Remuneration Policy which links 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 80% of the executive Director's remuneration is variable, the majority of which is long-term.

Executive Director fixed vs variable remuneration at target



EXECUTIVE DIRECTOR REMUNERATION IN 2023

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

In 2023, the executive Director was Fabien Simon, appointed as Chief Executive Officer on 7 September 2020.

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, and as part of its periodic review of remuneration, the Committee made adjustments to the annual base fee and short-term incentive opportunity of the executive Director as shown in this remuneration report. In making these adjustments, the Committee considered external market benchmark data, the performance of the executive Director and the company (including progress made on the company's sustainability strategy), the scope of responsibilities of the executive Director, as well as external and internal salary movements. These changes result in the executive Director's total package being competitively positioned, whilst maintaining the majority of his package being variable and long-term in line with the company's pay-for performance philosophy.

ANNUAL BASE FEE

The annual base fee, including holiday allowance and other local statutory requirements, provides the element of the executive Director's remuneration package. The annual base fee is set at a level to attract and retain the calibre of executive Director required to devise and execute JDE Peet's' strategy. The annual executive Director in 2023 was EUR 1.25 million.

SHORT-TERM INCENTIVE

The executive Director participated in the short-term incentive plan. The target short-term incentive of the annual base fee, whereby the maximum payout opportunity continues to be capped at 200% short-term incentive is paid out in cash.

On an annual basis, the Committee selects indicators for the short-term incentive that are derived from the business plan, reflecting the company's long-term strategy. The short-term incentive payout for the year 2023 was dependent on the performance against the following pre-determined measures, which remained unchanged from previous years:

- Net Sales, net of commodity inflation/deflation
- Adjusted Earnings Before Interest & Tax (EBIT), at constant currency
- Average Operating Working Capital (OWC) improvement

The short-term incentive payout is based on a multiplicative formula, whereby for each individual measure calculated by the extent to which performance is achieved. The individual multipliers are then multiplied together to determine the total bonus multiplier.

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

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 of the others. For example, if we meet the maximum Net Sales and OWC targets but fail to meet the minimum threshold target for adjusted EBIT, the overall bonus for the executive Director would 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 of 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 one 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

The Committee has not exercised its discretion to make any adjustments to the formulaic bonus outcome in 2023.

The Committee reviewed the actual performance of the company during 2023 against the performance targets to determine the extent to which the targets have been achieved. This resulted in the bonus outcome stated in this report.

The table below shows the bonus achievement against each performance measure. The actual performance targets for the short-term incentive plans are not disclosed since this information is considered to be commercially sensitive.

Financial year 2023

Performance measure	Link with business strategy	Realisation 2023 performance year
Net Sales, net of commodity inflation/deflation	Revenue growth	
Adjusted Earnings Before Interest & Tax (at constant currency)	Income from operations	
Average Operating Working Capital improvement	Improvement in liquidity	

Threshold Target

Total multiplier: 1.22x of target, calculated as follows: $0.86 \times 1.28 \times 1.11$.

The realised performance resulted in a pay-out of EUR 1,982,500 for the executive Directors.

LONG-TERM INCENTIVE

The executive Director participates in JDE Peet's Long-Term Incentive (LTI) Plan in accordance with the Policy. The maximum annual grant is set as a percentage of the annual base fee. For 2023, the Board has approved a grant to the executive Director Restricted Share Units (RSUs) with a value equal to 400% of his annual base fee. The maximum award value of 500% permitted under the Policy. The LTI grant is aimed at encouraging and incentivising sustainable long-term value creation and further aligning the long-term interests of the executive Director with those of shareholders.

An overview of the number and vesting dates of the RSUs granted to the executive Directors in 2023 periods is included in the Total Remuneration section.

The RSUs granted to the executive Director in 2023 will vest on the third anniversary of the award, subject to the executive Director's continued employment.

Additionally, to foster an entrepreneurial culture and further align his interests with those of shareholders, the Director participates in the Executive Ownership Plan (EOP).

Under the terms of the EOP, the executive Director is given the opportunity to invest in the company with investments matched on a 1-for-1 basis from the company, within the limits specified in the Remuneration Policy.

The Board is proud of the company's entrepreneurial culture and market-leading personal investment of the executive Director, which incentivises sustainable long-term value creation and aligns his long-term interests with those of stakeholders.

RETIREMENT AND OTHER BENEFITS

In line with the Remuneration Policy, the executive Director is eligible for retirement and other benefits.

As per the date of appointment, the executive Director participates in JDE Peet's' Dutch defined contribution plan. Annual contributions were made up to the maximum pensionable amount of EUR 128,810 in 2023 (2022: EUR 114,866) and were paid gross into the defined contribution plan. The executive Director received a cash allowance in respect of salary above the pensionable cap (with a maximum salary cap of EUR 500,000).

In addition to retirement benefits, the executive Director is entitled to a monthly mobility (car) allowance and other benefits in kind such as a health, disability and life insurance, and reimbursement for reasonable costs and expenses.

JDE Peet's previously provided a loan of EUR 2.4 million to the executive Director in 2020. The annual interest rate was set, in accordance with applicable market rates, at 3%. The loan was used to finance part of the executive Director's participation under the EOP and was set in accordance with the Remuneration Policy. No repayments of the loan were made in 2023. JDE Peet's did not provide any other loans or guarantees to the executive Director.

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 him for a subsequent term, the notice period and severance payment (combined) will be limited to one year's base fee in total.

MALUS AND CLAWBACK

In 2023, no application of the use to reclaim variable remuneration by means of either a clawback or meaning of article 2:135 (8) of the Dutch Civil Code was applied on any kind of variable payments to the executive Director. The clawback clause refers to variable remuneration to be cancelled or reclaimed in case of Director engaging in any activity contrary or harmful to the interests of the company.

TOTAL REMUNERATION FOR THE EXECUTIVE DIRECTOR IN 2023

Total gross remuneration of the executive Director in 2023 and 2022 is presented in the table below (all in EUR):

Executive Director	Year	Fixed remuneration		Variable remuneration		Benefits		Total remuneration	Propo
		Annual base fee	Short-term incentive	Long-term incentive ⁵⁷	Retirement benefits				
					Other benefits				
Fabien Simon	2022	1,125,000	933,750	1,572,584	97,315	231,204	3,959,853		
	2023	1,250,000	1,982,500	2,844,032	96,349	233,844	6,406,725		

The table below provides an overview of the long-term incentive grants and EOP at market value at 31 December 2023:

Executive Director	Grant year	Type	Share price at grant date	Units granted in 2023	Outstanding at 31 December 2023	Vesting date	Dividend 2023
Fabien Simon	2020	LTI	EUR 35.70		84,034	23 September 2025	
	2020	EOP	EUR 34.07		675,080	7 September 2025	EUR 472,553
	2021	LTI	EUR 27.38		109,570	23 September 2026	
	2021	LTI	EUR 25.90		77,221	15 December 2024	
	2022	LTI	EUR 26.03		38,425	19 January 2025	
	2022	LTI	EUR 29.96		100,134	23 September 2025	
	2022	LTI	EUR 27.72		36,076	15 December 2025	
	2022	EOP ⁵⁸	EUR 27.72		72,202	15 December 2025	EUR 50,541
	2023	LTI	EUR 25.70	194,553	194,553	23 September 2026	

⁵⁶ Proportion fixed – variable remuneration reflects the comparison between fixed (annual base fee, retirement and other benefits) and variable remuneration (short- and long-term incentive).

⁵⁷ 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 2023 reflects the 2023 allocation of the LTI grants made in the period 2020-2023.

⁵⁸ JDE Peet's share price at 31 December 2023 was EUR 24.36.

⁵⁹ The 2022 EOP investment has a three-year vesting period with an additional two-year holding period.

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REMUNERATION AND COMPANY PERFORMANCE DEVELOPMENT							
The overview below provides insight into the development of the executive Director's remuneration, company performance and employee pay ⁶⁰ .							
				2023	2022	2021	2020
Executive Director Remuneration							
Executive Director - Fabien Simon				EUR 6,406,725	EUR 3,959,853	EUR 3,461,409	EUR 801,365 (EUR 2,520,361 on an annualised basis) ⁶¹
Company Performance							
Sales				EUR 8,191 million	EUR 8,151 million	EUR 7,001 million	EUR 6,651 million
Organic Sales growth versus prior year				3.9 %	11.3 %	6.1 %	n/a
Adjusted EBIT				EUR 1,128 million	EUR 1,227 million	EUR 1,304 million	EUR 1,278 million
Organic Adjusted EBIT growth versus prior year				1.1 %	(9.3)%	1.5 %	n/a
Average annual remuneration of employees							
Average annual remuneration on FTE basis				EUR 62,781	EUR 61,914	EUR 57,705	EUR 53,832

The pay ratio for 2023 was 102.0 (2022: 64.0)⁶².

⁶⁰ As JDE Peet's N.V. listed in May 2020, the company discloses the executive Director's remuneration related to years 2020-2023 rather than the five years required by the Dutch Civil Code.

⁶¹ As the executive Director was appointed in November 2020, both the actual and annualised remuneration for 2020 has been included.

⁶² For the pay ratio, the executive Director's pay reflects the actual total 2023 remuneration as shown earlier in this report. The average employee pay is calculated as the total 2023 remuneration of all JDE Peet's employees on an IFRS basis divided by the average number of JDE Peet's employees on the average number of FTEs can be found in [note 2.3](#) of the Consolidated Financial 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 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 2023
Annual retainer & Committee fees - cash	Reflects responsibilities and commitment	Board Chair: EUR 250,000
		Lead Independent Director: EUR 150,000
		Committee Chair: EUR 150,000
		Other Board members: EUR 100,000
Annual retainer - shares	- Awarded in Restricted Share Units (RSUs) - Maximum annual value is 150% of annual cash retainer fee	100% of the annual cash retainer for Board Chair, Lead Independent Director and Committee Chairs
		150% of the annual cash retainer for other Board members

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 commitment of each role. Additional fees are therefore paid to the Board Chair, the Lead Independent Chairs of the Audit and the Remuneration, Selection and Appointment Committees. In addition, in or ownership and proprietary interest in the company all non-executive Directors receive an annual retainer the form of RSUs. The value of this share-based retainer is equal to 100% of the annual cash retainer Chair, the Lead Independent Director and the Committee Chairs and 150% of the annual cash retainer Board members. The fee structure and levels have remained unchanged since first set at the time of listing in 2020. In line with prior years, the RSUs granted to the non-executive Directors in 2023 vest anniversary of grant, subject to continuous Board membership, without reference to any performance

The total remuneration for the non-executive Directors for 2023 was as follows:

In EUR	Non-executive Director	Fees in cash ⁶³	Fees in shares ⁶⁴	Total 2023
	Olivier Goudet	250,000	290,535	540,535
	Luc Vandevelde	150,000	78,447	228,447
	Patricia Capel	100,000	19,288	119,288
	Joachim Creus	100,000	78,447	178,447
	Frank Engelen	100,000	66,548	166,548
	Ana García Fau	100,000	29,070	129,070
	Peter Harf	100,000	138,325	238,325
	Denis Hennequin	100,000	78,447	178,447
	Jeroen Katger	100,000	29,070	129,070
	Paula Lindenberg	100,000	29,070	129,070
	Stuart MacFarlane	150,000	78,447	228,447
	Aileen Richards	150,000	78,447	228,447
	Laura Stein	100,000	29,070	129,070

No loans or guarantees were granted to the non-executive Directors in 2023.

⁶³ The fees are excluding any expenses grossed-up for taxes.

⁶⁴ 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 2023 reflects the 2023 allocation of the LTI grants made in the period 2020-2023.

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Introduction

The table below provides an overview of the RSU grants in 2023:

Non-executive Director	Units granted in 2023	Grant value (EUR)	Units outstanding from previous years	Total units outstanding at 31 December 2023	Market value at 31 December 2023 (EUR) ⁶⁵
Olivier Goudet	8,935	250,000	21,368	30,303	738,181
Luc Vandeveldt	5,361	150,000	12,821	18,182	442,914
Patricia Capel ⁶⁶	6,742	188,630	N.A.	6,742	164,235
Joachim Creus	5,361	150,000	12,821	18,182	442,914
Frank Engelen	5,361	150,000	10,774	16,135	393,049
Peter Harf	5,361	150,000	12,821	18,182	442,914
Denis Hennequin	5,361	150,000	12,821	18,182	442,914
Stuart MacFarlane	5,361	150,000	12,821	18,182	442,914
Alleen Richards	5,361	150,000	12,821	18,182	442,914
Ana García Fau	5,361	150,000	3,224	8,585	209,131
Jeroen Katgert	5,361	150,000	3,224	8,585	209,131
Paula Lindenberg	5,361	150,000	3,224	8,585	209,131
Laura Stein	5,361	150,000	3,224	8,585	209,131

The grant date for all RSU awards to non-executive Directors in 2023 was 23 March 2023 at a share price of EUR 27.98. These awards will vest on 23 March 2028.

REFLECTION OF LAST YEAR'S ADVISORY VOTE AND CONFIRMATION OF NO DEVIATION FROM THE REMUNERATION POLICY

At the 2023 AGM, shareholders approved the Remuneration Report (advisory vote 89.40% in favour). The company has continued to take into account input from shareholders and proxy advisors to further improve the quality of the Remuneration Report. For example, this year we have further enhanced the level of transparency in relation to the short-term incentive plan outcome. In addition, the Remuneration, Selection and Appointment Committee took shareholder feedback into account in formulating the proposed Remuneration Policy which will be put to a vote at the 2024 AGM. JDE Peet's did not deviate from the Remuneration Policy in 2023 for either the executive or non-executive Directors.

⁶⁵ JDE Peet's share price at 31 December 2023 was EUR 24.36.
⁶⁶ The RSU grant of Patricia Capel includes a pro-rata part in relation to 2022 (per start of appointment).

ETHICS AND COMPLIANCE

OBSERVING THE HIGHEST STANDARDS OF ETHICS AND COMPLIANCE

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", and we strive to embed our values in everything we do to pursue this purpose.

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.

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 conduct a global e-learning of our Code of Conduct every two years.

Our Codes of Conduct Principles

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 each other. This is why the company encourages a speak-up culture to report suspected misconduct, be it a violation of our Codes of Conduct, or the laws that apply to us. The company does not tolerate any form of discrimination or harassment, and 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. We focus on different perspectives, and backgrounds are considered. We focus on standards for workplace safety, and hold each other accountable for behaviour. We do not sacrifice safety for the sake of productivity. We share 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 manage our products 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 company, 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 through our organisation in accordance with internationally declared human rights principles. Guiding Principles on Business and Human Rights and the OECD Guidelines on Governance. We adhere to applicable laws within the framework of our business activities. We expect our suppliers to uphold these same standards in the work they do. We believe in giving back to our local communities through social responsibility, volunteer work, and in strengthening and uniting the areas where we operate and innovate.

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. For example, in 2023, we updated our [Human Rights Policy](#) and [Supplier Code of Conduct](#) and revised our [Speak Up Policy](#).

ENCOURAGING EVERYONE TO SPEAK UP

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

employees, customers, business partners, suppliers, investors and other stakeholders.

Our [Speak Up Policy](#) is available to anyone who wishes to raise a concern about suspected misconduct. This includes, for example, employees, persons working for or on behalf of the company, workers throughout our supply chain, business partners and other stakeholders such as (representatives of) affected communities or consumers. Our [Speak Up Policy](#) is translated into the languages used along our value chain, thus ensuring its accessibility to different stakeholders. In 2023, we conducted a speak up awareness campaign in the APAC region, and in 2024, we plan to conduct further targeted awareness campaigns to roll out the updated [Speak Up Policy](#) and to foster the speak up culture.

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

The company handles all reports respectfully and with discretion in accordance with the requirements of its [Speak Up Policy](#). Our [Speak Up Policy](#) further describes our investigation principles and approach on how we handle investigations into reported misconduct. Each

report is followed up with a response to the reporting party and, when required, promptly investigated so that appropriate remedial action can be taken where necessary. The company does not tolerate any form of retaliation against those who voice their concerns truthfully and in good faith.

In 2023, the company received a total of 57 reports of which the majority was related to routine human resources' matters. Other issues frequently reported through our [Speak Up](#) lines in 2023 included allegations of harassment, use of inappropriate language, and alleged non-compliance with laws/policies (including alleged fraud). In 2023, the company received 15 reports of alleging discrimination, including harassment. In 2023, there were no speak up complaints which revealed any material compliance issues.

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

COURSES AND TRAINING

At least twice a year, we conduct compliance e-learning courses for employees on topics such as ethical behaviour and principles, competition law, anti-bribery and corruption, data protection, and human rights. Such

training courses are mandatory for all employees, with an email address and access to the [Management System](#). For those employees who do not have email access, such as certain employees in certain manufacturing units, we offer conduct in-person training sessions.

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

CONFLICTS OF INTEREST

To preserve the integrity of our brand, employees to be free from influences that could affect the best interests of our company. [Codes of Conduct](#) lay out the requirements to assess and manage conflicts of interest. employee's personal interests are in performance of his or her duties or the performance of his or her duties or the customer, suppliers or other stakeholders. our Gifts, Entertainment and Hospitality Policy incorporates key requirements and a process for our employees when it comes to receiving gifts, entertainment and other conflict of interest situations, and includes instructions on, for example, maintaining

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ANTI-BRIBERY, ANTI-CORRUPTION, TRADE SANCTIONS AND ANTI-MONEY LAUNDERING 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 is applied to all employees and is reviewed regularly. Contracts with our business partners and suppliers include relevant references including with respect to anti-bribery and corruption. In addition, our Gifts, Entertainment and Hospitality Policy, which details the behaviour expected of our employees with regard to the giving and receiving of gifts or entertainment, and our Public Advocacy Policy regarding interactions with public authorities and officials in relation to public policy development and implementation, are important elements in our anti-bribery and corruption compliance programme. 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. 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, sales, procurement and operations teams being the most exposed, receive a tailor-made training (including refreshers). Our global e-learning 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 2023, the company's employees followed a global e-learning course on anti-bribery, anti-corruption and export controls, which reached 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. In 2023, the company continued to improve its Sanctions Compliance Framework by integrating an enhanced screening engine into our third-party risk management platform to execute heightened scrutiny of sanctions screening against all prospective third parties.⁶⁷ No fines were issued against JDE Peet's for anti-bribery or sanctions violations and no public legal cases were initiated in this respect in 2023. Furthermore, the company made no political contributions in 2023.							
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 competition between the company and its competitors, and provides specific guidance on such as trade association meetings. Essential elements of our competition compliance programme include play books, manuals and training. We also regularly perform risk assessments and take into account risks that may arise from competition law perspective and measures to mitigate any remaining material risks. The company follows competition law controls, such as prior review of trade association meetings, to ensure compliance with competition law. No fines were issued against JDE Peet's for competition law violations in 2023.							

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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 a set of data privacy policies in place, called Binding Corporate Rules, which consist of the [Privacy Code for Employee Data](#) and the [Privacy Code for Consumer, Supplier and Business Partner Data](#). These policies include procedures relating to data subject access requests and data breach responses, as well as other processes and tools fostering data privacy. We have also implemented technical and organisational measures to prevent the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data. In addition, our dedicated privacy and personal data protection programme, which is overseen by the company's Global Privacy Council comprising senior management, includes regular privacy audits.⁶⁹

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 in 2023.

⁶⁹ More information on the process of identifying privacy risk is described in Risk management later in this report.



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WHAT DO OUR EMPLOYEES THINK ABOUT ETHICS & COMPLIANCE ? JDE Peet's employees are committed to doing business across the world in a manner guided by our values. Our values require us to deliver results exceptionally and by prioritising Ethics & Compliance.		 Viral						
WHEN YOU THINK ABOUT ETHICS AND COMPLIANCE, WHAT FIRST COMES TO MIND?		 Loris						
HOW DO YOU HANDLE A SITUATION WHERE SOMETHING GOES WRONG?		 Nadia						
WHEN YOU THINK ABOUT ETHICS AND COMPLIANCE, WHAT FIRST COMES TO MIND?		 Will						
WHEN YOU THINK ABOUT ETHICS AND COMPLIANCE, WHAT FIRST COMES TO MIND?		 Khaled						
WHAT DO OUR EMPLOYEES THINK ABOUT ETHICS & COMPLIANCE ? JDE Peet's employees are committed to doing business across the world in a manner guided by our values. Our values require us to deliver results exceptionally and by prioritising Ethics & Compliance.		 Anamaria						

RESPONSIBLE TAX



APPROACH TO TAX

In line with our Code 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 is 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 risk⁷⁰, Group Tax carries out a monthly review process 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 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 disclose our tax relationships with tax authorities.

TAX TRANSPARENCY

We believe that transparency in terms of tax and reporting on tax contributions in society. We firmly believe that tax reporting should not be viewed in isolation but as part of our overall sustainability journey. Furthermore aligned with our general reporting on financial and non-financial a transparent and integrated manner.

As we progress on our sustainability to continuously improve our disclosure define our ambition and plan in terms and reporting in the area of tax. This data availability and quality processes and the identification of strategies required ambition.

Throughout the process of defining our plan, we closely monitor tax transparency developments of both a mandatory and nature across the globe. We will and, if and when appropriate, we will accordingly. We look at the Dutch Tax Code for best practices as we define ambition. At all times, we will ensure with all laws and regulations in jurisdiction operate.

⁷⁰ More information on the process of identifying tax risk is described in the Risk management section of this report.

RISK MANAGEMENT

OUR APPROACH

At JDE Peet's, we are committed to effective risk management to safeguard our stakeholders' interests and ensure sustainable growth. We have adopted the 'three lines of defence' model. Each actor in this model plays an important role in providing reasonable assurance that the risks to achieving our objectives are identified and mitigated. 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.

INTERNAL CONTROLS

Our control activities aim to provide reasonable assurance as to the accuracy of financial information, to comply with applicable laws and regulations, and to protect the company's reputation and assets.

THREE LINES OF DEFENCE MODEL

Our first line, local management, is responsible for identifying, managing and monitoring risks within their day-to-day activities. Key risk management activities in this line include the establishment of soft controls and the execution of formalised controls.

The second line consists of various central departments which are responsible for setting the Internal Control and Compliance standards within the group, as well as monitoring control testing activities and providing

support on risk-related matters to the first line of defence.

Our third line of defence, internal audit, serves as an independent and objective assurance function. Using a risk-based approach, they assess the adequacy and effectiveness of the first line and second line of defence in managing risks. Internal audit conducts regular audits and desktop reviews, identifies control deficiencies, and recommends improvements to enhance our risk management processes.

ASSURANCE

Assurance is obtained from local management on compliance with our Codes of Conduct, standards and policies on a quarterly basis, through our Letter of Representation. To raise awareness around key topics, including our Codes of Conduct and Anti-Bribery and Corruption policy, we have rolled out mandatory e-learning to the organisation on a two-year rotation schedule.

MONITORING

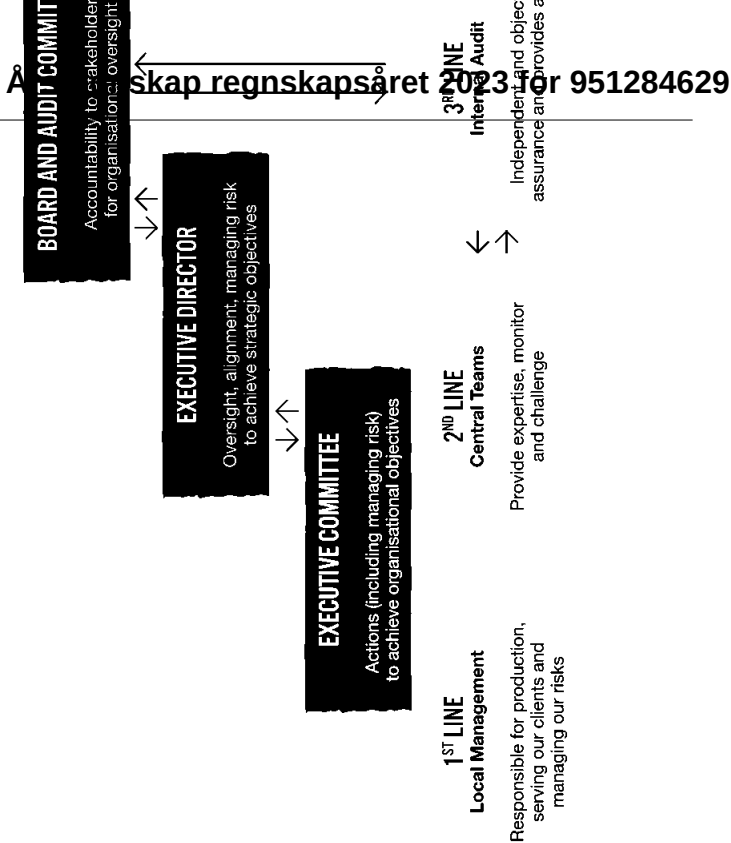
We have a comprehensive business review and planning process in place to monitor the adoption of our strategy. Business performance is assessed on both financial and non-financial metrics.

IMPROVEMENTS IN OUR INTERNAL CONTROLS FRAMEWORK

We are constantly striving to improve our Internal Risk & Control framework, and in 2023, under the guidance and oversight of our second line of defence, we took a number of steps to enhance our standardised internal controls framework and to improve awareness around the importance of internal controls.

We did this by:

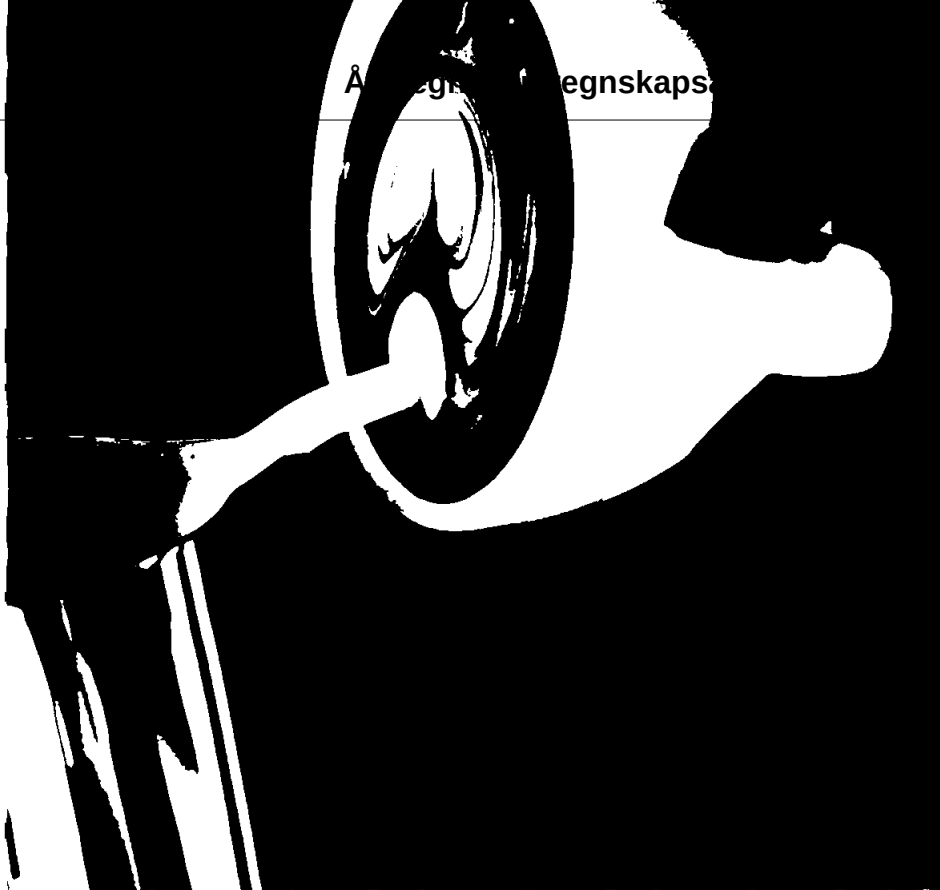
- Rolling out an internal controls awareness programme towards local management
- Redesigning our IT controls framework
- Revamping out business controls
- Formalising controls for our Cameroun business
- Strengthening our ESG-related controls and adding new controls on our journey towards CSRD.



JDE Peet's N.V. Annual Report 2023		JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information	Årsregnskap Regnskapsåret 2023 for 951284629	
RISK MANAGEMENT PROCESS Our enterprise risk management process is outlined below. Continuous risk assessment Updated heatmap Implement new mitigation Define mitigation and assess maturity ExCo & Board approval		Risk assessment is carried out continuously during the year through horizon scanning, threat development and mitigation effectiveness reviews. The full cycle is completed annually with a discussion and alignment on the company's overall risk profile in the Executive Committee, and subsequently presented to the Audit Committee and discussed by the Board. During the year, a double materiality assessment was carried out to identify which topics and related risks are most material to our company. The assessment was carried out through desktop research, surveys and interviews with key stakeholder groups using the		standard risk management methodology of quantifying and qualifying the risks through assessing their likelihoods and impacts. The material topics and their related risks have been integrated in the company's overall risk profile and detailed Enterprise Risk overview. OUR MAIN RISKS Overall, our risk portfolio, as described in this section, did not change substantially in 2023. Sustainability-related risks are re-confirmed through the double materiality assessment and continue to score amongst the highest in our risk landscape. Geopolitical risk is captured separately due to the intensified global tensions connected to economic uncertainty and armed conflicts. In previous years, geopolitical risk was included in our supply security & business continuity risk. For all risks, we continued to work on implementing further mitigating measures to ensure our risks remain at the appetite levels we have agreed upon. MACRO-ECONOMIC ENVIRONMENT The world is confronted with an increasingly complex and interconnected global risk landscape. Traditional challenges, such as armed conflicts and economic instability, continued to play an important role in 2023. Additionally, they have been complemented by a series of interlinked emerging threats. Speed of climate change driving increased regulatory pressure, intensifying natural disasters and ecological crises. Cyberattacks posing a digital menace, targeting critical infrastructure and data security.		Resurfacing political tensions causing reorganisation of global structures and redefinition of international trade agreements. JDE Peet's continued to closely monitor developments that impact the macro-economic environment and closely monitors the company's exposure. The heat map below provides an overview of our assessment of the company's material risks, and an evaluation of those risks occurring. Geopolitical risk Tax compliance Supply security & Business continuity FX risk Disruptive technology Innovation process delivery Competition law Liquidity risk Distributors and JVs M&A integration Corruption / Fraud Key talent Data privacy Non-integrated entities Product quality Commonly sourcing Responsible sourcing Minimising footprint Cyber + IT security & Continuity		High Low Impact (Cost incurred following event) Likelihood (Occurrence of event)		

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

Appetite		Actual risk level:	
Averse		Very Low	
	Avoidance of risk and uncertainty in this area is a key objective.		The risk is insignificant and requires minimal attention.
Cautious		Low	
	Preference for secure and immediate mitigation, ensuring likelihood of risk occurring is remote.		The risk is small and can be managed through routine procedures.
Prudent		Medium	
	Preference for longer-term mitigation to manage risk towards a limited likelihood, prudently balancing risk and reward.		The risk is significant but manageable with additional controls or mitigations.
Open		High	
	Willing to consider appropriate options that generate higher rewards.		The risk is severe and needs to be addressed.
Highest		Very High	
	Eager to be innovative and pursue opportunities that generate highest rewards despite greater inherent risk.		The risk is extreme and needs immediate attention and action.



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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	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 newly acquired business achieves JDE Peet's standards	Cautious	Low	- External deal team with no financial incentives on success - Internal accountability model, driving co-creation of case
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	- Mature pre-closing due diligence process and post-analysis - Local and global teams are guided through the integration governance models - Manage M&A business case delivery through synergies - Continue to build power brands - Strong value creation narrative towards external partners - Creation of a strong sustainable innovation pipeline attractiveness for retailers
Serve More Cups	Innovation delivery	The risk that JDE Peet's is not able to generate and successfully deliver the right innovations in the market	Cautious	Low	- Mature governance process and systems in place - Portfolio result analysis - Project closure evaluation - Rolling 36-month innovation plan - Anticipatory programme management - Mature horizon scanning process to identify new trends - Dedicated teams working on strategic innovations variants to existing products - NPD portfolio management per category and strategy (MOVE, CREATE)
Serve More Cups	Disruptive technology	The risk that new business models or technologies will disrupt JDE Peet's business model in the long-term	Cautious	Low	- Scouting disruptive technology – start up and scale - ERM review defined as one of the initial steps in the process - Standard fit gap analysis checklist available for JDE framework
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	Process in place to identify and map the risks in the

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Strategy pillar	Risk	Risk description	Risk appetite level	Actual risk level	Mitigation actions
Master Execution	Data privacy	The risk of serious breaches of GDPR or other privacy laws resulting in fines, damage compensation or reputational damage.	Averse 	Very Low 	– Mature process on privacy governance – Data processing agreements in place – Privacy audits – Record of processing activities in place – Data breach reporting procedure in place – Privacy policies in place – Periodic training
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 	Low 	– Periodic compliance training for all employees, local 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 framework – We aim for certainty on tax positions and involve this where needed
Master Execution	Corruption/fraud & sanction compliance	The risk of significant corruption, fraud or sanction non-compliance occurring	Averse 	Low 	– Availability of Speak Up line for both internal and external – Periodic trainings – Mature third-party risk management process and to – Internal and external audits – Sanction compliance reviews
Master Execution	Supply security & business continuity	The risk of significant disruption to the supply chain	Prudent 	High 	– Risk management system in place with review on m suppliers – Significant preventive and impact mitigating measures in our manufacturing facilities – Identification of alternative manufacturing facilities – Balancing inventory levels between optimised working potential supply disruption.

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Strategy pillar	Risk	Risk description	Risk appetite level	Actual risk level	Mitigation actions
Master Execution	Cybersecurity, 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 	Very High 	- Regular security testing, vulnerability scanning and security policy framework & security awareness training - Active vulnerability management - Clearly defined incident management process - Disaster recovery testing on annual basis - Continue to enhance cybersecurity management
Master Execution	FX	Failure to hedge currency risk in a cost-effective way	Prudent 	Medium 	- Derivatives addressing foreign currency debt exposures - Active currency monitoring and risk analysis - Defined processes with transactional hedging of major currencies - Active liquidity management with live liquidity model testing
Master Execution	Liquidity	Risk that JDE Peet's cannot meet its debt obligations	Averse 	Very Low 	- Active cash upstreaming process to JHO - Strong and healthy debt maturity profile on different currencies - Maintaining cash conversion cycle through discipline capital - Committed credit and overdraft facilities in place to 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 diversification, Risk Governance Framework - Performance tracking automated buying and selling - Highly skilled and experienced commodity buying and selling team
Master Execution	Geopolitical	The risk of negative impacts for JDE Peet's, directly and indirectly, arising from political, economic, or security-related events that affect global markets, businesses, and international relations	Cautious 	High 	- Build scenario planning skills - For top 3 most likely scenarios, build and test contingency plans
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 	Low 	- Adherence to JDE Peet's' policies and best practices - Monitoring ingredients & finished products to validate compliance to regulatory requirements - Auditing IM and EM plants and validating compliance to regional regulations - Ensuring product/packaging/labeling compliance to regulatory requirements - Scouting activities through trade associations, industry bodies and external consultancy - Issue & Crisis Management process

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Strategy pillar Grow Together	Risk							
	Minimising footprint	Risk description Near to medium-term: Failure to meet environmental targets Long-term: Physical impact of climate change on JDE Peet's' sourcing and supply chain	Risk appetite level Cautious	Actual risk level Very High	Mitigation actions – Delivery of SBTi target on GHG Scope 1+2 reduction – Scope 3 delivery of farmer reach initiatives and vendor to contribute to GHG reduction – Delivery of packaging intensity (reusable, recyclable) – Definition and deployment of water strategy – Human Rights Policy updated – Human rights due diligence processes defined and including internal training. – Ongoing internal assessments executed – Progress on responsible sourcing deployment – Preparation for new EUDR regulation – Delivery of farmer reached targets – Maintain current high engagement standards – Further improve offer of compensation package in line with market – Maintain a clear company purpose and be inspiring – Associate safety and well-being programme in JDE (including human rights, DE&I, human capital) – Contracts in place with distributors /JVs – Decent selection and onboarding of reliable distributors – Active risk assessment and performance reviews of			
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	Very High				
Grow Together	Key talent	Inability to retain key employees and to build a healthy talent pool	Cautious	Low				
Grow Together	Distributors and JVs	The risk that any of the other risks occur with a key distributor who is acting on JDE Peet's' behalf	Cautious	Low				

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 the best practice provision 1.4.3 of the Dutch Corporate Governance Code of December 2022, we have assessed the design and operational effectiveness of the company's Internal Risk & Control Framework. The outcome of these reviews was shared regularly 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 to JDE Peet's' strategy and activities and aims to provide reasonable assurance that our financial reporting does not contain any material inaccuracies.

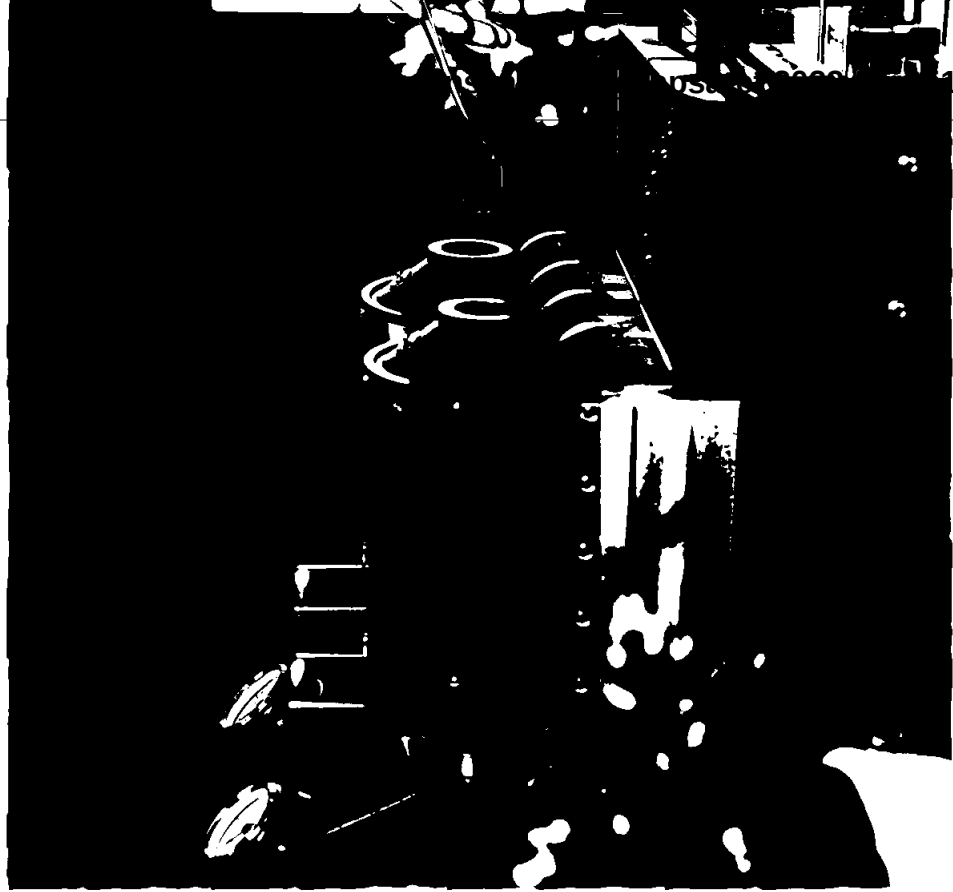
- On the basis of the assessments performed, and the current state of affairs, the Board of JDE Peet's considers that: this report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems including strategic, operational, and compliance risks.
- The internal risk management and control systems in place provide reasonable assurance that the financial reporting does not contain any material inaccuracies, after taking into consideration the matters identified in the Risk management section.

- Based on the current state of affairs, it is justified that the financial reporting is prepared on a going-concern basis; please refer to the 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 full assurance that all 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 2023 provide a true and fair view of the consolidated assets, liabilities and financial position at 31 December 2023, and of the 2023 consolidated profit or loss of JDE Peet's.
- The annual report provides a true and fair view of the situation at 31 December 2023, and the development and performance of the business during the financial year 2023, together with a description of the principal risks and uncertainties faced by JDE Peet's.



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CONSOLIDATED INCOME STATEMENT

For the years ended 31 December 2023 and 31 December 2022

In EUR million, unless stated otherwise	Note	2023	2022
Revenue	2.2	8,191	8,151
Cost of sales	2.3	(5,173)	(5,146)
Selling, general and administrative expenses	2.3	(2,333)	(2,056)
Operating profit		685	949
Finance income	5.4	104	68
Finance expense	5.4	(247)	1
Share of net profit / (loss) of associates		(5)	—
Profit before income taxes		537	1,018
Income tax expense	8	(173)	(257)
Profit for the period		364	761
ATTRIBUTABLE TO:			
Owners of the parent	Note	2023	2022
Non-controlling interest		367	771
		(3)	(10)
Profit for the period		364	761
Earnings per share:			
Basic earnings per share (in EUR)	2.4	0.76	1.57
Diluted earnings per share (in EUR)	2.4	0.75	1.55

The accompanying notes are an integral part of these financial statements.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December 2023 and 31 December 2022

In EUR million

	Note	2023	2022
Profit for the period		364	761
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	(28)	10
Items that may be subsequently reclassified to profit or loss			
– Foreign currency translation		(95)	52
– Net investment hedge		14	(27)
– Effective portion of cash flow hedge - foreign exchange contracts	6	31	(46)
Other comprehensive income/(loss)		(78)	(11)
Total comprehensive income/(loss) for the period		286	750
Attributable to:			
Owners of the parent		281	770
Non-controlling interest	5.1	5	(20)
Total comprehensive income/(loss) for the period		286	750

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the years ended 31 December 2023 and 31 December 2022

In EUR million

	Note	2023	2022
Assets			
Non-current assets:			
– Goodwill and other intangible assets	3.2	16,717	17,084
– Property, plant and equipment	3.4	1,719	1,740
– Deferred income tax assets	8	49	35
– Derivative financial instruments	6.7	16	46
– Retirement benefit asset	9.1	432	413
– Other non-current assets	9.3	72	86
		19,005	19,404
Current assets:			
– Inventories	4.1	1,248	1,356
– Trade and other receivables	4.2	729	828
– Derivative financial instruments	6.7	57	28
– Income tax receivable		36	24
– Net assets held-for-sale		18	19
– Cash and cash equivalents	5.3	2,048	967
		4,136	3,222
Total assets		23,141	22,626

	Note	2023	2022
Equity and liabilities			
Equity:			
– Share capital			5.1
– Share premium			9.5
– Treasury stock			(3)
– Other reserves / (deficits)			1.8
– Retained earnings			11.0
– Equity attributable to the owners of the Company			11.1
– Non-controlling interest			5.3
			1.1
Non-current liabilities:			
– Borrowings			5.2
– Retirement benefit liabilities			9.1
– Deferred income tax liabilities			8
– Derivative financial instruments			6.7
– Provisions			9.2
– Other non-current liabilities			9.4
			6.9
Current liabilities:			
– Borrowings			5.2
– Trade and other payables			4.3
– Income tax liability			8
– Provisions			9.2
– Derivative financial instruments			6.7
			5.0
Total equity and liabilities			23,141

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the years ended 31 December 2023 and 31 December 2022

In EUR million

	Share capital	Share premium	Treasury stock	Retirement benefit obligation related items	Currency translation reserve	Cash flow hedge reserve	Total other comprehensive income	Share-based payments reserve	Retained earnings	Total equity attributable to the shareholders of the Company	Non-controlling interests
Balance at 31 December 2021	5	9,975	—	280	(684)	25	(379)	39	1,383	11,023	31
Application of hyperinflationary accounting	—	—	—	—	—	—	—	—	—	—	—
Balance at 1 January 2022	5	9,975	—	280	(684)	25	(379)	39	1,414	11,054	771
– Profit for the period	—	—	—	—	—	—	—	—	771	771	—
– Retirement benefit obligation	—	—	—	10	—	—	10	—	—	10	—
– Foreign currency translation	—	—	—	(14)	76	—	62	—	—	62	—
– Foreign currency contracts	—	—	—	—	—	(46)	(46)	—	—	(46)	—
– Net investment hedge	—	—	—	—	(27)	—	(27)	—	—	(27)	—
Total Comprehensive Income/(Loss)	—	—	—	(4)	49	(46)	(1)	—	771	770	28
– Share-based payment transactions	—	—	—	—	—	—	—	28	—	28	(339)
– Dividends	—	—	—	—	—	—	—	—	(339)	(339)	—
– Share buyback transaction	—	—	(500)	—	—	—	—	—	—	(500)	—
– Issuance of shares	—	22	29	—	—	—	—	—	—	51	—
– Other transactions with shareholders	—	—	—	—	—	—	—	—	(12)	(12)	—
Balance at 31 December 2022	5	9,997	(471)	276	(635)	(21)	(380)	67	1,834	11,052	—

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 comprehensive income	Share-based payments reserve	Retained earnings	Total equity attributable to the shareholders of the Company	Non-controlling interests
Balance at 31 December 2022	5	9,997	(471)	276	(635)	(21)	(380)	67	1,834	11,052	(2)
Application of hyperinflationary accounting	–	–	–	–	–	–	–	–	(2)	(2)	
Balance at 1 January 2023	5	9,997	(471)	276	(635)	(21)	(380)	67	1,832	11,050	
– Profit for the period	–	–	–	–	–	–	–	–	367	367	
– Retirement benefit obligation	–	–	–	(28)	–	–	(28)	–	–	(28)	
– Foreign currency translation	–	–	–	6	(109)	–	(103)	–	–	(103)	
– Foreign currency contracts	–	–	–	–	–	31	31	–	–	31	
– Net investment hedge	–	–	–	–	14	–	14	–	–	14	
Total Comprehensive Income/(Loss)	–	–	–	(22)	(95)	31	(96)	–	367	281	
– Share-based payment transactions	–	–	–	–	–	–	–	24	–	24	
– Dividends	–	–	–	–	–	–	–	–	(339)	(339)	
– Issuance of shares	–	–	21	–	–	–	–	–	–	21	
– Cancellation of treasury shares	–	–	412	–	–	–	–	–	–	–	
– Other transactions with shareholders	–	(412)	–	–	–	–	–	–	(2)	(2)	
Balance at 31 December 2023	5	9,585	(38)	254	(730)	10	(466)	91	1,858	11,035	

During the Annual General Meeting of Shareholders on 25 May 2023, a dividend of EUR 0.70 per share was approved, payable in two instalments of EUR 0.35 on 14 July 2023 and 26 January 2024. The dividend payable at 31 December 2023 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 2023 and 31 December 2022

In EUR million

	Note	2023	2022
Profit for the period		364	761
Adjustments for:			
- Depreciation, amortisation and impairments	3.4, 3.2	638	417
- Defined benefit pension expense	9.1	(19)	5
- Share-based payments	7.1	43	33
- (Gain) / loss on sale of property, plant, equipment and intangible assets		6	23
- Income tax expense	8	173	257
- Interest income on bank accounts and other	5.4	(91)	(64)
- Interest expense	5.4	94	85
- Provision charges	9.2	57	28
- Derivative financial instruments		125	(332)
- Foreign exchange (gains) / losses	5.4	(45)	263
- Other		1	13
Changes in operating assets and liabilities:			
- Inventories	4.1	79	(470)
- Trade and other receivables	4.2	116	(142)
- Trade and other payables	4.3	(478)	985
Pension payments	9.1	(9)	(8)
Payments of provisions	9.2	(26)	(13)
Realised foreign exchange (gains) / losses		67	(249)
Receipts from / (payments to) derivative financial instruments		(53)	252
Income tax payments		(219)	(238)
Net cash provided by operating activities		823	1,606

	Note	2023
Cash flows from investing activities:		
Purchases of property, plant and equipment	3.4	(272)
Purchases of intangibles	3.2	(29)
Proceeds from sale of property, plant, equipment and other assets		2
Acquisition of businesses, net of cash acquired	3.1	(6)
Loans provided	7.2	(2)
Interest received		84
Other investing activities	(3)	
Net cash used in investing activities		(226)
Cash flows from financing activities:		
Additions to borrowings	5.2	989
Repayments from borrowings	5.2	(89)
Share buyback transaction		-
Receipts from / (payments to) derivative financial instruments	6.7	(1)
Dividend paid to shareholders	5.1	(341)
Interest paid		(66)
Investments / (divestments) by non-controlling shareholders		13
Other financing	(14)	
Net cash used in financing activities		491
Effect of exchange rate changes on cash	(7)	
Net increase/(decrease) in cash and cash equivalents		1,081
Cash and cash equivalents – at the start of period		967
Adjustment for hyperinflationary accounting		-
Cash and cash equivalents – as of 31 December ⁷¹	5.3	2,048

The accompanying notes are an integral part of these financial statements.

⁷¹ Cash and cash equivalents include restricted cash of EUR 23 million at 31 December 2023 (31 December 2022: EUR 50 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended 31 December 2023 and 31 December 2022

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 policies, 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 is the holding company of JACOBS DOUWE EGBERTS B.V. ("JDE" or "JDE Group") and Peet's Coffee & Tea, Inc. ("Peet's" or "Peet's Group") through a number of indirect holding companies. The Company's main direct shareholders are Acorn Holdings B.V. ("Acorn"), a Dutch subsidiary of Mondelēz International Inc ("Mondelēz holding") and free float. Acorn is fully owned by a Joh. A. Benckiser led investor group ("JAB").

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).

⁷² CPG is an abbreviation for Consumer Packaged Goods

The consolidated financial statements for the year ended 31 December 2023 include the financial information of JDE Peet's and its subsidiaries.

These consolidated financial statements were authorised for issuance on 7 March 2024 by the Board of Directors of JDE Peet's Company.

Activities of JDE Peet's

JDE Peet's is the world's leading pure-play coffee & tea company, serving approximately 4,100 cups of coffee and tea per second. JDE Peet's unleashes the possibilities of coffee & tea in more than 100 markets with a portfolio of brands including L'OR, Peet's, Jacobs, Senseo, Tassimo, Douwe Egberts, OldTown, Super, Pickwick, and others. In 2023, JDE Peet's generated total sales of EUR 8.2 billion and employed a global workforce of 21,199 people. For 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 brands with a deeply rooted heritage. Its established brand portfolio is the largest in the coffee & tea industry, comprising Global Brands (L'OR and Peet's), Regional Brands (including Jacobs, Douwe Egberts, Tassimo, Moccona, Super and OldTown), Local Jewel Brands (including Marcilla, Gevalia, Friele, Brio and Piccolo) and Private Brands (including Paloma, Café Pelé, Owl and Catfax).

It sells its full range of products through a multi-channel distribution model across the CPG's Out-of-Home and Online channels to meet customer and consumer needs, as follows:

- CPG⁷²-JDE Peet's principal products are multi-serve coffee, roast and ground single-serve and ready-to-drink coffee capsules, whole beans, pads and pods, instant pure and instant mixes, a variety of tea products and coffee beverages. JDE Peet's sells these products primarily to supermarkets and, in certain markets, to buying groups comprised of supermarket retailers or shared-services supply chain centres.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
• Out-Of-Home-It offers a full range of professional solutions: coffee, tea and complementary coffee systems, including proprietary liquid coffee concentrate technology; multi-serve coffee; roast and ground single-serve coffee 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 2023, 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 International Financial Reporting Standards ("IFRS") as adopted by the European Union 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 Euro, 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.							
1.2 USE OF CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS In the application of the accounting policies, management is required to make judgements, estimates about the carrying amounts of assets and liabilities that effect the reported amounts of assets, liabilities and expenses. The estimates and associated assumptions are based on historical experience and other factors that management considers 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 and future periods if the revision affects both current and future periods. Critical Accounting Estimates, Judgements and Assumptions—The following are the key assumptions, estimates, and other key sources of estimation uncertainty at the end of the reporting period, that have a material effect on the carrying amounts of assets and liabilities within the next financial year.							

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
Particular area involving significant estimates and judgements							
1.4 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 estimating the recoverable amounts. The LARMEA discount rate had significant focus because of the country risk premium developments as a result of geopolitical and macroeconomic circumstances in some markets. In 2022, specific focus was put on the Out-of-Home segment, with significant estimates for elements such as recovery of business and longer-term adverse effects of COVID-19, cash flow projections of management's initiatives and the discount rate. In 2023 this segment was combined with CPG Europe into one segment Europe, see also notes 2.1 and 3.3.						
3.3 Impairment of non-current assets	Key assumptions used in impairment testing such as cash flows and WACC.						
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 restructurings.						
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 requirement of the Task Force on Climate-related Financial Disclosures ("TCFD"), the Task Force on Nature-related Financial Disclosures ("TNFD") and Science Based Targets Initiative ("SBTi") and concluded that climate risk does not have a material impact on the consolidated financial statements. Further consideration of the impact of climate risk is included in the relevant disclosure notes.						

JDE Peet's reviewed the significant accounting estimates and judgements, including the impact on impairments (note 3.3), provisions (note 9.2) and contingencies (note 9.5). This review did not lead to changes in these accounting estimates and judgements.

1.3 CHANGES IN ACCOUNTING STANDARDS

The Company has applied the following standards and amendments for the first time for their annual commencing 1 January 2023:

IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	JDE Peet's does not have any contracts that require accounting under the June 2020 and December 2021 Amendments to IFRS 17)
Financial Statements and IFRS Practice Statement 2: Making Materiality Judgements – Disclosure of Accounting Policies	JDE Peet's has adopted the amendments to IAS 1 for the first time in reassessed disclosure of its accounting policies against the amendments disclosed accounting policy information was amended to meet the new requirements.
Amendments to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	JDE Peet's has adopted the amendments to IAS 12 and not changes v current periods.
Amendments to IAS 12 Income Taxes – International Tax Reform – Pillar Two Model Rules	The amendments give companies temporary relief from accounting for arising from the Organisation for Economic Co-operation and Development international tax reform. The OECD published the Pillar Two model rule to ensure that large multinational companies would be subject to a minimum effective tax rate. The IASB has decided to develop a temporary exemption to the requirement of disclosing information about deferred tax assets and liabilities related to income taxes. JDE Peet's adopted the amendments to IAS 12 and applied an exception at 31 December 2023.
Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	JDE Peet's has adopted the amendments to IAS 8 for the first time in the current period.

The amendments listed above did not have any impact on the amounts recognised in prior periods and will not significantly affect the current period.

New Standards, Amendments and Interpretations issued, but not effective for the year ended 31 December 2023 and not Early Adopted

The following new accounting standards and interpretations effective for accounting periods beginning on or after 1 January 2024, do not have a significant impact on the financial statements of JDE Peet's for the year ended 31 December 2023 nor are expected to have a significant impact in the future:

- Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associate or joint venture;
- Amendments to IAS 1 - Classification of liabilities as current or non-current;
- Amendments to IAS 1 - Non-current liabilities with Covenants;
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements;
- Amendments to IFRS 16 - Lease liability in a sale and leaseback.

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 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 include a 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). Operating leases are recognised as right-of-use assets (within property, plant and equipment) with corresponding liabilities, 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 represent the present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments 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 lease liabilities. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, which is generally the case for leases within JDE Peet's, the lessee's incremental borrowing rate is used in discounting the lease payments. Being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of a similar nature to the right-of-use asset in a similar economic environment with similar terms, security and other conditions.

To determine the incremental borrowing rate, JDE Peet's, where possible, uses recent third-party financing arrangements as a starting point, adjusted to reflect changes in financing conditions since then and the individual lessee as a starting point, adjusted to reflect changes in financing conditions since then and the value received.

JDE Peet's is exposed to potential future increases in variable lease payments based on an index or rate. When the index or rate changes, the lease liability is reassessed and adjusted against the right-of-use asset.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
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). Comparative figures—In note 2.1 the presentation of the comparative financial information was adjusted to conform to the presentation of the statement of financial position and income statement of the current year. The reclassifications had no impact on net result or equity.							
Exchange rates used in financial statements The following exchange rates are the most relevant in the financial statements:							
Currency							
US dollar							
Opening rate							
Average							
Ending rate							
Brazilian real							
Opening rate							
Average							
Ending rate							
Russian ruble							
Opening rate							
Average							
Ending rate							
Pound sterling							
Opening rate							
Average							
Ending rate							
Australian dollar							
Opening rate							
Average							
Ending rate							
Singapore dollar							
Opening rate							
Average							
Ending rate							

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	2023	2022
1 January	1,128.45	686.95
31 December	1,859.38	1,128.45

Any net monetary gain or loss is recognised as part of the finance expense (see note 5.4).

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 Company's first priority has been, and continues to be, the safety and well-being of its employees in the region. In addition, the Company has continued to monitor EU and other applicable sanctions. It 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. 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 5% to the Company's total revenues and comprises 1 % of total assets. Triggered by its stand-alone business operation and

changing (sanction) regulations, JDE Peet's continued to assess whether it remained control over its operations in accordance with IFRS 10 and concluded that it continued to have control over its Russian operations at 31 December 2023.

Key accounting estimate and judgment - JDE Peet's continued to assess whether it remained Russian operations in accordance with IFRS 10. The assessment considered whether JDE Peet's (1) power over the local business, (2) exposure or rights to variable returns from its involvement with business, and (3) the ability to use its power over the local business to affect returns. Based on the aforementioned three key drivers, and although the Russian business transitioned to a stand-alone greatest extent reasonably possible sanction restrictions made doing business in Russia significant complex, JDE Peet's concluded that it continued to have control over its Russian operations at 31 December 2023.

Internal events and external circumstances occurring in Ukraine and Russia may result in indications JDE Peet's frequently reviews the valuation of its assets in Russia and Ukraine, including in the uncertainties resulting from the war on goodwill and other intangible assets of the wider LORMEA segment. In June 2023, JDE Peet's decided to transition the international Jacobs brand in the Russian Monarch brand. This led to an impairment of EUR 185 million in the Jacobs brand intangible. After the brand value allocated to Russia was nil. Furthermore, as part of the annual impairment testing of intangible assets, the increased risk of operating in Russia was considered in the WACC applied to cash flows from the Russian business, thereby impacting the recoverable value of related assets. In addition, the fixed assets in the Russian and Ukrainian markets were assessed, which has not led to additional impairment.

At 31 December 2023 and throughout the financial year, assessments were made regarding the appropriate model for the Russian local market in the context of the changing sanction regimes and how the changing circumstances affect related accounting judgements and disclosures. The outcomes of these assessments were incorporated accordingly in these financial statements.

New sanctions were published by the EU in December 2023 and certain aspects of these sanctions of 20 June 2024. These may affect the assessment regarding control and therefore will be considered in the financial year 2024 onwards.

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.

On 25 April 2023, JDE Peet's announced the combination of the CPG Europe and Out-of-Home segments into one European segment ("Europe"). The other segments remained unchanged. The relevant changes in the reporting structure came substantially into effect during the year ended 31 December 2023. The comparative figures were restated to align with the new segment structure.

Europe, LARMEA and APAC: Within these 3 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 as a reconciling item to the total business results. Unallocated comprises head-office costs (such as HR, legal, IT and marketing) and limited revenues from excess production capacity which is made available to parties. Segment results are presented before intercompany eliminations, which are eliminated within consolidated financial statements.

Basis of Segmental Reporting

Segment results, that are reported, include items directly allocated to a segment as well as those that are 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 reported. CODM, the Company's CEO, in order to review operating results, assess performance and make reporting decisions.

In accordance with JDE Peet's' operating model, centralised assets are utilised that serve multiple different geographies and segments. Therefore, the Company does not consider the country-level disclosure to be a meaningful indicator of its performance or strategy. Accordingly, JDE Peet's does not disclose to the CODM or in its segment reporting.

Adjusted EBIT

The CODM reviews segment profitability based on Adjusted EBIT. Adjusted EBIT is used as a measure of management believes that this measurement is the most relevant in evaluating the results of the segment defined Adjusted EBIT as profit for the period, adding back finance income, finance expense, share of associates and income tax expense, adjusted for the following factors:

1. ERP system implementation expenses, which represent costs to implement and upgrade a new system including order, billing, payroll and financial systems. Overhead costs incurred in the normal course of business not allocated to ERP implementation projects; rather, only incremental costs incurred in the implementation of the ERP project are added back in calculating Adjusted EBIT.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information														
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 and consulting fees; d) derecognition of the step-up in fair value of inventories resulting from purchase allocations; e) fair value changes in contingent consideration obligations; and f) sale results and costs as a result of divestments. JDE Peet's does not consider these costs as part of the normal operating 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 presented below.																					
Segmental information for the consolidated income statement Revenue (in EUR million):																					
<table><tr><td>Europe</td><td>2023</td></tr><tr><td>LARMEA</td><td>4,719</td></tr><tr><td>Peet's</td><td>1,498</td></tr><tr><td>APAC</td><td>1,153</td></tr><tr><td>Unallocated</td><td>791</td></tr><tr><td>Total</td><td>30</td></tr><tr><td></td><td>8,191</td></tr></table>								Europe	2023	LARMEA	4,719	Peet's	1,498	APAC	1,153	Unallocated	791	Total	30		8,191
Europe	2023																				
LARMEA	4,719																				
Peet's	1,498																				
APAC	1,153																				
Unallocated	791																				
Total	30																				
	8,191																				

Arsregnskap regnskapsåret 2023 for 9512846

Reconciliation of Adjusted EBIT to most directly comparable GAAP measure (in EUR million):

	2023	2022 restated
Europe	1,006	926
LARMEA	147	296
Peet's	141	147
APAC	135	123
Unallocated	(301)	(265)
Adjusted EBIT	1,128	1,227
ERP system implementation	(7)	(8)
Transformation activities and corporate actions ⁷³	(126)	(67)
Share-based payment expense	(44)	(37)
Mark-to-market results	39	(54)
Amortisation acquired intangible assets and M&A/Deal costs ⁷⁴	(305)	(112)
Operating profit⁷⁵	685	949
Finance income	104	68
Finance expense	(247)	1
Share of net profit / (loss) of associates	(5)	—
Profit before income taxes	537	1,018

Adjusted EBIT of the segments includes depreciation, amortisation and impairment expenses, which amount to EUR 298 million (2022: EUR 303 million) (in EUR million):

Europe	137
LARMEA	16
Peet's	82
APAC	33
Unallocated	30
Total	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):

United States	13%
France	12%
Germany	10%
Netherlands	9%
Rest of World ⁷⁶	56%
Total revenue	100%

There are no individual customers that amounted to 10% or more of JDE Peet's' revenue

¹³ Transformation activities and corporate actions include the expenses related to the establishment of the Europe omni-channel segment and the severance and non-cash impairment related to the intended closure of the instant processing and R&D facilities in Banbury, UK. See also notes 3 and 4.

¹⁴ This consistently includes amortisation related to intangible assets recognised as part of purchase price allocations. In 2023, a non-cash impairment of the Jacobs brand was recognised for an amount of EUR 185 million and a loss on disposal of businesses for an amount of EUR 95 million. In 2023, EUR 410 million of the adjusting items (2022: EUR 214 million) was recognised in selling, general and administrative expenses and EUR 33 million (2022: EUR 64 million) in cost of sales.

¹⁵ In 2023, EUR 410 million of the adjusting items (2022: EUR 33 million (2022: EUR 64 million) in cost of sales.

¹⁶ 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 operational 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, which is included in other non-current liabilities (to the extent that redemption after 12 months is expected) and trade and other payables (current portion) in the statement of financial position, is recognised at a point in time when fulfilled.

JDE Peet's revenue consists of the following:

- **Product sales to third parties (coffee, tea, other food and beverage)**—The conditions above 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 products at customers' locations, or upon shipment, as determined by the specific sales terms of the transaction. Revenue from owned coffee stores are presented net of discounts and recognised at the point of sale for products sold.
- **Services (lease revenue and maintenance fees)**—JDE Peet's leases coffee machines as a service to Out-of-Home customers. Income from these leases is recognised in the income statement based on the substance of the transaction. 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-term contracts is generally recognised in the period that the maintenance services are rendered, using a straight-line method over the term of the contract.

Revenues described above are recognised for individual components and the revenue of the total transaction is allocated to the individual components by reference to their stand-alone selling price. Transaction returns are estimated based on historical results taking into consideration the customer, the transaction type and each arrangement while also taken into account forward looking information. JDE Peet's provides a detailed breakdown of its revenue components and the policies regarding the recognition and measurement 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 the volume of sales, utilisation and redemption rates. These incentives are settled in cash and are included in the determination of the stand-alone selling price of the product. The cost of the incentive is allocated to the product and is recognised 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, which is included in other non-current liabilities (to the extent that redemption after 12 months is expected) and trade and other payables (current portion) in the statement of financial position, is recognised at a point in time when fulfilled.
- **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 to the reseller reaches a specified level of sales, taking into account applicable competition laws. Under these programmes of this nature, the incentive is estimated and a portion of the incentive is allocated to the product and is recognised 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, which is included in other non-current liabilities (to the extent that redemption after 12 months is expected) and trade and other payables (current portion) in the statement of financial position, is recognised at a point in time when fulfilled.

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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 policies 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	2023	2022
Cost of product ⁷⁷		4,213	4,248
Employee benefit expenses ⁷⁸		1,270	1,242
Other selling, general and administrative expenses ⁷⁹		1,333	1,286
Depreciation, amortisation and impairment	3.2, 3.4	638	417
Restructuring and restructuring related expenses		52	9
Total		7,506	7,202

Employee benefit expense (in EUR million):

Wages and salaries
Social security charges
Pension costs
Share-based payments
Total

Employees by segment (average number of FTEs during the year):

Europe
LARMEA
APAC
Peet's
Unallocated ⁸⁰
Total

Employees by geographical area (average number of FTEs during the year):

The Netherlands
Outside the Netherlands
Total

⁷⁷ Cost of product mainly consists of raw materials (green coffee beans, tea leaves and other materials) for 66% (2022: 71%), packaging 13% (2022: 12%), coffee taxes 4% (2022: 4%), outsourced production services 3% (2022: 3%) and inbound freight 2% (2022: 2%).

⁷⁸ Employee benefit expenses consist of wages, salaries, pension costs, share-based payments and related social security charges.

⁷⁹ Other selling, general and administrative expenses in the table above include costs for advertising and promotion, distribution, repairs, maintenance and utilities.

⁸⁰ Unallocated includes operations (e.g. manufacturing and procurement) and global head office functions.

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⁸⁰ 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:

	2023	2022
Audit of the financial statements	6.1	6.1
Audit related engagements	0.8	0.1
Other non-audit related services	0.1	0.2
Total	7.0	6.4
Which relate to:		
Deloitte Accountants B.V.	2.5	1.9
Network of Deloitte Accountants B.V.	4.1	4.0
Other external auditors	0.4	0.5

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.

The calculation of the basic and diluted earnings per share is based on the following data:

2023	
Earnings for the purposes of basic earnings per share being net profit attributable to owners of the Company (in EUR million)	
Number of shares	367
Time-weighted average number of ordinary shares for the purposes of basic earnings per share	485,747,602
Adjustment for the calculation of diluted earnings per share: Share-based payment plans	6,075,375
Time-weighted average number of ordinary shares for the purposes of diluted earnings per share	491,822,977
Basic EPS (in EUR)	0.76
Diluted EPS (in EUR)	0.75

The total number of cases is 485,235,677).

Participants receive listed shares in the Company upon vesting and the Company has the obligation to repurchase the shares if the participant dies or becomes disabled. The conversion rates used in the earnings per share calculations are based on the conversion rates used in the share-based payment calculations. For further details on the valuation techniques refer to note 7.1.

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.

Key accounting estimate and judgement — The purchase price allocation includes fair values of (contingent) liabilities that are based on information available at the time of determining those values. The method of determining the fair value depends on the facts and circumstances relating to the specific liability.

Acquisitions during 2023

During 2023, there were no new business combinations. On 24 July 2023, JDE Peet's announced the agreement to acquire 100% of the shares in the Maratá coffee & tea business in Brazil from JAV Gro. The acquisition was completed on 4 January 2024. Reference is made to [note 9.6](#) Subsequent events. Acquisition-related costs incurred during the year amounted to EUR 2 million.

Acquisitions during 2022

On 12 July 2022, JDE Peet's acquired L2M Heritage SAS ("L2M"). Through this transaction, JDE Peet's acquired its portfolio in the tisane (herbal tea) and tea market, where it currently has limited market share. JDE Peet's has control and therefore the acquisition is considered a business combination in accordance with IFRS 3 Business Combinations. Consequently, purchase price allocations of all identifiable assets and (contingent) liabilities were performed. The purchase price allocation was finalised in the financial year 2022. Acquisition-related costs amounted to EUR 2 million.

The transaction resulted in the recognition of the L2M trademark of EUR 46 million and goodwill of EUR 10 million in intangible assets. The factor contributing most to the recognition of goodwill is the growth contribution of the L2M business. Goodwill is not deductible for tax purposes. Since the acquisition, L2M contributed in 2022 revenue of EUR 10 million and net profit of EUR 2 million.

The following table summarises the considerations paid and the fair value of assets and (contingent) liabilities acquired at the acquisition date (in EUR million):

	L2M
Property, plant and equipment	5
Identified intangible assets	46
Cash and cash equivalents	7
Borrowings	(25)
Deferred income tax liabilities	(12)
Other net assets	3
Net assets acquired	24
Goodwill	107
Total consideration in cash for the acquisition	131
Cash consideration paid in 2022	128
Subsequent cash considerations	3
Total consideration in cash for the acquisition	131

If L2M would have been included in JDE Peet's results for an entire year (in the year of acquisition), the revenue and net profit would have been EUR 22 million and EUR 5 million respectively.

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. Goodwill is tested on the last day of the third quarter of the fiscal 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. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to groups of CGUs for the purpose of impairment testing. The allocation is made to the group of CGUs that are expected to benefit from the business combination in which the goodwill arose, identified on a cash flow basis, with the operating segment before any aggregation.

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 other intangible assets acquired in business combinations. Trademarks, brands, customer relationships and technologies were acquired 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 facts and circumstances, the asset is expected to generate net cash inflows for the foreseeable future. An intangible asset with a finite useful life is amortised over its useful life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are determined at the time of recognition. There is no expectation that the cash inflows generated by the asset will continue indefinitely. There is no foreseeable point at which the cash inflows will cease. Trademarks with a finite useful life are amortised over their estimated useful lives. Trademarks with an indefinite useful life are tested for impairment annually, or more frequently when events or circumstances indicate that impairment may exist. The impairment test is performed by comparing the carrying amount of the trademark with its recoverable amount. If the carrying amount exceeds the recoverable amount, an impairment loss is recognised. The impairment loss is first allocated to the trademark and then to the other intangible assets in the cash-generating unit. The impairment loss is not reversed. 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 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 in the table below:

	10 to 30 years, or indefinite
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

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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
Balance at 1 January 2022	12,166	4,445	58	107	162	2
Acquisitions in business combinations	107	46	—	—	—	—
Capital expenditures	—	—	9	—	—	—
Foreign currency translation	93	22	3	(1)	—	—
Amortisation expense	—	(54)	(25)	(22)	(35)	(2)
Other	—	—	1	—	—	2
Balance at 31 December 2022	12,366	4,459	46	84	127	2
Cost	12,366	4,946	230	274	479	18
Accumulated amortisation	—	(487)	(184)	(190)	(352)	(16)
Balance at 31 December 2023	12,366	4,459	46	84	127	2
Capital expenditures	—	1	26	—	1	1
Foreign currency translation	(63)	(16)	1	—	(1)	—
Impairments ⁸¹	—	(185)	—	—	—	—
Amortisation expense	—	(53)	(19)	(22)	(36)	(2)
Other	(3)	(2)	6	—	—	(1)
Balance at 31 December 2023	12,300	4,204	60	62	91	—
Cost	12,300	4,933	163	275	315	22
Accumulated amortisation	—	(729)	(103)	(213)	(224)	(22)
Balance at 31 December 2023	12,300	4,204	60	62	91	—

Trademarks, brands, customer relations and proprietary technology were assessed at their fair value in accordance with IFRS 3 Business Combinations following the acquisitions made by JDE Peet's. The majority of the trademarks, brands, customer relationships and proprietary technology were recognised following the acquisition of D.E MASTER BLENDERS 1753 in 2013 and the coffee businesses of Mondelez Holding in July 2015. Software relates to externally acquired software and includes costs to implement.

⁸¹ Reference is made to [section 3.3](#) for background on the impairment charge.

Amortisation expense is included in the income statement as follows (in EUR million):

	2023	2022
Cost of sales	(2)	(1)
Selling, general and administrative expenses	(130)	(137)
Total	(132)	(138)

At 31 December, the principal acquired brands, all of which are regarded as having indefinite useful economic lives, are as follows (in EUR million):

	2023	2022
Jacobs	1,048	1,233
Douwe Egberts	668	668
Kenco	412	412
Moccona	214	214
Peet's	193	199
Pickwick	175	175
Gevalla	134	134
Maxwell House	118	118
Pilão	14	13
Friele	42	45
Other brands	46	47
Total	3,064	3,258

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.

The annual impairment test is performed on the last day of the third quarter of the fiscal year or when an event occurs or circumstances change that might reduce the recoverable amount of the goodwill. When the recoverable amount of a CGU is lower than its net book value ("NBV"), an impairment charge needs to be recognised. The NBV of the CGU after impairment is not lower than zero. This impairment charge is allocated to the assets - taking into account any deferred tax consequences - whereby the indefinite lived brands are subject to the allocation. In the allocation of the impairment charge over the CGU's assets, an impairment is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The FVLCD of an asset is assessed at the total JDE Peet's assets, limited to a CGU. The Royalty Relief method is used to determine the FVLCD (for both the individual assets, and annual impairment test), whereby a royalty rate is applied to the brand's forecasted discounted cash flows using the CGU-specific Weighted-Average Cost of Capital ("WACC").

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 impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows that are expected to be recovered from the cash-generating unit. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to its recoverable amount, limited to the carrying amount that would have been determined had no impairment been recognised for the asset in prior fiscal years.

Key accounting estimate and judgement – JDE Peet's performs impairment reviews comparing the carrying value of the CGU concerned to that cash generating unit's recoverable amount, being the VIU and FVLCD. VIU is a valuation derived from the discounted future cash flows of the CGUs. CGUs are projected based on the approved 5-year business plan, of which the first year is aligned with the following year. The coffee price growth per year is assumed to be the expected country-specific term inflation, which is based on external sources. 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. A CGU-specific WACC was applied. The cash flow projections in the impairment assessment utilise the assumptions in TCFD/TNFD and broader climate and sustainability ambitions. Further disclosure is provided on the estimated initial implementation costs within Climate and nature-related risks and opportunities.

JUDE 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 2023 is EUR 12,300 million (2022: EUR 12,366 million) and indefinite lived intangible assets EUR 3,064 million (2022: EUR 3,258 million). The movement over the year is explained by the impairment of the Jacobs brand and foreign currency translations related to goodwill and indefinite lived intangible assets.

In line with its objective of transitioning the portfolio of its branded products for sale in Russia solely to local brands, UDE Peet's decided to transition the international Jacobs brand in the Russian market to the local Monarch brand. The rebranding of the Jacobs brand in Russia triggered a reassessment of the recoverable amount of this indefinitely lived intangible asset to EUR 1,048 million, which resulted in an impairment of EUR 185 million at 30 June 2023. After this impairment the brand value allocated to Russia was nil and consequently reduced the carrying value of the LARMEA segment, the level at which goodwill is tested for the countries within that segment.

The share of carrying value of the indefinite lived brands over the segments is as follows:

	2023	2022 restated
Europe	79 %	74 %
LARMEA	5 %	10 %
Peet's	8 %	8 %
APAC	8 %	8 %
Total	100 %	100 %

The operating segments CPG Europe and Out-of-Home merged into one operating segment Europe, see also note 2.1.

JDE Peet's determined that an indefinite useful life is appropriate based on an analysis of all of the relevant factors, including the long history of the brands, and because there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for JDE Peet's.

Definite trademarks and brands of JDE Peet's have remaining lives of generally 30 years from the date of registration. As part of the overall impairment test performed with the measurement date 30 September 2023, also of the CGUs carrying these trademarks was assessed, concluding no impairments to be recognised.

Goodwill was determined as the difference between the purchase considerations and the fair values acquired and the (contingent) liabilities assumed. Goodwill is monitored by management at the operating unit level.

The following is a summary of goodwill allocation for each operating segment at 31 December (in EU

Europe	9,751
LARMEA	663
Peet's	731
APAC	1,155
Total	12,300

As of the impairment testing date at 30 September 2023, the recoverable amount was determined by management. The calculations used pre-tax cash flow projections based on financial budgets approved by management for the period from 1 January 2024 to 31 December 2028, and thereafter a constant growth rate of 3% per annum.

Terminal growth rates

The long-term growth rate is equal to the long-term annual inflation rate specific to the asset or CGU. Management expects to achieve growth driven by sales, marketing and distribution of intangible assets, management expects to achieve growth rates for the applicable countries or regions significantly in excess of the terminal growth rates for the applicable countries or regions. In these recoverable amount is calculated based on the following inputs: the annual growth rate of the product, aggregated with its inflation rate and adjusted according to the specific asset or CGU.

In order to calculate terminal value, a terminal growth rate is used. This rate is equal to the long-term rate of the country. For brands, the assumptions are based on a weighted-average taking into account the countries where sales are made. The key assumptions (pre-tax discount rates, terminal growth rates and margin growth) used to calculate the VIU for impairment testing are included in the following table (fr

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Property, plant and equipment is depreciated on a straight-line basis over the estimated useful lives except land and assets under construction which are not depreciated. JDE Peet's believes that the each category of assets is spread evenly over the useful life. The estimated useful lives, which are re and adjusted if appropriate, are presented as follows:															
<table><tr><td>Buildings and improvements</td></tr><tr><td>Leasehold improvements</td></tr><tr><td>Machinery and equipment</td></tr></table>								Buildings and improvements	Leasehold improvements	Machinery and equipment					
Buildings and improvements															
Leasehold improvements															
Machinery and equipment															
The assets' residual values are reviewed annually and adjusted, if appropriate, at the end of each rep Gains and losses on disposals are determined by comparing the proceeds with the carrying amount are recognised in the income statement within selling, general and administrative expenses. An asset is written down immediately to its recoverable amount if the asset's carrying amount is greater than recoverable amount.															
Key accounting estimate and judgement —With respect to impairment of long lived assets, jud made related to the expected useful lives of long-lived assets and their ability to realise undiscount in excess of the carrying amounts of such assets which are affected by factors such as the ong maintenance and improvements of the assets, changes in economic conditions and changes in c performance. In assessing the remaining useful lives JDE Peet's concluded that there is no mate climate risk.															
The composition of property, plant and equipment is as follows (in EUR million):															
<table><tr><td>Property, plant and equipment - owned assets</td><td>Note</td></tr><tr><td>Right of use assets</td><td>3.4.1</td></tr><tr><td></td><td>3.4.2</td></tr><tr><td>Total</td><td>1,719</td></tr></table>								Property, plant and equipment - owned assets	Note	Right of use assets	3.4.1		3.4.2	Total	1,719
Property, plant and equipment - owned assets	Note														
Right of use assets	3.4.1														
	3.4.2														
Total	1,719														

The discount rate is the pre-tax rate of the weighted-average cost of capital. Inputs used to calculate, include 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 terminal growth rate was determined to be 2.0% for JDE and 2.5% for Peet's (2022: 2.1% for JDE and 2.5% for Peet's). The WACC includes an additional risk premium in relation to the realisation of the cash flow projections.				
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 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. 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. Specific analyses were performed, including additional sensitivity analysis, which did not change the above conclusion.				
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.				

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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 2022	461	803	175	14	1,453
Acquisitions in business combinations	3	1	1	—	5
Capital expenditures	26	81	130	2	239
Disposals/other	(10)	(20)	—	—	(30)
Impairment	(1)	(3)	(1)	—	(5)
Foreign currency translation	9	5	1	—	15
Depreciation expense	(36)	(156)	—	(3)	(195)
Transfers	(1)	139	(120)	2	20
Balance at 31 December 2022	451	850	186	15	1,502
Cost	764	1,850	186	67	2,867
Accumulated depreciation	(313)	(1,000)	—	(52)	(1,365)
Balance at 31 December 2022	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	737	1,884	211	64	2,896
Accumulated depreciation	(311)	(1,060)	—	(50)	(1,421)
Balance at 31 December 2023	426	824	211	14	1,475

Assets under construction primarily relate to production lines and buildings.

The impairment charge recognised in 2023 mainly related to the intended closure of the production and research & development operations in Banbury, United Kingdom.

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
Balance at 1 January 2022	191	35	7
Recognition right-of-use asset	65	12	—
Remeasurement/other	(3)	—	—
Foreign currency translation	7	1	—
Depreciation expense	(58)	(18)	(3)
Transfers	—	1	1
Balance at 31 December 2022	202	31	5
Cost	361	76	13
Accumulated depreciation	(159)	(45)	(8)
Balance at 31 December 2022	202	31	5
Recognition right-of-use asset	76	13	1
Impairments	(1)	—	—
Remeasurement/other	(2)	(2)	(2)
Foreign currency translation	(4)	(1)	(1)
Depreciation expense	(61)	(13)	(1)
Transfers	—	2	—
Balance at 31 December 2023	211	30	3
Cost	416	75	13
Accumulated depreciation	(205)	(45)	(10)
Balance at 31 December 2023	211	30	3

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Depreciation expense included in the income statement for the period is as follows (in EUR million):

	2023	2022
Cost of sales	(199)	(199)
Selling, general and administrative expenses	(71)	(75)
Total	(270)	(274)

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 (2022: EUR 30 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 9 million (2022: 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 106 million (2022: EUR 111 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):

	2023	2022
Raw materials (including packaging)	560	724
Work in progress	191	165
Finished goods (including Out-of-Home machines)	534	496
	1,285	1,385
Provision for write downs	(37)	(29)
Total	1,248	1,356

The amount added to the provision is EUR 8 million (2022: 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):

	2023
Trade receivables	563
Provision for impairment of trade receivables	(25)
Trade receivables – net	538
Prepaid non-income taxes	94
Advance to related parties	1
Prepaid assets	54
Lease receivable	2
Deposits	6
Other	34
Total	729

The charge to and release of the provision for impaired receivables are included in selling and general administrative expenses in the income statement, whereby receivables are all assessed on an individual basis. During 2023, an amount of EUR 5 million was charged to the income statement (2022: EUR 8 million) whereby an amount of EUR 1 million was released (2022: EUR 8 million). Amounts charged to the provision are generally written-off in expectation of recovering.

As of 31 December 2023, an amount of EUR 66 million (2022: EUR 22 million) was past due of which EUR 13 million was due more than 30 days (2022: EUR 13 million). Trade receivables not past due at 31 December 2023 are classified as current. Information about the impairment of trade receivables and exposure to credit risk, market 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 at their short maturity.

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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):							
						2023	
Trade payables						3,358	
Accrued payroll and benefits						177	
Accrued trade promotion						269	
Non-income taxes payable						67	
Deferred revenue: contract liability						29	
Dividend payable						170	
Other accrued expenses						155	
Total						4,225	
The carrying amount of the trade and other payables is considered a close approximation of their fair value. Certain suppliers are offered the opportunity to use supply chain financing arrangements ("SCF"), which collect the receivable before the invoice date. Supply contracts are evaluated against a number of indicators to determine whether the payables hold the characteristics of a trade payable or should be classified as borrowings. In 2023 and 2022 none of the payables subject to SCF met the criteria to be classified as borrowings. The amount outstanding under SCF at 31 December 2023 amounted to EUR 493 million (2022: EUR 493 million). Separately, JDE Peet's has contracts with intermediaries, with an outstanding amount at 31 December 2023 of EUR 4 million (2022: EUR 4 million), which includes financing elements. These contracts qualify as trade payables. Transactions under SCF and the supply contracts are reflected under cash flows from operating activities. During the Annual General Meeting of Shareholders on 25 May 2023, a dividend of EUR 0.35 per share was declared, payable in two instalments of EUR 0.35 on 14 July 2023 and 26 January 2024.							

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information																																								
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. ("Share buyback transaction"). 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 2023 and 2022. 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, Accounting Policy is 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 it consists of 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 2023 and 2022 can be summarised as follows (value is stated in EUR million):																																															
<table><tr><th></th><th>Number of outstanding shares at 31 December 2023</th><th>Number of outstanding shares at 31 December 2022</th><th>Value in EUR million 2023</th><th>Value in EUR million 2022</th></tr><tr><td>Ordinary shares</td><td>486,042,837</td><td>485,235,677</td><td>4,860.42837</td><td>4,852.35677</td></tr><tr><td>Total share capital and share premium</td><td>486,042,837</td><td>485,235,677</td><td>4,860.42837</td><td>9,590.00000</td></tr></table>									Number of outstanding shares at 31 December 2023	Number of outstanding shares at 31 December 2022	Value in EUR million 2023	Value in EUR million 2022	Ordinary shares	486,042,837	485,235,677	4,860.42837	4,852.35677	Total share capital and share premium	486,042,837	485,235,677	4,860.42837	9,590.00000																									
	Number of outstanding shares at 31 December 2023	Number of outstanding shares at 31 December 2022	Value in EUR million 2023	Value in EUR million 2022																																											
Ordinary shares	486,042,837	485,235,677	4,860.42837	4,852.35677																																											
Total share capital and share premium	486,042,837	485,235,677	4,860.42837	9,590.00000																																											
No preference shares were outstanding at 31 December 2023 and 31 December 2022. Holders of common shares are entitled to dividend distributions as declared from time to time. The Company may make distributions to its shareholders if its equity exceeds the amount of the paid-in and undistributed 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)																																															
<table><tr><th></th><th>Note</th><th>Number of outstanding shares</th><th>Nominal value</th><th>Share premium</th></tr><tr><td>Balance at 1 January 2022</td><td></td><td>501,951,089</td><td>5</td><td>9,975.222</td></tr><tr><td>Issuance of shares</td><td>(i)</td><td>1,858,139</td><td>—</td><td>—</td></tr><tr><td>Share buy-back</td><td>(ii)</td><td>(18,573,551)</td><td>—</td><td>—</td></tr><tr><td>Balance at 31 December 2022</td><td></td><td>485,235,677</td><td>5</td><td>9,997.222</td></tr><tr><td>Issuance of shares</td><td>(i)</td><td>807,160</td><td>—</td><td>—</td></tr><tr><td>Cancellation treasury shares</td><td></td><td>—</td><td>—</td><td>(412.222)</td></tr><tr><td>Balance at 31 December 2023</td><td></td><td>486,042,837</td><td>5</td><td>9,585.000</td></tr></table>									Note	Number of outstanding shares	Nominal value	Share premium	Balance at 1 January 2022		501,951,089	5	9,975.222	Issuance of shares	(i)	1,858,139	—	—	Share buy-back	(ii)	(18,573,551)	—	—	Balance at 31 December 2022		485,235,677	5	9,997.222	Issuance of shares	(i)	807,160	—	—	Cancellation treasury shares		—	—	(412.222)	Balance at 31 December 2023		486,042,837	5	9,585.000
	Note	Number of outstanding shares	Nominal value	Share premium																																											
Balance at 1 January 2022		501,951,089	5	9,975.222																																											
Issuance of shares	(i)	1,858,139	—	—																																											
Share buy-back	(ii)	(18,573,551)	—	—																																											
Balance at 31 December 2022		485,235,677	5	9,997.222																																											
Issuance of shares	(i)	807,160	—	—																																											
Cancellation treasury shares		—	—	(412.222)																																											
Balance at 31 December 2023		486,042,837	5	9,585.000																																											

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					In 2023, 807,160 shares were released from the treasury shares to settle vested share-based payment plan (2022: 1,063,371 shares). More information on the share-based payment plans can be found in note 7.1 Share-based payments. In 2022, 751,849 shares were issued as part of the transaction with Olivier Goudet. More information on this transaction can be found in note 7.2 Related party transactions. In May 2022, JDE Peet's executed a share repurchase for a total amount of EUR 500 million. The shares were purchased from its shareholder Mondelez International Holdings Netherlands B.V. ("MDLZ") at a price per share equal to the market closing price on Friday 6 May 2022. Treasury shares The remaining treasury shares at 31 December 2022, acquired in the buyback transaction, were presented to the shareholders at the 2023 Annual General Meeting for approval to cancel the majority of these shares. On 25 May 2023, the Annual General Meeting of JDE Peet's resolved to cancel 15.3 million treasury shares. This cancellation came into effect on 28 July 2023. Movements in treasury shares (Nominal value in EUR million):										
										Number of issued shares		Nominal value			
					Balance at 1 January 2022					—		—			
					Acquisition of shares through share buyback					18,573,551		(500)			
					Release of treasury shares					(1,063,371)		29			
					Balance at 31 December 2022					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)								

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Arbejdsskaps regnskapsåret 2023 for 9512846

Non-controlling interest

JDE Peet's consolidates JDE, with a 0.16% (2022: 0.25%) non-controlling interest and Peet's with a 1.78%) non-controlling interest. All other subsidiaries are fully owned or the non-controlling interests in JDE Peet's are not material. As the non-controlling interest is not material in 2023 and 2022, the financial information attributable to the 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 amount repaid is recognised in the income statement over the period of the borrowings using the effective interest method.

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Non-controlling interest

JDE Peet's consolidates JDE, with a 0.16% (2022: 0.25%) non-controlling interest and Peet's with a 1.78% 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 2023 and 2022, 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 amount repaid 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 of the original financial liability, and a new financial liability is recognised at fair value.

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Borrowing facilities of JDE Peet's through the years 2022 and 2023 are summarised in the following tables (in EUR million):

	Currency	31 December 2021	Business combinations	Unwinding discount	Additions	Repaid	Amortisation	Recognition of lease liability	Currency translation
Unsecured notes - EU	EUR	3,089	—	—	—	—	2	—	—
Unsecured notes - US	USD	1,533	—	—	—	—	1	—	95
JDE: Other financing	Various	32	25	—	21	(64)	—	—	—
Short-term facility	EUR	—	—	—	150	(150)	—	—	—
Leases	Various	250	—	9	—	(81)	(6)	77	7
Unamortised discounts and costs	Various	(29)	—	—	—	—	6	—	—
Total borrowings		4,875	25	9	171	(295)	3	77	102
Non-current		4,784							
Current		91							

	Currency	31 December 2022	Business combinations	Unwinding discount	Additions	Repaid	Amortisation	Recognition of lease liability	Currency translation
Unsecured notes - EU	EUR	3,091	—	—	995	—	2	—	—
Unsecured notes - US	USD	1,629	—	—	—	—	1	—	(49)
JDE: Other financing	Various	14	—	—	—	(3)	—	—	(3)
Leases	Various	256	—	12	—	(86)	(5)	91	(7)
Unamortised discounts and costs	Various	(23)	—	—	(6)	—	6	—	—
Total borrowings		4,967	—	12	989	(89)	4	91	(59)
Non-current		4,888							
Current		79							

Årsregnskap regnskapsåret 2023 for 951284629

Unsecured notes

In June 2021, the Company announced the establishment of 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. The notes comprise of the following three series:

Notes	Pricing	Maturity	Issued amount	Initial fair value
Note 2024	0.800% interest	3.0 years	USD 500 million	USD 499 million
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 new notes under the EMTN programme with proceeds to be used for general corporate purposes including the refinancing of existing financial liabilities:

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 interest on the notes, except for one euro tranche, was lower than their nominal value since they were offered at a discount and 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 2022. The agreement is unsecured and no covenants apply, however, certain 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 subsidiaries in France, Italy and Turkey. 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 with the greatest extent possible. As a result, a local one-year facility was set-up in December 2022 for a total of USD 1 billion (equivalent to approximately EUR 30 million at 31 December 2023). The facility is unsecured and will apply. At 31 December 2023, the facility remained undrawn.

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

JDE Peet's used to have multiple interest rate and cross-currency interest rate swaps relating to the agreements and the Company's Facilities Agreement entered into on 30 March 2021. Following the termination of these facilities, above mentioned derivatives became ineffective. In May and June 2022 the Company entered into cross-currency interest rate swaps were terminated realising the mark to market value.

To hedge the foreign currency and US interest rate exposure associated with the US notes, cross-currency interest rate swaps were entered into and part is hedged through a net investment hedge. Hedge accounting is applied for certain instruments, for which more information can be found in note 6 Financial risk management.

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								2023	2022								
								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):									
				2023		2022											
		Cash in bank and on hand		525		552											
		Cash equivalents		1,523		415											
		Total		2,048		967											
		At 31 December 2023 an amount of EUR 23 million was not at the free disposal of JDE Peet's (2022: EUR 50 million).															
		5.4 FINANCE INCOME AND EXPENSE															
		JDE Peet's receives finance income primarily representing interest on cash and cash equivalents, net from cross-currency interest rate swaps and dividend income from equity derivatives. Interest income from cashpool arrangements are considered to be an intercompany transaction and are therefore eliminated expense primarily relates to interest on borrowings and change in fair value of derivative financial instruments is recognised using the effective interest method.															
		Finance income and expense consist of the following (in EUR million):															
		Interest income		91		75											
		Interest expense ⁸²		(94)		(62)											
		Net financing cost of financial debt		(3)		13											
		Interest income on plan assets															
		Interest expense on defined benefit obligation															
		Total pension finance (expense)/income															
		Foreign exchange gain/(loss)				45											
		Change in fair value of derivative financial instruments				(195)											
		Fair value changes financial liabilities				(3)											
		Net monetary gain/(loss)				—											
		Net finance expense		(143)		45											
		Interest expense primarily includes interest on unsecured notes (2023: EUR 45 million; 2022: EUR 42 million, lease liabilities (2023: EUR 9 million; 2022: EUR 9 million), bank overdrafts (2023: EUR 4 million; 2022: EUR 4 million), amortisation expenses (2023: EUR 6 million; 2022: EUR 6 million), interest on cashpool arrangements (2023: EUR 0 million; 2022: EUR 13 million).															

⁸² Interest expense primarily includes interest on unsecured notes (2023: EUR 45 million; 2022: EUR 42 million, lease liabilities (2023: EUR 9 million; 2022: EUR 4 million), bank overdrafts (2023: EUR 4 million, amortisation expenses (2023: EUR 6 million; 2022: EUR 6 million), swaps (2023: EUR 0 million; 2022: EUR 13 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 realise the asset and settle the liability simultaneously.

Impairment of Financial Assets—Upon initial recognition of the financial asset the expected loss is subsequently, at the end of each reporting period it is assessed whether there is objective evidence that an asset or group of financial assets is impaired. The impairment model for financial assets is based on the expected loss. A broader range of information is considered when assessing credit risk and measuring expected loss, including past events, current conditions, reasonable and supportable forecasts that affect the expected future cash flows of the instrument. The impairment methodology applied, depends on whether there is a significant increase in credit risk. In applying this forward-looking approach, a distinction is made between three categories:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition are classified in 'Stage 1' - '12-month expected credit losses' are recognised for this category.
- Financial instruments that have deteriorated significantly in credit quality since initial recognition are classified in 'Stage 2' - 'lifetime expected credit losses' are recognised for this category.
- Financial instruments that have objective evidence of impairment at the reporting date are classified in 'Stage 3' - 'lifetime expected credit losses' are recognised for this category.

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 a default occurs) 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 trade receivables this is represented by the assets' gross carrying amount at the reporting date for financial guarantees, for other financial assets the expected credit loss is estimated as the difference between all contractual cash flows due to JDE Peet's in accordance with the contract and all the cash flows that are expected to be received from the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit loss are consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows due to JDE Peet's in accordance with the contract and all the cash flows that are expected to be received from the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit loss are consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

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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) credit rating. • Significant deterioration in external market indicators of credit risk for a particular financial instrument, such as a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time that 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 affect 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 instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due. 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 internal rating of 'performing'. Performing means that the counterparty has a strong financial position and is able to meet its past due amounts.							

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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 aims to minimise the impact of commodity price fluctuations. The exposure is hedged in accordance with its policies and risk management programme. The green coffee commodity risk is mainly managed at regional level, being the US, the Netherlands, Brazil, Vietnam and Indonesia. The green coffee commodity price risk is managed through anticipated future purchases is managed primarily using futures and forward contracts, which are entered into physical contracts. Through these derivatives, JDE Peet's is able to fix a portion of its price for a specified period of time. JDE Peet's only enters into futures contracts that are traded on established, well-recognised exchanges and IFFE that offer high liquidity, transparent pricing, daily cash settlement and collateralisation through margin requirements. During 2023, the Company expanded its financial hedging strategy to the coverage of other commodities 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 financial risk. As a result of the short product business cycle, the majority of the anticipated future commodity transactions outstanding at the statement of financial position date are expected to occur in the next 12 months. The table below show 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 2022):							
					Change in year-end price	Effect on profit before tax and equity reserves In EUR million	
Coffee beans and other commodities - 2023					10%	7	
Coffee beans and other commodities - 2023					(10)%	(7)	
Coffee beans - 2022					10 %	33	
Coffee beans - 2022					(10)%	(27)	

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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 and since 2023 also the Chinese yuan. 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. By implementing this net investment hedge, JDE Peet's is exposed to currency translation risk resulting from fluctuations in foreign currency exchange spot rates that affect the measurement of the investment in subsidiaries which are offset by the currency exposure on the US debt instruments. Hedge accounting is applied to these net investment hedges.													
A sensitivity analysis shows that if foreign exchange rates change by 10 percent profit and equity would be affected as follows (in EUR million):													
		Profit or Loss		Strengthening		Weakening							
31 December 2023						Strengthening							
+/-10%				(77)		77							
31 December 2022													
+/-10%				(150)		182							
Fair value movements related to the effective part of foreign exchange and interest rate contracts that are used to hedge foreign exchange and interest rate risk are recognised directly in the cash flow hedge reserve (net of tax) as separate Equity.													
Interest rate risk JDE Peet's is primarily financed through bonds of which part denominated in US- dollar and at fixed interest rate, which reduces the risk of fluctuations in the interest rate risk on JDE Peet's. Part of the fixed interest rate debt is swapped using cross-currency interest rate swaps with a fixed interest for which hedge accounting is applied. At year end 2022, part of the cross-currency interest rate swaps were reset for the foreign currency to align with the economics of the hedge with the economics of JDE Peet's net debt, settling in cash of EUR 11 million. From an IFRS 9 point of view the old hedge relationship is considered to be broken and a new hedge relationship is immediately setup from reset date. Therefore, the reset did not result in any adjustment to the income statement. Furthermore, 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 month of January 2023, the results remained in OCI until the instrument is derecognised. A loss, net of tax, of EUR 11 million was recognised in OCI during 2023 (2022: EUR 11 million gain).													
The sensitivity analysis on the foreign currency component of these swaps is included in the foreign currency risk section above.													

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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. 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 2023, an exposure of an equivalent of 7.2 million shares (2022: 7.2 million shares) in the Company was hedged, resulting in the recognition of a liability of EUR 49 million (2022: EUR 30 million), dividend income of EUR 5 million (2022: EUR 5 million) and an unrealised result of EUR 19 million in financial income and expense (2022: EUR 2 million).							
Total return equity swap A sensitivity analysis shows that if the underlying share price changes by 10%, the fair value of the instruments would have changed as follows (in EUR million):							
						Change in year-end price	10 %
						Share price - 2023	10 %
						Share price - 2023	(10) %
						Share price - 2022	10 %
						Share price - 2022	(10) %
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 share based payment liability as follows (in EUR million):							
						Change in year-end price	10 %
						Share price - 2023	10 %
						Share price - 2023	(10) %
						Share price - 2022	10 %
						Share price - 2022	(10) %

6.4 LIQUIDITY RISK

Liquidity risk arises when a company encounters difficulties to meet commitments associated with its payment obligations. Such risk may result from inadequate market depth or disruption or refinancing. Liquidity risk is managed by maintaining adequate reserves and banking facilities and by closely monitoring and actual cash flows and, where possible, matching the maturity profiles of financial assets and liabilities of operating cash flows, which includes the payable extension programme (refer to [note 4.3](#) Trade and other receivables and structured payables, could impact short-term liquidity.

of operating cash flows, which includes the payable extension programme (refer to [note 4.3](#) Trade and receivables) and structured payables, could impact short-term liquidity.

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 earliest date on which JDE Peet's can be required to prepay the comparative figures to exclude cash inflows from derivative financial instruments.

To the extent that interest rates are floating, the undiscounted amount is based on the (forward) interest rate of 31 December 2023 and 31 December 2022, respectively.

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At 31 December 2023 (in EUR million):

At 31 December 2022 (in EUR million):

Financial liabilities	Note	Less than 1 year	Between 1 and 5 years	Over 5 years	Total	Carrying amount
Financial liabilities						
<i>Borrowings (excluding unamortised discounts and costs):</i>						
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 swap derivatives	6.7	(122)	—	—	(122)	(94)
Total		(4,957)	(2,981)	(2,971)	(10,909)	(10,332)

Financial liabilities	Note	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Financial liabilities					
<i>Borrowings (excluding unamortised discounts and costs):</i>					
Unsecured notes	5.2	(38)	(1,823)	(3,133)	(4)
Lease liabilities	5.2	(87)	(175)	(28)	(28)
Other financing	5.2	(8)	(4)	—	—
Trade and other payables (excluding deferred revenue)	4.3	(4,675)	—	(4)	(4)
Total		(4,808)	(2,002)	(3,161)	(9)
Derivative financial liabilities					
Foreign currency derivatives	6.7	(90)	—	—	—
Commodity derivatives	6.7	(6)	—	—	—
Total return equity swaps	6.7	(18)	(54)	—	—
Total		(4,922)	(2,056)	(3,161)	(10)

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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.								
The following tables present the assets and liabilities of JDE Peet's that are measured at fair value at 31 December 2023 and 31 December 2022, respectively.								
At 31 December 2023 (in EUR million):								

Assets	Note	Level 1	Level 2	Level 3
Interest rate contracts	6.7	—	15	—
Foreign exchange contract	6.7	—	56	—
Commodity contracts	6.7	2	—	—
Total assets		2	71	—
Liabilities				
Unsecured notes - EU	5.2	4,088	—	—
Unsecured notes - US	5.2	1,581	—	—
Borrowings	5.2	—	246	—
Share-based payment liability	9.4	—	—	8
Management-owned shares liability	9.4	—	—	26
Interest rate contracts	6.7	—	25	—
Foreign exchange contracts	6.7	—	76	—
Commodity contracts	6.7	3	—	—
Total return equity swaps	6.7	—	94	—
Total liabilities		5,672	441	34

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At 31 December 2022 (in EUR million):

6.6 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets subject to offsetting at 31 December 2023 (in EUR million):

	Note	Level 1	Level 2	Level 3	Total
Assets					
Interest rate contracts	6.7	—	46	—	46
Foreign exchange contracts	6.7	—	22	—	22
Commodity contracts	6.7	4	—	—	4
Total return equity swaps	6.7	—	2	—	2
Total assets		4	70	—	74
Liabilities					
Unsecured notes - EU	5.2	3,091	—	—	3,091
Unsecured notes - US	5.2	1,629	—	—	1,629
Borrowings	5.2	—	247	—	247
Share-based payment liability	9.4	—	—	17	17
Management-owned shares liability	9.4	—	—	25	25
Foreign exchange contracts	6.7	—	90	—	90
Commodity contracts	6.7	6	—	—	6
Total return equity swaps	6.7	—	43	—	43
Total liabilities		4,726	380	42	5,148

There were no transfers between different levels during 2023 and 2022.

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Financial assets subject to offsetting at 31 December 2022 (in EUR million:)

	Non-current assets	Current assets	Financial instrument liabilities
Gross amount recognised in financial instruments	46	28	—
Gross amount offset	—	—	—
Net amount	46	28	—
Related amounts not offset in the statement of financial positions			
Gross financial instruments	46	(111)	(46)
Cash collateral – not offset	—	35	—
Net financial instruments	46	(76)	(46)

6.7 DERIVATIVE FINANCIAL INSTRUMENTS

JDE Peet's uses derivative financial instruments, including forward exchange contracts, futures, 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 recognised in the income statement when the settlement date is within 12 months from the period-end and all other derivatives are recognised in the income statement when the settlement date is more than 12 months from the period-end. The change in fair value of commodity derivatives is recognised with 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 exchange and interest effective to the period.

Amounts accumulated in OCI are reclassified to the income statement in the periods when the hedged asset or liability is recognised in the income statement. Ineffectiveness on cash flow hedges is recognised where the cumulative change in the fair value of the hedging instruments exceeds, on an absolute basis, the change in fair value of the hedged item 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 an asset (for example, inventory or fixed assets), the gains and losses that were recognised in OCI are transferred to the asset (for example, inventory or fixed assets), the gains and losses that were recognised in OCI are 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.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information																																																				
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.																																																											
At 31 December 2023 the notional amount of the USD notes included in the net investment hedge was USD 500 million (2022: 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 gain of EUR 14 million (2022: loss EUR 28 million). In 2023 JDE Peet's partly hedged their CNY investment in foreign operations with a cross currency swap of CNY 231 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 2023 is as follows (in EUR million):																																																											
<table><thead><tr><th colspan="2">Assets</th><th colspan="2">Liab</th></tr><tr><th>Current</th><th>Non-current</th><th>Current</th><th>Current</th></tr></thead><tbody><tr><td colspan="4">Derivatives designated as hedging instruments:</td></tr><tr><td>– Interest rate contracts</td><td>–</td><td>15</td><td>–</td></tr><tr><td>– Foreign exchange contracts</td><td>3</td><td>–</td><td>14</td></tr><tr><td>Sub-total</td><td>3</td><td>15</td><td>14</td></tr><tr><td colspan="4">Derivatives not designated as hedging instruments:</td></tr><tr><td>– Interest rate contracts</td><td>–</td><td>–</td><td>–</td></tr><tr><td>– Foreign exchange contracts</td><td>52</td><td>1</td><td>48</td></tr><tr><td>– Commodity contracts</td><td>2</td><td>–</td><td>1</td></tr><tr><td>– Total return equity swap contracts</td><td>–</td><td>–</td><td>94</td></tr><tr><td>Sub-total</td><td>54</td><td>1</td><td>143</td></tr><tr><td>Total</td><td>57</td><td>16</td><td>157</td></tr></tbody></table>								Assets		Liab		Current	Non-current	Current	Current	Derivatives designated as hedging instruments:				– Interest rate contracts	–	15	–	– Foreign exchange contracts	3	–	14	Sub-total	3	15	14	Derivatives not designated as hedging instruments:				– Interest rate contracts	–	–	–	– Foreign exchange contracts	52	1	48	– Commodity contracts	2	–	1	– Total return equity swap contracts	–	–	94	Sub-total	54	1	143	Total	57	16	157
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Arsregnskap regnskapsåret 2023 for 9512846																																																											

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JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
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, 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.							

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
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 in 2023, the investment match is additionally subject to the achievement of performance conditions linked to the Company's ESG commitments.							
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.							
Long-Term Incentive Share Plan (JDE) A Long-Term Incentive Share 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.							
Executive Ownership Plan (JDE) An Executive Ownership plan was established, under which certain members of the Executive Committee of JDE 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.							
Share Purchase Plan Senior Management (JDE) Senior Management was given the opportunity to initially invest in JDE Certificates through a Foundation. Three shares held for a period of at least five years, the participant will be entitled to receive one RSU which 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, the plan was closed for new investments and replaced with the Share Purchase Plan Senior Management (the Company).							
Long-Term Incentive Share Plan (Peet's) A Long-Term Incentive Share Plan was established, under which RSUs are awarded to key employees of Peet's. Each RSU entitles the relevant participant to receive certain number of shares based on the value at vesting of the RSU and its Options (that become exercisable subject to vesting conditions) vest in either Peet's shares or the Company and partly qualifies as equity-settled and partly as cash-settled. No amendments were made to this plan.							
Executive Ownership Plan (Peet's) An Executive Ownership Plan was established, under which certain members of Senior Management of Peet's were given the opportunity to invest in Peet's through its immediate parent Peet's 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 commencement date of the employee. The matching of the awards vest in either Peet's shares or the Company and partly qualifies as equity-settled and partly 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 through the vesting of RSUs or Options. This plan and its Options (that become exercisable subject to vesting conditions) vest in either Peet's shares or the Company and partly qualifies as equity-settled and partly as cash-settled. No amendments were made to this plan.							
Summary of Awards Granted by Plan Long-Term Incentive Share Plan (the Company) Regular RSUs were granted to eligible employees in March and September 2023 and March and September 2022.							

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information																																																						
The value of RSUs is based on the Company's share price. This resulted in a grant date fair value of EUR 18.9 million in 2023 (2022: 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 2023 of the outstanding RSU share awards was EUR 28.02 (2022: EUR 28.85). Details of the number of RSU share awards outstanding are as follows:																																																													
<table><tr><th colspan="4">In shares of the Company</th><th>2023</th><th>2022</th></tr><tr><th colspan="2">2023</th><th colspan="2">2022</th><th>2023</th><th>2022</th></tr><tr><th>Cash-settled</th><th>Equity-settled</th><th>Cash-settled</th><th>Equity-settled</th><th>Cash-settled</th><th>Equity-settled</th></tr><tr><td colspan="2">Balance at 1 January</td><td colspan="2">-</td><td colspan="2">-</td></tr><tr><td colspan="2">Granted</td><td colspan="2">15,181</td><td colspan="2">-</td></tr><tr><td colspan="2">Modified</td><td colspan="2">109,533</td><td colspan="2">-</td></tr><tr><td colspan="2">Forfeited</td><td colspan="2">-</td><td colspan="2">-</td></tr><tr><td colspan="2">Vested</td><td colspan="2">-</td><td colspan="2">-</td></tr><tr><td colspan="2">Balance at 31 December</td><td colspan="2">124,714</td><td colspan="2">2,065,221</td></tr></table>								In shares of the Company				2023	2022	2023		2022		2023	2022	Cash-settled	Equity-settled	Cash-settled	Equity-settled	Cash-settled	Equity-settled	Balance at 1 January		-		-		Granted		15,181		-		Modified		109,533		-		Forfeited		-		-		Vested		-		-		Balance at 31 December		124,714		2,065,221	
In shares of the Company				2023	2022																																																								
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Share Purchase Plan Senior Management (the Company) A total grant date fair value of EUR 0.7 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 2023 of the outstanding RSU share awards was EUR 27.47. Details of the number of RSU share awards outstanding are as follows:																																																													
<table><tr><th colspan="2">In shares of the Company</th><th>2023</th></tr><tr><td colspan="2">Granted</td><td>40,225</td></tr><tr><td colspan="2">Balance as of 31 December</td><td>40,225</td></tr></table>								In shares of the Company		2023	Granted		40,225	Balance as of 31 December		40,225																																													
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Granted		40,225																																																											
Balance as of 31 December		40,225																																																											
Executive Ownership Plan (the Company) New investments equalled a grant date fair value of EUR 4.2 million in 2023 (2022: EUR 2.0 million). During 2022 are recognised as a share-based payment expense over three years, where all other investments generally recognised over a five-year period. The weighted-average grant date fair value at 31 December 2023 of the outstanding share awards was EUR 33.58). Details of the number of RSU share awards outstanding are as follows:																																																													
<table><tr><th colspan="2">In shares in the Company</th><th>2023</th></tr><tr><td colspan="2">Balance at 1 January</td><td>1,238,800</td></tr><tr><td colspan="2">Granted</td><td>159,397</td></tr><tr><td colspan="2">Balance at 31 December</td><td>1,398,197</td></tr></table>								In shares in the Company		2023	Balance at 1 January		1,238,800	Granted		159,397	Balance at 31 December		1,398,197																																										
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The Company's Executive Committee members financed their investments through own funds, loans from Peet's, or a combination of own funds and loans. The total amount of loans provided to the Executive members with respect to the share-based payment plans is disclosed in note 7.2 Related Party Transactions. Long-Term Incentive Share Plan (JDE) As the RSUs will be settled in shares in the Company based upon the value of JDE, the fair value of equals the estimated share value of JDE of an ordinary share at the grant date. No grants were awarded EUR (0.2) million). An estimated forfeiture rate between 0% and 33% has been applied of awards that vest. The latest available conversion ratio applicable to the number of JDE RSUs to be converted in shares is: 43.78. The weighted-average grant date fair value at 31 December 2023 of the outstanding RSU share awards (2022: EUR 1,546).																																																													

Arstregio's top registrars at 2023 for 9512846

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
Details of the number of RSU share awards outstanding are as follows:							
Share Purchase Plan Senior Management (JDE)							
During 2023 no new awards were granted. An estimated forfeiture rate between 0% and 33% has been accounted for in the calculation of the weighted-average grant date fair value of the outstanding RSU share awards that will eventually vest.							
The latest available conversion ratio applicable to the number of JDE RSUs to be converted in shares is: 43.78.							
The weighted-average grant date fair value at 31 December 2023 of the outstanding RSU share awards is: EUR 1,406.							
Details of the number of RSU share awards outstanding are as follows:							
In shares of JDE		2023	2023	2022			
Balance at 1 January		Cash-settled	Equity-settled	Cash-settled	Equity-settled	2023	2022
Granted		519	20,740	519	27,022		
Modified		—	—	—	(197)		
Forfeited		841	(841)	—	—		
Vested		—	(2,404)	—	(3,033)		
Balance at 31 December		(648)	(3,350)	—	(3,052)		
		712	14,145	519	20,740		
Executive Ownership Plan (JDE)							
During 2023 and 2022 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: 43.78.							
The weighted-average grant date fair value at 31 December 2023 of the outstanding share awards was EUR 1,471 (2022: EUR 1,456).							
Details of the number of share awards outstanding are as follows:							
In shares of the JDE		2023	2022				
Balance at 1 January		9,731	9,731	9,731	9,731		
Forfeited		(1,893)	(1,893)	—	—		
Vested		(1,942)	(1,942)	—	—		
Balance at 31 December		5,896	5,896	9,731	9,731		
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.							
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 5 million in 2023 (2022: EUR 8 million) is recognised as a share-based payment expense over the applicable vesting period of generally five years. The weighted-average grant date fair value of the outstanding RSU share awards that will eventually vest account an estimated forfeiture rate between 6% and 15% of awards that will eventually vest.							
The latest available conversion ratio applicable to the number of Peet's RSUs to be converted in shares is: 5.78 with respect to the equity-settled plans.							

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
Executive Ownership Plan (Peet's) Eligible employees who made a pre-established minimum investment in Peet's Inc. under the EOP will receive a matching award grant of RSUs which vest in a similar manner to the RSU awards granted. 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 0.8 million (2022: EUR 1.6 million) is recognised as a share-based payment expense over the applicable vesting period of generally five years. This expense is recognised on an estimated forfeiture rate between 6.0% and 14.6% of awards that will eventually vest. The latest available conversion ratio applicable to the number of Peet's Options to be converted in shares is 1:1. The Company is: 5.78 with respect to the equity-settled plans. The weighted-average grant date fair value at 31 December 2023 of the outstanding RSU awards was EUR 138 per share (2022: EUR 138 per share). Details of the number of RSU share awards outstanding are as follows regarding the EOP after restating comparative information):							
Arsregnskap regnskapsåret 2023							
In shares of Peet's							
Balance at 1 January		2023	2023	2022	2022	2023	2022
		Cash-settled	Equity-settled	Cash-settled	Equity-settled	Cash-settled	Equity-settled
Granted		59,188	181,207	83,640	167,573	33,808	12,117
Modified		—	35,601	—	54,364	—	6,008
Vested		(19,352)	19,352	—	—	—	—
Forfeited		(37,724)	(60,218)	(18,817)	(7,054)	(1,876)	—
Balance at 31 December		1,795	129,191	59,188	161,207	30,151	18,125
Details of the number of options outstanding are as follows (after restating the comparative information):							
In shares of Peet's							
Balance at 1 January		2023	2023	2022	2022	2023	2022
		Cash-settled	Equity-settled	Cash-settled	Equity-settled	Cash-settled	Equity-settled
Granted		66,939	12,263	80,222	14,999	33,808	12,117
Modified		(23,195)	23,195	—	—	—	6,008
Exercised		(10,514)	(26,234)	(11,504)	(2,196)	(1,876)	—
Forfeited		(341)	—	(1,779)	(540)	(1,781)	—
Balance at 31 December		32,889	9,224	66,939	12,263	30,151	18,125
All options are exercisable at 31 December 2023 (2022: 78,654).							
At 31 December 2023, a liability of EUR 8 million (2022: EUR 17 million) was recognised following the modification to cash-settled plans, including a part of the EOP plan as described below.							
Eligible employees were provided the option to finance a portion of their investment under the EOP. Peet's Inc. All loans outstanding as of 31 December 2023 are limited recourse loans which may be provided to participants at any time. The total amount of loans provided to the Executive Committee members with share-based payment plans is disclosed in note 7.2 Related party transactions.							

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Management Stock (Peet's) Management of Peet's has the opportunity to invest in Peet's shares directly or received 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 and amounted to EUR 26 million at 31 December 2023 (2022: EUR 26 million). The number of outstanding Management Stock that qualifies as a liability was 153,635 at 31 December 2023 (2022: 162,856).							
7.2 RELATED PARTIES Key management compensation The compensation related to key management and non-executive Directors of JDE Peet's for employment follows (in EUR million):							
						2023	
Salaries						16	
Share-based payment compensation ⁸³						24	
Other, including pensions						1	
Total						41	
Executive Director						12	
Non-executive Directors (the Board)						3	
The definition of key management in this note differs from the definition as applied in the Remuneration Report. The definition includes senior management whilst the Remuneration Report only applies to the executive Directors. The Remuneration Report is presented on page 179.							
L2M acquisition —On 12 July 2022, JDE Peet's acquired L2M where Denis Hennequin, Non-executive Director, is one of the partners of the previous shareholder FrenchFood Capital. Denis Hennequin is the identification of L2M as a potential acquisition target for the Company, nor did he play a role in the acquisition or otherwise. For further details, refer to note 3.1 Business combinations.							
Shares in JDE Peet's —At 31 December 2023, Olivier Goudet held 851,849, Fabien Simonet 31,013, F. Joachim Creus 35,000, Carolyn Adams 943 and Tatiana Eremova 444 ordinary shares in JDE Peet's non-executive Directors have indirect interests in JDE Peet's through shareholdings in the parent company.							
Contribution by parent & distribution to parent —During 2023 no contributions were made by or to shareholders other than dividends.							

⁸³ A duplication of a part of the share-based payment expense was identified and corrected in the comparative period.

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	
	2023	2022	2023	2022
Keurig Dr Pepper	5	4	90	92
Caribou ⁸⁴	—	—	34	34
Mondelēz Group ⁸⁴	—	—	44	38
Total	5	4	167	164

The following amounts were outstanding from/to related parties at reporting date (in EUR million):

	Owed by related parties		Owed to related parties	
	2023	2022	2023	2022
Keurig Dr Pepper	1	1	41	43
Caribou	—	—	4	42
Mondelēz Group	—	—	8	8
Total	1	1	53	93

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 between JDE Peet's and Mondelēz Group as part of the normal course of business, such as rental of office space.

⁸⁴ Some sales and purchase transactions had been erroneously identified as related parties transactions and were therefore corrected in the comparative period.

Transactions between Peet's and Keurig Dr Pepper — There were transactions between Peet's and Keurig Dr Pepper (an entity ultimately partially owned by JAB) as part of the normal course of business, such as the purchase of K-cups by Peet's.

Transactions between Peet's and Caribou — There were transactions between the Peet's and Caribou ultimately owned by JAB) as part of the normal course of business, such as sale of coffee from Peet's to Caribou. On 18 January 2024, JDE Peet's announced it has signed a long-term global license agreement to manufacture and sell Caribou consumer and foodservice coffee products, excluding Caribou coffeehouses. The transaction is expected to close in the first quarter of 2024. In line with the Company's Related Party Transaction Policy, affiliated members of the Board did not participate in the decision making. Reference is made to not disclosed in [note 9.1](#) Post-employment benefits. All transactions are related to payments to and/or from funds.

Transactions with various pension funds — JDE Peet's has several transactions with the pension funds disclosed in [note 9.1](#) Post-employment benefits. All transactions are related to payments to and/or from funds.

Transactions with shareholders — In February 2022, Olivier Goudet, Non-executive Director of the Company, exercised his put option on shares in Peet's Coffee, Inc., in exchange for shares in the Company. The transaction resulted in a fair market value and resulted in the issuance of 751,849 ordinary shares. In the financial statements, Peet's Coffee, Inc. were recognised as a management-owned shares liability and the transaction resulted in a liability for an amount of EUR 23 million.

Indemnification with Mondelēz

On 5 May 2020, JDE Peet's received notice of a potential indemnification claim pursuant to the JDE Peet's Agreement, following on-site inspections undertaken by the European Commission at certain of Mondelēz International's European offices as part of an investigation into an alleged infringement of European law. On 28 January 2021, the European Commission announced it had taken the procedural step to initiate an antitrust investigation into Mondelēz International's conduct in relation to several product categories. The investigation concerns Mondelēz International and does not involve JDE Peet's. On 3 January 2024, disclosed that it is engaged in discussions with the European Commission in an effort to reach a negotiated proportionate resolution to this matter and that it recognised a provision in relation to the investigation Commission.

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8. INCOME TAXES Income tax expense for the period comprises of current and deferred tax. Current and deferred tax is recognised in OCI in the income statement, except when it relates to a business combination or for items recognised in OCI in the income statement. Current income tax – Current income tax is the expected income tax payable or receivable in respect of income or loss for the current year in the countries where JDE Peet's operates and generates taxable income. Current income tax rates enacted or substantially enacted at the reporting date, and any adjustments thereto in respect of the reporting date, are recognised in the income statement. Deferred income tax – Deferred income tax is a tax payable or receivable in the future and is recognised in the income statement. Differences arising from differences between the tax bases of assets and liabilities and their carrying amounts are recognised in the income statement. Deferred income tax is not recognised on temporary differences related to: (i) the initial recognition of an intangible asset in a transaction, other than a business combination, that at the time of the transaction affects neither taxable profit or loss, (ii) the investments in subsidiaries, branches and associates, and interests in subsidiaries, branches and associates, in which the investor has the ability to exercise significant influence or control, and (iii) the temporary differences arising from the 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 to utilise the assets. The criteria that are considered in assessing the probability that sufficient taxable profits will be available include: (i) the existence of taxable temporary differences that relate to the same taxable entity, (ii) the existence of future taxable profits and (iii) tax planning opportunities. In case a loss is expected, it is considered whether convincing other evidence exists, such as the nature of the business and changes in activities to support recognising the deferred tax asset.							
JDE Peet's has not been notified of any actual claim by Mondelēz, and the current assessment of any potential indemnification obligations of JDE Peet's in this respect remains uncertain and in all events would not be expected to be material. 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 19 million at 31 December 2023 (2022: EUR 18 million). Loans from related parties At 31 December 2023, 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.							

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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 recognizing 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 existing income tax liabilities; such changes to income tax liabilities will impact the income tax expense that such determination is made. For the utilisation of tax losses and recognition of other deferred tax assets, management uses judgement whether there will be sufficient future taxable profits to utilise such deferred tax assets. Other— In December 2022, formal approval was given to the adoption of the EU Pillar Two Directive member states need to enact global minimum taxation rules before 31 December 2023. Based on the threshold, JDE Peet's falls within the scope of these rules (i.e. Pillar Two). In December 2023, Pillar Two legislation was enacted in the Netherlands. Therefore, JDE Peet's N.V. as parent company will be required to pay up tax in the Netherlands on profits of its subsidiaries that are taxed at an effective tax rate of less than 15% that do not meet the transitional safe harbour tests – effective for the financial year beginning 1 January 2024. We have performed an initial impact assessment based on the best interpretation of technical guidance available at the date. The assessment and further clarification of applicable rules and guidance will be further refined in 2024. Based on this assessment considering the most recent information available regarding the performance of the constituent entities within JDE Peet's, we expect the Pillar Two effective tax rate in jurisdictions in which JDE Peet's operates to be 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%; we do not expect a material exposure to Pillar Two income taxes in those jurisdictions.													
Income Tax Expense The components of the income tax expense are as follows (in EUR million):													
<table><tr><td>Current tax (expense) / benefit</td><td>2023</td></tr><tr><td>Deferred tax (expense) / benefit</td><td>(22)</td></tr><tr><td>Total income tax expense</td><td>(17)</td></tr></table>								Current tax (expense) / benefit	2023	Deferred tax (expense) / benefit	(22)	Total income tax expense	(17)
Current tax (expense) / benefit	2023												
Deferred tax (expense) / benefit	(22)												
Total income tax expense	(17)												

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Reconciliation of the effective tax rate (in EUR million):							
Profit before income taxes		537		1,018			
		Tax	%	Tax	%		
Income tax using JDE Peet's calculated weighted-average statutory income tax (a) ⁶⁵		(120)	22.3 %	(224)	22.0 %		expire (increasing the tax expense with EUR 13 million, increasing effect of 2.4%) and (iv) tax reserve related tax adjustments (increasing tax expense with EUR 4 million, increasing effect of 0.7%).
Differences between computed rate of tax and effective tax rate due to:							The decreasing effect on the tax expense in 2023 is mainly due to tax exempt and non-taxable income tax expense with EUR 11 million, decreasing effect of 2.0%).
– Tax exempt and non-taxable income		11	(2.0)%	13	(1.3)%		In 2022, the JDE Peet's' effective income tax rate of 25.2% (tax expense of EUR 257 million) was higher than the calculated weighted-average statutory income tax rate of 22.0% expense of EUR 33 million) due to various items increasing the tax expense (in total EUR 48 million with increase of 4.7%), which are offset by the various items decreasing the tax expense (in total EUR 15 million with effect of 1.5%).
– Non-deductible expenses		(34)	6.3 %	(17)	1.7 %		
– Repatriation taxation of earnings and withholding		(8)	1.5 %	(12)	1.2 %		
– Recognition/(non-recognition) of deferred tax assets		(13)	2.4 %	(15)	1.5 %		
– Tax reserves and prior year related tax adjustments		(4)	0.7 %	2	(0.2)%		
– Other taxes		(5)	1.0 %	(4)	0.3 %		
Effective tax rate		(173)	32.2 %	(257)	25.2 %		
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 partly offset by various tax exempt and non-taxable items decreasing the tax expense (in total EUR 11.0 million with decreasing effect of 2.0%).							
Items with increasing effect on tax expense in 2023 mainly consist of the following: (i) non-deductible expenses (increasing the tax expense with EUR 34 million, increasing effect of 6.3%), such as long-term incentive costs and change in fair value of derivative financial instruments, (ii) irrecoverable withholding taxes paid by subsidiaries on dividends and on other cross-border payments such as royalties and service fees, which cannot be offset against other taxes due (increasing the tax expense with EUR 8 million, increasing effect of 1.5%), (iii) non-recognition of deferred tax assets for tax losses, for which we do not expect sufficient future taxable profits to utilise such losses before they							
⁶⁵ 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, the rate may vary from year to year according to the mix of profit and related tax rates.							
Deferred income tax assets				49			2023
Deferred income tax liabilities				(1,226)			(1,226)
Net deferred income tax							(1,177)

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Deferred tax assets and deferred tax liabilities are attributable to the following items (in EUR million):

	2023			2022		
	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	4	(81)	(77)	—	(98)	(98)
Goodwill and other intangible assets	11	(1,301)	(1,290)	12	(1,318)	(1,306)
Other non-current financial assets	112	(1)	111	121	(3)	118
Retirement benefit asset/ obligations	33	(108)	(75)	28	(103)	(75)
Share-based payments	4	—	4	7	—	7
Borrowings	40	—	40	39	—	39
Derivative financial instruments	3	—	3	8	—	8
Provisions and other	18	1	19	15	(5)	10
Trade and other receivables/ payables	39	—	39	40	—	40
Inventories	10	(3)	7	8	(1)	7
Tax on repatriation of earnings	—	(49)	(49)	—	(61)	(61)
Tax loss carry forwards	91	—	91	81	—	81
Subtotal	365	(1,542)	(1,177)	359	(1,589)	(1,230)
Offset of deferred tax positions	(316)	316	—	(324)	324	—
Net deferred tax asset/ (liability)	49	(1,226)	(1,177)	35	(1,265)	(1,230)

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 50 million (2022: EUR 35 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 2023, the net deferred tax liability position decreased with EUR 53 million from a net deferred tax EUR 1,230 million in 2022 to a net deferred tax liability of EUR 1,177 million in 2023. This decrease was an decrease of deferred tax liabilities (decreasing the net deferred tax liability with EUR 39 million) and an increase of deferred tax assets (decreasing the net deferred tax liability with EUR 14 million). The decrease of net deferred tax assets mainly resulted from (a) decrease of deferred tax liabilities resulting from the impairment of an intangible asset (decreasing the net deferred tax liability with EUR 39 million), (b) decrease of deferred tax liabilities in connection with the sale of a subsidiary (decreasing the net deferred tax liability with EUR 12 million) and (c) decrease of deferred tax liabilities in connection with the sale of a subsidiary (decreasing the net deferred tax liability with EUR 12 million). The increase of deferred tax assets for tax loss carry forwards (decreasing of net deferred tax liability with EUR 14 million) partly offset by recurring changes in other temporary differences (increasing of net deferred tax liability with EUR 14 million).

In 2022, the net deferred tax liability position increased with EUR 68 million from a net deferred tax liability of EUR 1,162 million in 2021 to a net deferred tax liability of EUR 1,230 million in 2022. The increase was an increase of deferred tax liabilities (increasing the net deferred tax liability with EUR 37 million), (ii) a decrease of deferred tax assets for various temporary differences (increasing the net deferred tax liability with EUR 7 million) and (iii) a decrease of recognised deferred tax assets for tax loss carry forwards (increasing of net deferred tax liability with EUR 24 million).

Changes in the application of hyperinflationary accounting have been booked directly through equity. The increase of the net deferred tax liability with EUR 4 million in 2023 and EUR 7 million in 2022.

The movements during 2023 and 2022 are as follows (in EUR million):

	Balance at 31 December 2022	(Charged) Credited to the income statement	(Charged) Credited directly to other comprehensive income	(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	9	—	—	—	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)	46	2	(4)	5	(1,177)

These (un)recognised tax losses carried forward expire as to the table below (in EUR million):

	Balance at 31 December 2021	(Charged) Credited to the income statement	(Charged) Credited other comprehensive income and equity	Currency translation	Business combinations	Balance at 31 December 2022
	(108)	14	(1)	(3)	—	(98)
Property, plant and equipment	(1,283)	(1)	(4)	(6)	(12)	(1,306)
Goodwill and other intangible assets	126	(8)	—	—	—	118
Other non-current financial assets	(64)	(4)	(13)	6	—	(75)
Retirement benefit asset/obligations	4	3	—	—	—	7
Share-based payments	45	(7)	—	1	—	39
Borrowings	6	(14)	16	—	—	8
Derivative financial instruments	25	(15)	—	—	—	10
Provisions and other	28	13	—	(1)	—	40
Trade and other receivables/payables	8	2	(2)	(1)	—	7
Inventories	(55)	(6)	—	—	—	(61)
Tax on repatriation of earnings	1	(1)	—	—	—	—
Other tax credits carry forwards	105	(14)	(7)	(3)	—	81
Tax loss carry forwards						
Net deferred tax asset/(liability)	(1,162)	(38)	(11)	(7)	(12)	(1,230)

Tax losses, tax credits and other carried forwards

UDE Peet's has tax losses carried forward of EUR 736 million at 31 December 2023 (2022: EUR 697 million), for which EUR 91 million was recognised as a deferred tax asset (2022: EUR 81 million). Unrecognised deferred tax assets on tax losses amounted to EUR 89 million in 2023 (2022: EUR 82 million).

Arbeidskosten Peet's has US and Netherlands tax credits carry forwards at 31 December 2023 of EUR 22 million (2022: EUR 22 million) for which no deferred tax asset was recognised as it is not expected they will be utilised. The remaining EUR 15 million carry forwards expire between 5 to 8 years (EUR 15 million) and the remaining EUR 7 million are carried forward indefinitely.

The tax effect of other deductible temporary differences that have not been recognised, amounted to EUR 33 million (2022: EUR 33 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 fiscal 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 amount of contributions to these plans and is recognised when it becomes due. The amount of expense recognised during the year was EUR 35 million (2022: EUR 33 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 located in Germany. The defined benefit plans include pension plans, jubilee plans and post-employment medical plans.

United Kingdom – 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 UK assets (corporate credits and – index linked – gilts) and 10% of plan assets are invested in worldwide assets. The overall investment portfolio is structured in such a way that the volatility of the funded status is within target return of the investments is 50 – 75bps above gilts (excl. manager fees), while the technical provisions are set at Gilts +50bps. Under UK Pensions Law the sponsoring companies remain liable in the event of future pension plan.

The past service costs of EUR 11 million recognised as a benefit in the income statement for the year ended 31 December 2023 was a result of the change in legal view of the treatment of one the Plan's 'options' (CPI linked increases). These are based on the Consumer Price Index (CPI) going forward for all countries. In 2023 had increases based on the Retail Price Index (RPI). The Trustee of the Plan confirmed that the measure of inflation, which should be used to value the pension liabilities. All affected plan members will be notified about the change in April 2023.

The value of the UK Plan at 31 December 2023 amounted to a net asset of EUR 432 million (2022: EUR 430 million). The asset ceiling applies to this plan.

The funding of the plan was 132.9% at 31 December 2023 (2022: 125.5%).

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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 seen in the following table: (in EUR million):							
					Plan assets		Defined benefit obligation
					2023	2022	2023
United Kingdom					1,552	1,524	(1,120)
Germany					81	77	(226)
Other					38	38	(54)
The weighted-average duration of the defined benefit obligations for the UK at 31 December 2023 is 11.8 years and for Germany at 31 December 2023 is 16.8 years (2022: 16.6 years).							
The movement in the defined benefit obligation over the year is as follows (in EUR million)							
					Defined benefit obligation at 1 January		2023
Employer service costs							1,365
Interest expense							5
Past service costs							61
Administration costs							(11)
Actuarial (gain)/loss due to experience							2
Actuarial (gain)/loss due to demographic assumption changes							(2)
Actuarial (gain)/loss due to financial assumption changes							(14)
Foreign currency translation							40
Benefits paid							25
Other							(72)
Defined benefit obligation at 31 December							1
							1,400

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The movement in the fair value of plan assets is as follows (in EUR million):

	2023	2022
Fair value of plan assets at 1 January	1,639	2,323
Employer contributions	8	7
Benefits paid	(72)	(77)
Interest income	76	40
Return on plan assets greater/(less) than interest income	(14)	(565)
Foreign currency translation	34	(89)
Fair value of plan assets at 31 December	1,671	1,639

The amounts recognised in the income statement are as follows (in EUR million):

	2023	2022
Employer service costs	5	9
Past service costs	(11)	—
Interest expense on defined benefit obligation	61	34
Interest income on plan assets	(76)	(40)
Administration costs	2	2
Total defined benefit cost recognised in the consolidated income statement	(19)	5

Of the total defined benefit recognised in the income statement a benefit of EUR 6 million (2022: cost of EUR 9 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):

	2023	2022
Balance at 1 January	(325)	(309)
Actuarial (gains) / losses on the defined benefit obligation	24	(596)
Actuarial (gains) / losses on the plan assets	14	565
Foreign currency translation	(6)	15
Balance at 31 December	(293)	(325)

The experience adjustments and actuarial gains and losses due to change in actuarial assumptions relate to the plans included in the statement of financial position at the end of the year (in EUR million)

	2023	2022
Liability (gain) or loss due to experience		(2)
Liability (gain) or loss due to demographic and financial assumptions changes		26
Actuarial (gains) / losses on the defined benefit obligation	24	24
Asset (gain) or loss due to experience		14
Actuarial (gain) or loss recognised	38	38

The weighted-average actual assumptions used in measuring the defined benefit cost recognised in income statement of the next fiscal year and plan obligations at the end of the fiscal year are as follows:

	2023	
	UK	Germany
Discount rate	4.50%	3.20%
Indexation rate inactive participants - deferred	2.75%	N/A
Indexation rate inactive participants - pensioners	2.75%	2.00%
Inflation rate	3.20%	2.50%
Future salary increases	N/A	2.75%

The discount rate is determined by utilising a yield curve based on high-quality, fixed-income investments. The AA bond rating to discount the expected future benefit payments to plan participants. Salary increases based upon historical experience and anticipated future management actions.

Assumptions regarding future mortality experience are set, based on actuarial advice in accordance with statistics and experience in each territory. Mortality assumptions for the most important countries are based on the following mortality tables:

- UK: SAPS S2 Pensioners +0.3 yr age rating with CMI Core Projection Model 2022 update, with a trend, 0.25% initial addition to improvements, weights of 0%, 0% and 25% applied to 2020, 2021 experience, respectively
- Germany: Heubeck 2018G.

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Sensitivity to changes in individual parameters used as of 31 December 2023 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 88 million (2022: EUR 87 million)
- A 50 basis point increase in inflation assumption would increase the defined benefit obligation by approximately EUR 56 million (2022: EUR 49 million)
- A 50 basis point increase in the salary growth rate would increase the defined benefit obligation by approximately EUR 5 million (2022: EUR 6 million).

The pension plan asset allocation differs per plan. On a weighted-average basis, the allocation was as follows:

	2023	2022
Equity instruments	7.5%	7.1%
Bond instruments	4.8%	4.7%
Other	87.7%	88.2%
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 the “Other” in the table above.

Expected cash contributions to retirement benefit plans for fiscal year 2024 are EUR 10 million (2023: EUR 9 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 unfunded.

The movement in the defined benefit obligation is as follows (in EUR million):

Balance at 1 January	10
Employer service cost	—
Employer contribution	(1)
Actuarial (gain)/loss due to financial assumption changes	—
Balance at 31 December	9

9.2 PROVISIONS

Termination Benefits—Termination benefits are payable when employment is terminated by JDE 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 detailed formal plan to terminate the employment of current employees without possibility of withdrawal has been approved by an officer made to encourage voluntary redundancy, the termination benefits are measured based on the 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 restructuring provisions.

Provisions—Provisions, which are primarily for restructuring costs, legal claims, medical claims and other 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 for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on reliable evidence available at the reporting date, including the risks and uncertainties associated with the obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required is determined by considering the class of obligations as a whole.

The change in provisions was as follows (in EUR million):

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.

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 a 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.

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Restructuring — An expense of EUR 54 million was recognised during the year ended 31 December 2019 (2018: EUR 10 million) mainly related to the actions to right-size the former CPG and Out-of-Home segments (2018: EUR 10 million). In connection with the announcement to combine these former separate segments into one segment Europe and the intention to combine production and research & development operations in Banbury, United Kingdom. The costs incurred in connection with several smaller initiatives.

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Legal and other provisions The composition of legal and other provisions is as follows (in EUR million):							
				2023	2022		
Branded Apparel				15	15		
Other				35	35		
Total				50	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.							
				2023	2022		
Deferred revenue					61		
Share-based payment liability					8		
Management-owned shares liability					26		
Other					12		
Total non-current liabilities					107		
Deferred revenue — Deferred revenue relates to the customer loyalty programmes as further described in policies (note 2.2). The current portion of this deferred revenue is included in trade and other payables (note 2.2).							
Share-based payment and Management-owned shares liability —All fair value changes were recognised in the income statement and loss account for a benefit of EUR 1 million (2022: EUR 4 million expense) in the selling, general and administrative expenses and an expense of EUR 4 million (2022: benefit of EUR 4 million) in the finance expenses for payment liability and the management-owned shares liability, respectively. For more information about reference is made to note 7.1 .							

9.3 OTHER NON-CURRENT ASSETS

For the accounting policy on investments in associates reference is made to section 1.4 of this report of other non-current assets is as follows (in EUR million):

Lease receivables	3	2023
Advance to related parties	24	
Investment in associates	15	
Other non-current assets	30	
Total	72	

The advance to related parties represent loans granted to key management members in relation to the 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	2023
Deferred revenue		61
Share-based payment liability	7.1	8
Management-owned shares liability	7.1	26
Other		12
Total non-current liabilities		107

Deferred revenue—Deferred revenue relates to the customer loyalty programmes as further described in policies (note 2.2). The current portion of this deferred revenue is included in trade and other payables (note 2.2).

Share-based payment and Management-owned shares liability—All fair value changes were recognised in the income statement and loss account for a benefit of EUR 1 million (2022: EUR 4 million expense) in the selling, general and administrative expenses and an expense of EUR 4 million (2022: benefit of EUR 4 million) in the finance expenses for payment liability and the management-owned shares liability, respectively. For more information about reference is made to [note 7.1](#).

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information																														
The change in the management-owned shares was as follows (in EUR million):																																					
<table><tr><td>Balance at 1 January</td><td>2023</td><td>2022</td></tr><tr><td>Fair value through income statement</td><td>25</td><td>68</td></tr><tr><td>Vesting of share-based payments</td><td>4</td><td>(4)</td></tr><tr><td>Exercises</td><td>—</td><td>7</td></tr><tr><td>Currency translation</td><td>14</td><td>2</td></tr><tr><td>Shares cancelled</td><td>—</td><td>5</td></tr><tr><td>Shared sold</td><td>(4)</td><td>(3)</td></tr><tr><td>Reclassification from / (to) equity</td><td>(5)</td><td>(50)</td></tr><tr><td></td><td>(8)</td><td>—</td></tr><tr><td>Balance at 31 December</td><td>26</td><td>25</td></tr></table>								Balance at 1 January	2023	2022	Fair value through income statement	25	68	Vesting of share-based payments	4	(4)	Exercises	—	7	Currency translation	14	2	Shares cancelled	—	5	Shared sold	(4)	(3)	Reclassification from / (to) equity	(5)	(50)		(8)	—	Balance at 31 December	26	25
Balance at 1 January	2023	2022																																			
Fair value through income statement	25	68																																			
Vesting of share-based payments	4	(4)																																			
Exercises	—	7																																			
Currency translation	14	2																																			
Shares cancelled	—	5																																			
Shared sold	(4)	(3)																																			
Reclassification from / (to) equity	(5)	(50)																																			
	(8)	—																																			
Balance at 31 December	26	25																																			
9.5 COMMITMENTS AND CONTINGENCIES Commitments — The off-balance sheet commitments consist of the following (in EUR million): <table><tr><td></td><td>2023</td><td>2022</td></tr><tr><td>Purchase commitments</td><td>817</td><td>773</td></tr><tr><td>Operating leases</td><td>5</td><td>5</td></tr><tr><td>Guarantees</td><td>1</td><td>2</td></tr><tr><td></td><td>823</td><td>780</td></tr></table>									2023	2022	Purchase commitments	817	773	Operating leases	5	5	Guarantees	1	2		823	780															
	2023	2022																																			
Purchase commitments	817	773																																			
Operating leases	5	5																																			
Guarantees	1	2																																			
	823	780																																			
On 24 July 2023, JDE Peet's announced that it had signed an agreement to acquire 100% of the shares in the Maratá coffee & tea business in Brazil from JAV Group. This acquisition was completed on 4 January 2024. Reference is made to notes 9.6 Subsequent Events and 3.1 Business Combinations. 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 or classified as operating leases. The building leases have various lease terms, while the equipment leases have terms of generally less than seven years. Leases of assets with a low value, or term of less than included in the operating lease commitments. The future aggregate minimum lease payments under non-cancellable operating leases are as follows: <table><tr><td>Not later than one year</td><td>3</td></tr><tr><td>Later than one year and not longer than five years</td><td>2</td></tr><tr><td>Later than five years</td><td>—</td></tr><tr><td></td><td>2023</td></tr><tr><td></td><td>5</td></tr></table>								Not later than one year	3	Later than one year and not longer than five years	2	Later than five years	—		2023		5																				
Not later than one year	3																																				
Later than one year and not longer than five years	2																																				
Later than five years	—																																				
	2023																																				
	5																																				
Guarantees—JDE Peet's is party to a variety of agreements under which it may be obligated to indemnify against losses arising from a breach of representation and covenants related to matters such as title collectability of receivables, specified environmental matters, lease obligations assumed and certain each of these circumstances, payment by JDE Peet's is conditioned on the other party making a claim procedures specified in the contract. These procedures allow JDE Peet's to challenge the other party's addition, the obligations under these agreements may be limited in terms of time and/or amount, and JDE Peet's may have recourse against third parties for certain payments it made. Historically, payment Peet's under these agreements have not had a material effect on its business, financial condition or operations. Contingencies—JDE Peet's has various contingent liabilities. The most significant contingencies are: JDE Peet's is involved from time to time in legal and arbitration proceedings arising in the ordinary business—In the judgement of management no losses, in excess of provisions made, which could relation to JDE Peet's financial position are likely to arise in respect of these matters. Furthermore 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 fiscal 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 fiscal years 2019 up to and including 2022. Assessing the amount of such 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

On 5 January 2024, JDE Peet's successfully completed the acquisition of the Brazilian coffee & tea business Maratá from JAV Group for a total purchase consideration of BRL 3,350 million before closing adjustments of approx. BRL 400 million (net of cash acquired), which was first announced on 24 July 2023. The acquisition expanded 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.

On 18 January 2024, JDE Peet's announced it has signed 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 approx. EUR 240 million. The transaction, which is expected to close in the first quarter of 2024, represents a strong platform to expand its premium coffee portfolio in North America.

Under the terms of the agreement, JDE Peet's will acquire Caribou's roasting operations in Minnesota. The two companies have also reached a long-term strategic arrangement under which JDE Peet's will supply products for sale in Caribou's coffeehouses.

9.7 LEGAL ENTITIES

Below is a list of significant subsidiaries at 31 December 2023. A full list of legal entities is filed with Commerce. Ownership percentages have been based on the number of issued and outstanding shares of the entity. Holdings Minority B.V. where profit allocation rights are used since that reflects ownership of the entity accurately.

Name of subsidiary	Country of incorporation	Ownership percentage 2023
D/E Holdco UK Limited	United Kingdom	99.7%
DEF Holding SNC	France	99.7%
JACOBS Deutschland Holding GmbH	Germany	99.7%
JACOBS DOUWE EGBERTS AU PTY. LTD.	Australia	99.7%
JACOBS DOUWE EGBERTS B.V.	The Netherlands	99.7%
JACOBS DOUWE EGBERTS BE BV	Belgium	99.7%
Jacobs Douwe Egberts Coffee Trade GR EPE	Greece	99.7%
JACOBS DOUWE EGBERTS BR Comercialização de Cafés Ltda.	Brazil	99.7%
JACOBS DOUWE EGBERTS CZ s.r.o.	Czech Republic	99.7%
JACOBS DOUWE EGBERTS DE GmbH	Germany	99.7%
JACOBS DOUWE EGBERTS DK APS	Denmark	99.7%
JACOBS DOUWE EGBERTS ES, S.L.U.	Spain	99.7%
JACOBS DOUWE EGBERTS Export NL B.V.	The Netherlands	99.7%
JACOBS DOUWE EGBERTS FR SNC	France	99.7%
JACOBS DOUWE EGBERTS FR SAS	France	99.7%
JACOBS DOUWE EGBERTS GB LTD	United Kingdom	99.7%
Jacobs Douwe Egberts Holdings Asia NL B.V.	The Netherlands	99.7%
JACOBS DOUWE EGBERTS Holdings B.V.	The Netherlands	99.7%
JACOBS DOUWE EGBERTS International B.V.	The Netherlands	99.7%
JACOBS DOUWE EGBERTS NL B.V.	The Netherlands	99.7%

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Name of subsidiary							
JACOBS DOUWE EGBERTS NORGE AS		Norway		Ownership percentage 2023		Ownership percentage 2022	
JACOBS DOUWE EGBERTS NZ limited		New Zealand		99.7%		99.5%	
JACOBS DOUWE EGBERTS OPS CZ s.r.o.		Czech Republic		99.7%		99.5%	
JACOBS DOUWE EGBERTS OPS GB Ltd		United Kingdom		99.7%		99.5%	
JACOBS DOUWE EGBERTS PL sp. z o.o.		Poland		99.7%		99.5%	
JACOBS DOUWE EGBERTS PRO NL B.V.		The Netherlands		99.7%		99.5%	
JACOBS DOUWE EGBERTS RO SRL		Romania		99.7%		99.5%	
JACOBS DOUWE EGBERTS RUS LLC		Russia		99.7%		99.5%	
JACOBS DOUWE EGBERTS S.E. AB		Sweden		99.7%		99.5%	
JACOBS DOUWE EGBERTS TH Ltd.		Thailand		99.7%		99.5%	
JACOBS DOUWE EGBERTS Treasury B.V.		The Netherlands		99.7%		99.5%	
JOEmeal Group AB		Sweden		99.7%		99.5%	
Koninklijke Douwe Egberts B.V.		The Netherlands		99.7%		99.5%	
LLC Jacobs Douwe Egberts Ukraina		Ukraine		99.7%		99.5%	
Maison Lyovel SAS		France		99.7%		99.5%	
Of Çaysan Tamm Ürünleri Entegre Tesisleri Sanayi ve Ticaret Anonim		Turkey		69.8%		69.6%	
Old Town Kopitiam Sdn. Bhd.		Malaysia		99.7%		99.5%	
SCML (Thailand) Co., Ltd.		Thailand		99.7%		99.5%	
Super Coffeemix Ltd.		Myanmar		59.8%		59.7%	
Super Foods Specialists (M) Sdn. Bhd.		Malaysia		99.7%		99.5%	
Super Food Technology Sdn. Bhd.		Malaysia		99.7%		99.5%	
White Cafe Sdn. Bhd.		Malaysia		99.7%		99.5%	
Wuxi Super Food Technology Co., Ltd.		China		99.7%		99.5%	
Peet's Coffee, Inc.		United States		97.9%		98.0%	
HH Peet's China Limited		Hong Kong		61.8%		61.8%	

In addition to these significant subsidiaries, JDE Peet's has other consolidated entities in the countries listed, and also in the following countries: Austria, Belarus, Bulgaria, Finland, Georgia, Hungary, Indonesia, Ireland, Isle of Man, Italy, Kazakhstan, Lithuania, Mexico, Morocco, Philippines, Portugal, Singapore, Slovakia, South Africa, Switzerland and Vietnam.

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
- DEF FINANCE SNC
- Maison Lyovel SAS
- Jacobs Douwe Egberts IE Ltd
- D.E. Holding UK Ltd
- Jacobs Douwe Egberts Ukraine LLC

JACOBS DOUWE EGBERTS Holdings Asia NL B.V. issued a comfort letter in favour of JACOBS DOUWE EGBERTS HLD SGP SG Pte. Ltd.

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COMPANY INCOME STATEMENT

For the years ended 31 December 2023 and 31 December 2022
In EUR million

	Note	2023	2022
Selling, general and administrative expense		(40)	(16)
Operating profit		(40)	(16)
Finance income		59	54
Finance expense		(154)	(74)
Share of profit of subsidiaries		488	800
Profit before income taxes		353	764
Income tax benefit		14	7
Profit for the period		367	771

COMPANY BALANCE SHEET

At 31 December 2023 and 31 December 2022
Before appropriation of profit in EUR million

	Note	2023	2022 restated		Note	2023	2022 restated
Non-current assets:				Equity and liabilities			
Investments in subsidiaries	3	11,458	11,415	Equity:			
Loans receivable ⁸⁶	5	5,480	4,944	Share capital	6	5	5
Deferred tax asset	4	4	—	Share premium		9,585	
Derivative financial instruments	13	13	46	Treasury shares		(38)	
Other financial assets	2	2	5	Legal reserves:			
		16,957	16,410	– Cash flow hedge reserve		10	
Current assets:				– Foreign currency translation reserve		(730)	
Trade and other receivables	4	32	29	– Other legal reserves		194	
Loans receivable	5	425	—	Other reserves		1,642	
Income tax receivable		14	1	Profit for the period		367	
Derivative financial instruments	4	4	5			11,035	
Total assets		475	35	Non-current liabilities:			
		17,432	16,445	Borrowings	8	5,193	
				Deferred income tax liabilities		3	
				Derivative financial instruments		25	
						5,221	
				Current liabilities:			
				Borrowings	8	872	
				Trade and other payables	7	210	
				Derivative financial instruments		94	
						1,176	
				Total equity and liabilities		17,432	

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⁸⁶ Restated for the classification as non-current in 2022.

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 as adopted by the EU.

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 POLICIES

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):

	2023
Balance at 1 January	11,415
Net result	488
Dividends	(351)
Cash flow hedge reserve	39
Foreign currency translation	(109)
Other reserves	(20)
Other	(4)
Balance at 31 December	11,458

4. TRADE AND OTHER RECEIVABLES

The composition of trade and other receivables is as follows (in EUR million):

	2023
Receivable from other JDE Peet's companies	27
Other receivables	5
Total	32

All trade and other receivables are due within one year, no amounts are provided for.

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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 2023 was EUR 4,905 million (including a loan denominated in US dollars for USD 385 million) and EUR 1,000 million, respectively (2022: EUR 4,944 million and nil, respectively). The weighted-average interest rate was 1.53% (2022: 0.65%) with maturity dates from 2024 to 2034. At 31 December 2023, an amount of EUR 425 million was maturing within 12 months (2022: nil). We have assessed the credit risk associated with these loans and concluded that there was no material risk identified.

In EUR millions

	31 December 2022	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

	1 January 2022	Additions	Repayments	Currency translation	31 December 2022
New Oak 2 B.V.	4,921	—	—	23	4,944
Total	4,921	—	—	23	4,944

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
Balance at 31 December 2021	5	9,975	—	(602)	880	765
– Application of hyperinflationary accounting	—	—	—	—	31	—
Balance at 1 January 2022	5	9,975	—	(602)	911	765
– Profit for the period	—	—	—	—	—	771
– Retirement benefit obligation related items	—	—	—	—	10	—
– Foreign currency translation	—	—	—	76	(14)	—
– Foreign currency contracts	—	—	—	(46)	—	—
– Net investment hedge	—	—	—	(27)	—	—
Total Comprehensive Income / (Loss)	—	—	—	3	(4)	771
– Shared-based payment transactions	—	—	—	—	28	—
– Dividends	—	—	—	—	(339)	—
– Appropriation of profit 2021	—	—	—	—	765	(765)
– Share buyback transaction	—	—	(500)	—	—	—
– Issuance of shares	—	22	29	—	—	—
– Other transactions with shareholders	—	—	—	—	(12)	—
– Other changes in legal reserves	—	—	—	(11)	11	—
Balance at 31 December 2022	5	9,997	(471)	(610)	1,360	771

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Balance at 31 December 2022									771
– Application of hyperinflationary accounting								1,360	(2)
Balance at 1 January 2023	5					9,997	(471)	(610)	771
– Profit for the period	5					9,997	(471)	1,358	367
– Retirement benefit obligation related items									–
– Foreign currency translation								(28)	–
– Foreign currency contracts								6	–
– Net investment hedge								31	–
Total Comprehensive Income / (Loss)								14	–
– Shared-based payments								(64)	367
– Dividends								24	–
– Appropriation of profit 2022								(339)	–
– Issuance of shares								771	(771)
– Cancellation of treasury shares							21	–	–
– Other						(412)	412	–	–
– Other changes in legal reserves								(2)	–
Balance at 31 December 2023	5					9,585	(38)	(526)	367
								1,642	(148)

Årsregnskap regnskapsåret 2023 for 951284629

7. TRADE AND OTHER PAYABLES

The composition of trade and other payables is as follows (in EUR million):

	2023	2022
Trade and other payables	39	26
Dividend payable	170	170
Payable to group companies	1	1
Total	210	197

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 25 May 2023, a dividend of EUR 0.70 per share was approved, payable in two instalments of EUR 0.35 on 14 July 2023 and 26 January 2024.

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 2023, the Company had a bank overdraft with a group company for a total of EUR 420 million (2022: EUR 454 million).

9. COMMITMENTS AND CONTINGENCIES

Contingencies and commitments to which the Company is exposed, are disclosed in [note 9.5](#) of the financial statements. The legal entities to which the declarations of joint and several liability relate, are 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 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.

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6 March 2024							
F.J.J. Simon <i>Executive Director</i>							
O.C.G. Goudet <i>Chairman, non-executive Director</i>	J.J.B.C. Creus <i>Non-executive Director</i>	G.P. Harf <i>Non-executive Director</i>	A.M. Garcia Fau <i>Non-executive Director</i>				
F.A. Engelen <i>Non-executive Director</i>	S. MacFarlane <i>Non-executive Director</i>	A. Richards <i>Non-executive Director</i>	L. Stein <i>Non-executive Director</i>				
D. Hennequin <i>Non-executive Director</i>	P.N. Lindenberg <i>Non-executive Director</i>	L. Vandevelde <i>Non-executive Director</i>	J.F.D. Katgert <i>Non-executive Director</i>				
P. Abadie Capel <i>Non-executive Director</i>							

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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 Board on the proposal of the Board.

27.5 Provided it appears from an interim statement of assets signed by the Board that the requirements of Article 27.8 concerning the Company's equity has been fulfilled, the Board may make one or more 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 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 or expense of reserves, provided that the Board is designated by the General Meeting pursuant to Article 27.8 to 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 of Directors, and thereafter each amendment of the policy on reserves and dividends, shall be discussed and approved by the Board of Directors 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-up capital, increased by the reserves which must be kept by virtue of the law or the articles of the Company or these of the Association.

27.9 All distributions may be made in another currency than euro.

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PROPOSED PROFIT APPROPRIATION

JDE Peet's' Board proposes to pay a dividend of EUR 0.70 per share in cash related to FY 23. The dividend will be paid in two instalments of EUR 0.35 each. The first payment date will be on Friday 12 July 2024, with the ex-dividend date on Monday 8 July 2024 and the record date on Tuesday 9 July 2024. The second payment date will be on Friday 24 January 2025, with the ex-dividend date on Monday 20 January 2025 and the record date on Tuesday 21 January 2025. The dividend proposal is subject to approval by the Annual General Meeting of Shareholders to be held on Thursday 30 May 2024.

INDEPENDENT AUDITOR'S REPORT

To the shareholders and the Board of JDE Peet's N.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 INCLUDED IN THE 2023 ANNUAL REPORT

We have audited the financial statements for the year ended 31 December 2023 of JDE Peet's N.V., based in Amsterdam, the Netherlands. The financial statements comprise the consolidated financial statements and the company financial statements.

OUR OPINION

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 2023, and of its result and its cash flows for 2023 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) 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 2023, and of its result for 2023 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 2023.
2. The following statements for the year ended 31 December 2023: 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 2023.
2. The Company Income Statement for the year ended 31 December 2023.
3. The Notes comprising a summary of the significant 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, 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 for statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta), Audit firms the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO), Code of Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels van accountants (Vergoeding) and the Dutch Code of Ethics).

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 the context of the following information in support of our opinion was addressed in this context, we provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole (2022: EUR 61 million). The materiality is based on 6.5% of normalized profit before tax (2022: EUR 925 million) (2023: EUR 185 million) before tax. In this respect, 2023 profit before tax was normalized for the EUR 185 million impairment against the Jacobs brand intangible asset (Note 1.6). We have also taken into account misstatements and misstatements that in our opinion are material for the users of the financial statements for qualitative

Audits of group entities (components) were performed using materiality levels determined by the judgment of the group engagement team, having regard to the materiality of the consolidated financial statements. Component materiality did not exceed EUR 25 million (2022: EUR 32 million) and for the majority of the components was significantly less than this amount.

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We agreed with the Board that misstatements in excess of EUR 2.4 million (2022: EUR 3.0 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. 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 are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for the group entities (components). Decisive were size and/or risk profile of the components. On this basis, we selected components for which an audit had to be carried out on the complete set of financial information or specific items. Our group audit mainly focused on significant group entities. Our assessment of entities that are significant to the group 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. In establishing the overall group audit strategy and plan, we determined the type of work that needed to be performed at the components by the group engagement team and by the component auditors. We responded to changes relevant to the group in 2023 in determining the components in our scope and the nature of procedures to be performed. Such components included the company's operations in Brazil, France, Germany, United Kingdom, Russia and the United States. We have performed audit procedures ourselves at JDE Peet's N.V. corporate entities and operations in the Netherlands. Furthermore, we performed audit procedures at group level on areas such as the group consolidation, financial statement disclosures, impairment testing for goodwill and other intangible assets, group accounting for treasury, group accounting for specific material deferred tax balances, share-based payments, and critical accounting positions subject to management estimates. Specialists were involved, amongst others, in areas such as ESG, treasury, information technology, tax, accounting, pensions and valuations. 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.										
Where the work was performed by component auditors, we developed a plan for overseeing each component audit team based on its relative significance and specific risk characteristics. Our oversight procedures included remote working paper reviews for, amongst others, the majority of the components listed above, hot calls, attending meetings and reviewing component audit team deliverables to gain sufficient understanding of the components. The nature, timing and extent of our oversight procedures varied based on both quantitative and qualitative grounds.										
The scope of component auditors comprised of full-scope audits and audits of specified account balances of transactions, the coverages achieved in our audit our outlined in the table below:										
<table><tr><td>Audit coverage of consolidated revenues</td></tr><tr><td>Audit coverage of consolidated operating profit</td></tr><tr><td>Audit coverage of consolidated total assets</td></tr></table>								Audit coverage of consolidated revenues	Audit coverage of consolidated operating profit	Audit coverage of consolidated total assets
Audit coverage of consolidated revenues										
Audit coverage of consolidated operating profit										
Audit coverage of consolidated total assets										
For the remaining entities, we performed a combination of specific audit procedures and analytical procedures. We identified the risks of material misstatement for significant account balances, classes of transactions and disclosures that we have identified. By performing the procedures mentioned above at group entities, together with additional procedures, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information and to express an opinion on the consolidated financial statements.										
Audit approach fraud risks We identified and assessed the risks of material misstatements of the financial statements due to fraud. We obtained an understanding of the entity 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. We monitored the system of internal control and how the board exercises oversight, as well as the outcome of the risk management section of the annual report for management's fraud risk assessment.										

Arsoy Group Regnskapsrapport 2023 for 9512846

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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, bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due fraud is present. The presumed significant risk on revenue recognition has been rebutted. The revenues of JDE Peet's N.V. are diversified in nature across the locations in which the group operates, and average revenues per transaction are relatively low. Sales incentives and marketing accruals exist within the revenue recognition of the group as disclosed in <u>Note 2.2</u>; there remains limited estimation uncertainty associated with these balances at the reporting date. 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 entity, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting.							
Other fraud risks identified We evaluated whether the judgements and decisions made by management in making the accounting included in the financial statements indicate a possible bias that may represent a risk of material misstatement. Management insights, estimates and assumptions that might have a major impact on the financial statements are disclosed in <u>Note 1.2</u> of the financial statements. We performed a retrospective review of management's assumptions related to significant accounting estimates reflected in prior year financial statements. In the absence of intangible and fixed assets is a significant area to our audit as the determination whether these assets are at more than their recoverable amounts is subject to significant management judgement. We identified risks with respect to JDE Peet's N.V. financial reporting in the areas of: • Goodwill and other intangible assets annual impairment assessment; and • The impairment recognized against the Jacobs brand intangible asset as a result of the withdrawal from Russia; and • 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 procedures we performed to address these risks as part of our audit. For significant transactions, we evaluated whether the business rationale of the transactions suggests that they have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets. Audit approach compliance with laws and regulations We assessed the laws and regulations relevant to the entity through discussion with amongst others Group Legal Counsel, reading minutes of board meetings, reports of internal audit and discussions with internal audit teams. We differentiate our audit approach between two categories: • Rules and regulations that directly impact the financial reporting • Rules and regulations that indirectly may have material impact on the financial statements In the first category, we considered adherence to (corporate) tax and pension laws and financial reporting standards including the requirements under International Financial Reporting Standards as adopted by the European Union (IFRS) and Part 9 of Book 2 of the Dutch Civil Code. These directly impact the financial statements and are therefore included in our audit.							

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Our key audit matters Key audit matters are those matters that, in our professional judgement, were of most significance in the preparation of the financial statements. We have communicated the key audit matters to the Board. The key audit matters are a comprehensive reflection of all matters discussed. In the prior year a key audit matter relating to Goodwill associated with the Out-of-Home segment was identified. The assessment of goodwill impairment at the lowest level at which goodwill is recorded requires significant judgement and management purposes, and not be larger than an operating segment. JDE Peet's N.V. performs its impairment assessment at an operating segment level. As a result of the combination of the CPG Europe and Out-of-Home segments into one European segment ("Europe") (Note 2.1), JDE Peet's N.V. no longer performs an assessment at the level of the legacy Out-of-Home segment. We have obtained an understanding of the impact of the merger of the CPG Europe and Out-of-Home segments, and substantiated whether the internal management structure of the company is appropriate for the result of the merger. We have performed procedures including inspecting management reporting packages, the Chief Operating Decision Maker ("CODM"), evaluating changes to the organizational structure of the company, and substantiating expenses associated with the restructuring, and modifications to the structure of the company during the periods. As a result of the above we have not identified a key audit matter with respect to uncertainty associated with cashflows of the Out-of-Home segment.							
We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements. In the second category, we considered 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 imposed fines or litigation. Examples of such other laws and regulations are those relating to anti-bribery and corruption, competition and data privacy laws, human rights and sanctions associated with the war in Ukraine. Our procedures are more limited with respect to 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 however be fundamental to the operating aspects of the business, to JDE Peet's N.V. ability to continue its business, or to avoid material penalties and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility for these matters that indirectly impact the financial statement is limited to: i. inquiry with management, those charged with governance, group legal counsel, internal audit and others within JDE Peet's N.V.'s as to whether the JDE Peet's N.V. is in compliance with such laws and regulations; ii. inspecting correspondence with the 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.							

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Goodwill and Other Intangible Assets Impairment Analysis - Significant Estimates and Judgements							
Key audit matter							
As per December 31, 2023, the Group's balance sheet includes EUR 12,300 million of goodwill (2022: EUR 12,366 million) and EUR 4,417 million of other intangible assets (2022: EUR 4,718 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 663 million (2022: EUR 673 million). As disclosed in Note 3.3, management performs an annual impairment test on goodwill and indefinite lived brands and trademarks. The annual goodwill impairment test includes a variety of factors that require significant management judgement for both key valuation assumptions (e.g. discount rates and long-term growth rate) and business assumptions (e.g. forecasted revenue and operating results). IAS 36 requires that goodwill is tested annually for impairment at the lowest level at which goodwill is monitored for internal management purposes, and not be larger than an operating segment. Due to the volatility and uncertainty as a result of the ongoing war in Ukraine, there is an increased level of estimation associated with the Russian country-risk premium. Being an important driver of the discount rate, this Russian country-risk premium increases the sensitivity of the 2023 impairment assessment of the LARMEA segment. We note that a change in conclusion of control of JDE Peet's N.V.'s Russian operations would also impact our assessment. Refer to separate key audit matter below.							
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 approval controls regarding management's annual impairment test (including their use of third-party 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 for the 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 applied; this evaluation included benchmarking against independent external peers in the industry. We paid specific attention to the sensitivity of possible outcomes of the valuation assumptions. We evaluated various alternative scenarios addressing underlying uncertainties. Throughout our procedures (and until the date of the financial statements) we have maintained a level of professional skepticism by, for example, remaining alert for indications of contradictory information, amongst others, retrospective assessments. We have also assessed the adequacy of the company's disclosure Note 3.2 in the JDE Peet's N.V.'s consolidated financial statements related to the impairment assessment, including whether the assumptions have been appropriately disclosed. Note 1.6 of the financial statements and assumptions coming into effect from 20 June 2024 that may affect JDE Peet's N.V.'s EU sanctions regarding control of its Russian operations in the financial year 2024 onwards thereby the future cashflows in the LARMEA segment. We observe that the annual test of goodwill was conducted in line with the requirements in the framework. The estimated recoverable amount for the LARMEA segment is negatively impacted by the segment WACC rates which remained higher in 2023 than in the period prior to 2023. Based on our procedures we have not identified any reportable matters. We have communicated the outcome of our procedures to those charged with governance.							

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The impairment recognized against the Jacobs brand intangible asset as a result of the withdrawal of the brand from Russia – Significant Estimates and Judgements							
Key audit matter							
As per December 31, 2023, the Group's balance sheet includes an intangible asset of EUR 1,048 million (2022 EUR 1,233) associated with the Jacobs brand.							
As disclosed in Note 1.6 and 3.3, in June 2023 the company announced its decision to transition the international Jacobs brand in the Russian market to Monarch.							
In line with IAS 36.10 and IAS 36.12, the company has assessed this decision to be an indicator for an impairment, triggering a reassessment of the recoverable value of the Jacobs intangible asset. This led to an impairment of EUR 185 million in the first half year of 2023, which has been recorded in the Russian CGU as part of the LARMEA segment.							
The impairment assessment performed in June 2023, includes a variety of factors that require significant management judgement, for both key valuation assumptions (e.g. discount rates, long term growth rates and royalty rates) and business assumptions (e.g. revenue and operating results).							
The impairment recognized against the Jacobs brand intangible asset as a result of the withdrawal of the brand from Russia – 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 approval controls regarding management's Jacobs' impairment test (including their use of third party 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 business and valuation methodologies applied and the data used by the company.							
We have engaged internal valuation specialists to assist us in evaluating the discount growth rates and royalty rates applied; this evaluation included benchmarking against third party information.							
In relation to the business assumptions, we have evaluated management's judgement related to forecasted cashflows of the Jacobs brand by comparing the business assumptions to performance, future outlooks, analyst reports and market outlook, and other relevant information.							
Furthermore, we have assessed whether there has been an indication for an impairment of the Jacobs trademark as per the annual impairment test on September 30, 2023, by evaluating the business assumptions applied in the impairment test.							
Throughout our procedures (and until the date of the financial statements) we have maintained a level of professional skepticism by, for example, remaining alert for indications of management bias, including, amongst other, retrospective assessments.							
We have also assessed the adequacy of the company's disclosure in Notes 1.6 and 3.3, and the consolidated financial statements related to the impairment assessment, including the sensitivity and assumptions have been appropriately disclosed.							
Based on our procedures performed and our assessment of the disclosures made, we have concluded that the disclosures are appropriate and sufficient to provide a true and fair view of the financial position and performance of the company, without material misstatements related to the Jacobs impairment.							
We have communicated the outcome of our procedures to those charged with governance.							

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
JDE Peet's N.V. assessment of continued control of its Russian operations – Significant Judgement							
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.							
In the year ended 31 December 2023, 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 amounts to 5% 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							
We have inspected the company's evaluation of the requirements of IFRS 10, with special attention to those elements of control as required by the reporting framework. The timing of our procedures 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 including group management's interactions with local Russian management teams and interactions on the activity of the Russian business.							
We have made specific inquiries with the company internal and external legal counsel Group's continued exposure, or rights, to variable returns and the impact from evolving inquiries included consideration of the company's ability to obtain dividends from Russian subsidiaries and of relevant sanctions.							
The procedures performed centrally have been supported by collaboration with the Russian subsidiaries and the auditor.							
Throughout our procedures we have maintained a high level of professional scepticism and a remaining alert for indications of contradictory evidence.							
We have also assessed the adequacy of the company's disclosure in Notes 1.2 and 1.3 to 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 company's assessment of the impact of the Russian sanctions on its financial position. The company has highlighted that certain aspects of the Russian sanctions may affect JDE Peet's N.V.'s assessment regarding control of its Russian operations for the financial year 2024 onwards.							
Based on our procedures performed and our assessment of the disclosures made, we are of the opinion that the company's procedures are deemed appropriate and sufficient to provide assurance that the financial statements are free from material misstatements of JDE Peet's N.V. operations related to control over the Russian operations of JDE Peet's N.V.							
Observation							
We have communicated the outcome of our procedures to those charged with governance.							

REPORT ON THE OTHER INFORMATION INCLUDED IN THE 2023 ANNUAL REPORT

In addition to the financial statements and our auditor's report thereon, the 2023 annual accounts contain other information.

The other information consists of:

- Management Board's Report as defined in section Reporting frameworks and legal disclosures 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 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.

Management is responsible for the preparation of the other information, including the Management Board's 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

Engagement

We were engaged by the shareholders as auditor of JDE Peet's N.V. on May 25, 2020, as of the audit ended 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 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 Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report, prepared in XHTML format, including the (partly) marked-up consolidated statements, as included in the reporting package by JDE Peet's N.V. complies in all material aspects with the 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 regard complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3600N 'Assessment of the reliability of digital reporting' (Assessment of the reliability of digital reporting) (as amended) and the criteria for digital reporting engagements relating to compliance with criteria for digital reporting.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
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 Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as 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 is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management 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 assignment 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 material errors and fraud during our audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they 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 misstatements on our opinion. We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements included, amongst 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 due to 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. • Concluding on the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements, 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, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the 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.							

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 examined selected key performance indicators (further: "KPIs"), as described below, and presented as part of the sustainability report as stated in the Basis of preparation section in the accompanying Annual Report for the year 2023 of JDE Peet's N.V. based in Amsterdam. A review is aimed at obtaining a limited level of assurance.

Based on our procedures performed nothing has come to our attention that causes us to believe that the KPIs are not prepared, in all material respects, in accordance with the reporting criteria as included in the section 'Reporting Criteria' of our report.

The scope of our review was to provide limited assurance on the following KPIs for the year 2023 as disclosed in the Basis of preparation section in the Annual Report, namely:

Common Ground Pillar	KPI name
Responsible Sourcing	1. % of responsible sourced green coffee
	2. % of responsibly sourced tea
	3. % of responsibly sourced palm oil
	4. % of deforestation-free virgin pulp & paper
Minimising Footprint	5. Number of new smallholder farmers reached in 2023
	6. Packaging Intensity
	7. % of packaging components designed to be reusable, recyclable, or compostable
	8. % of (absolute) reduction of scope 1 & 2 GHG emissions
Connecting People	9. Absolute Scope 3 emissions (in tCO2e)
	10. % of water intensity reduction
	11. Maintain waste to landfill under 1 %
	12. % of women in leadership positions
	13. % of manufacturing facilities with food-safety certifications
	14. Total Recordable Incidents Rate
	15. Voluntary turnover rate in leadership positions

The information in scope of this assurance report needs to be read and understood in conjunction with the Preparation of non-financial indicators as included in the Annual Report 2023 in the Reporting period Data quality and Basis of preparation sections.

Basis for our conclusion

We have performed our examination in accordance with Dutch law, including Dutch Standard 3000A opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie' engagements other than audits or reviews of historical financial information). This engagement is aimed at limited assurance. Our responsibilities under this standard are further described in the 'Our responsibilities examination of the KPIs' section of our report.

We are independent of JDE Peet's N.V. in accordance with the 'Verordening inzake de onafhankelijk accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation independence) and other relevant independence regulations in The Netherlands. This includes that v any activities that could result in a conflict of interest with our independent assurance engagement. have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of conduct).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a conclusion.

Reporting criteria

The reporting criteria used for the preparation of the KPIs are disclosed in the annual report sections period and scoping, Data quality and Basis of preparation. The comparability of KPIs between entities may be affected by the absence of an uniform practice on which to draw, to evaluate and measure t This allows for the application of different, but acceptable, measurement techniques.

Consequently, the KPIs need to be read and understood together with the reporting criteria used.

Limitations to the scope of our review

The sustainability information includes prospective information such as ambitions, strategy, plans, e estimates. Inherent to this prospective information is future results which are uncertain. We do not p assurance on the assumptions and achievability of prospective information in the sustainability information.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
In the sustainability information, the calculations to determine KPIs are partly based on assumptions and sources from third parties. The assumptions and sources used are disclosed in the <u>Basis of preparation</u> section of the annual report. We have reviewed that these assumptions and external sources are appropriate, but we have not performed procedures on the content of these assumptions and external sources. Also we note that in accordance with the reporting criteria we evaluate whether compliance of a KPI is substantiated by either a third-party verification or other information provided by third parties for example evidenced by a certificate or confirmation (together: "third party info"). For example, in the <u>Basis of preparation</u> section, the Company highlights that the basis of preparation is reliant on confirmations from suppliers that individual materials supplied fall under FSC and PEFC certification schemes. We have not performed any procedures on the objectivity or competence of the third party or its processes underpinning this third party info. The references to external sources or websites in the sustainability information 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 to these matters.							
Responsibilities of the Board for the KPIs The Board of the Company is responsible for the preparation of the KPIs in accordance with the reporting criteria included in the 'Reporting Criteria' section, including the identification of the intended users and the material matters. The Board is also responsible for selecting and applying the reporting criteria and these reporting criteria are suitable for the legitimate information needs of stakeholders, taking into account the law and regulations related to reporting. The choices made by the Board regarding the scope of the reporting policy are summarised in the <u>Reporting period and scoping</u>, <u>Data quality and Basis of preparation</u> of the annual report. Furthermore, the Board is responsible for such internal control as it determines is necessary to enable the Company to provide reliable financial information, and to prevent and detect fraud or errors. The Board is responsible for overseeing the reporting process of JDE Peet's N.V. Our responsibilities for the review of the KPIs Our responsibility is to plan and perform the limited assurance assignment in a manner that allows us to obtain sufficient and appropriate evidence for our conclusion. Procedures performed to obtain a limited level of assurance are aimed to determine the plausibility of the sustainability information, and are less in extent, than for a reasonable assurance engagement. Assurance obtained in review is therefore substantially less than the assurance obtained in an audit. We apply the 'Nadere voorschriften kwaliteitssystemen' (NVKS, Regulations for quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations. We have exercised professional judgement and have maintained professional scepticism throughout the assignment in accordance with the Dutch Standard 3000A, ethical requirements and independence requirements.							

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
Our review included among others:							
- Performing an analysis of the external environment and obtaining an understanding of relevant social themes and issues, and the characteristics of the company including a media search to identify relevant risks and issues within the scope of the assurance engagement during the reporting period. - Evaluating the appropriateness of the reporting criteria used, their consistent application and related disclosures for the KPIs. This includes the evaluation of the results of the stakeholders' dialogue and the reasonableness of estimates made by the Executive board. - Obtaining through inquiries a general understanding of the control environment, processes and information systems relevant to the preparation of the KPIs, but not to obtain assurance evidence about their implementation or their operating effectiveness. - Identifying areas of KPIs with a higher risk of misleading or unbalanced information or material misstatements, whether due to errors of fraud. Designing and performing further assurance procedures aimed at determining the plausibility of the sustainability information responsive to this risk analysis. These procedures consisted, amongst others, of: - interviewing management responsible for the sustainability strategy, policy and results; - interviewing relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data for the KPIs; - obtaining assurance information that the sustainability information reconciles with underlying records of the company; - reviewing, on a limited test basis, relevant internal and external documentation; - performing an analytical review of the data and trends. - Evaluating the consistency of the KPIs with the information in the annual report which is not included in the scope of our review. - Evaluating the presentation, structure and content of the sustainability data; - Considering whether the sustainability information as a whole, including the disclosures, reflects the purpose of the reporting criteria used.							
We communicate with the Board regarding, among other matters, the planned scope and timing of our review.							
Amsterdam, March 6, 2024							
Deloitte Accountants B.V.							
Signed on the original: M.J. van der Vegte							

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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

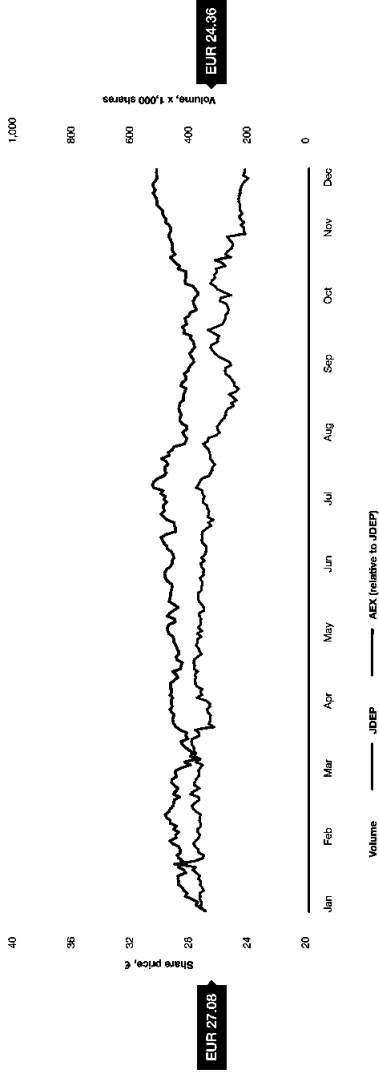
JDE Peet's was listed and began trading on the Euronext Amsterdam stock exchange on 29 May 2014 under the name "JDEP" and ISIN code NL0014332678. Options on JDE Peet's ordinary shares began trading on the Exchange in Amsterdam (Euronext.Liffe) on 14 August 2020. JDE Peet's is included in various indices including the MSCI Standard Developed Europe index, the STOXX index, and the Euronext AMX midcap index.

On 31 December 2022, the total number of issued ordinary shares in the share capital of JDE Peet's was 502,745,857. On 28 July 2023, the company cancelled 15.3 million of its treasury shares. As a result, the number of issued ordinary shares in the share capital of JDE Peet's amounted to 487,445,857 on 31 December 2023.

On 31 December 2023, Acorn Holdings B.V. held 287,981,738 ordinary shares, and Mondelez International Netherlands B.V. held 85,876,095 ordinary shares of the company's total shares outstanding. These shares together represented 77% of the company's total shares outstanding, resulting in a free float of 23% on 31 December 2023. These percentages are regularly updated 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 interest of 3% or more in JDE Peet's, to disclose such to the Netherlands Authority for the Financial Markets (AFM) processes these disclosures in its publicly available register, which can be found at www.afm.nl/nl/disclosure. JDE Peet's is also included in the AFM's list of companies with (potential) capital interest of 3% or more were Agnaten SE, Lucreca SE, Mondelez International Inc. and Mawer Investment Management Ltd.

The following graph depicts the evolution of JDE Peet's' share price and volumes traded since the start of 2023.



The average daily trading volume in JDE Peet's' shares at Euronext Amsterdam in 2023 was 245,572 shares, compared to 309,466 shares in 2022.

On the basis of a total number of issued ordinary shares of 487,445,857 and the closing share price on 31 December 2023 of EUR 24.36, JDE Peet's' market capitalisation was EUR 11.9 billion at the end of 2023.

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 financial flexibility, and returns. It is on the foundation of these principles that JDE Peet's establishes capital allocation priorities, in decreasing order of importance:

- 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 areas, and the company's talent, which are crucial to support the long-term growth and health of its businesses.
- Deleveraging** — JDE Peet's targets an optimal leverage of around 2.5 times net-debt to adjusted EBITDA. In 2019, the company has significantly reduced its debt level. At the end of 2023, the company's leverage was around 2.73 times net debt to adjusted EBITDA.
- Inorganic growth opportunities** — JDE Peet's continues to consider inorganic opportunities, such as partnerships, as part of the company's growth agenda. However, while JDE Peet's' leverage is a key consideration, the company will not prioritise transformational cash or debt-funded inorganic growth opportunities.
- Return of cash to shareholders through dividends** — JDE Peet's expects its excess cash to be used for shareholder remuneration by aiming for a stable or increasing dividend per share, while the pace by the company's capital allocation priorities. More information on dividends can be found in the dividend policy below.
- Share repurchases** — JDE Peet's will not consider share repurchases while the company's leverage is above the optimal level of around 2.5 times. JDE Peet's will assess market dynamics while managing its capital allocation policy.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
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 pay a dividend of EUR 0.70 per share in cash related to 2023. The dividend will be paid in two instalments of EUR 0.35 each. The first payment date will be on Friday 12 July 2024, with the ex-dividend date on Monday 8 July 2024 and the record date on Tuesday 9 July 2024. The second payment date will be on Friday 24 January 2025, with the ex-dividend date on Monday 20 January 2025 and the record date on Tuesday 21 January 2025. The dividend proposal is subject to approval by the Annual General Meeting of Shareholders to be held on Thursday 30 May 2024. 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 2024							
The AGM is scheduled for Thursday 30 May 2024. The agenda and the explanatory notes to the agenda will be published on the company's corporate website. FINANCIAL CALENDAR 2024 and 2025							
Annual General Meeting of Shareholders							
Ex-dividend date (first instalment)							
Dividend record date (first instalment)							
Dividend payment date (first instalment)							
First-half results 2024							
Ex-dividend date (second instalment)							
Dividend record date (second instalment)							
Dividend payment date (second instalment)							

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information

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 2023, JDE Peet's was covered by 13 equity analysts. The analysts' names and consensus estimates can also be found on the website.

CONTACT

Shareholders, investors and equity 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

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.
- **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 nonprofit that provides sustainability assurance for the coffee industry.
- **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.
- **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.
- **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:** an international cross-sectoral, action-oriented business coalition on biodiversity focus on agriculture.
- **Out-of-Home:** coffee & tea products for consumption outside of the home (e.g. away-from-home coffee solutions).
- **Pay equity-gap:** The average difference in the pay of all men and all women account factors such as the level of education, pay differences by work location.
- **Playbooks:** we use playbooks across the value chain and they contain processes, policies and procedures relevant to specific divisions.
- **Rainforest Alliance:** an international non-profit governmental organisation working towards a sustainable world by using social and environmental standards to protect nature and improve the lives of forest communities.
- **Ready-to-drink:** beverages that are pre-prepared form, ready for consumption by consumers.

JDE Peet's N.V. Annual Report 2023	JDE Peet's at a glance	Introduction	Strategy and value creation	Performance review and outlook	Governance and risk management	Financial statements	Supplementary information
• Responsibly sourced green coffee⁸⁷: 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 oil⁸⁷: Direct responsibly sourced palm oil refers to the purchased palm oil with Roundtable on Sustainable Palm Oil (RSPO) certification. • Responsibly sourced tea⁸⁷: Responsibly sourced tea (<i>Camellia sinensis</i>) and rooibos (<i>Aspalathus linearis</i>) 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. These third parties may include, but are not limited to, Rainforest Alliance/UTZ, Fairtrade, ETP, Enveritas, etc. • 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: Safety, Health and Environmental Expert.. • 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)		

⁸⁷ 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.

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Introduction

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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
- 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: The 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
- 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
- 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 financial income and expense:** Adjusted financial income and expense is defined as financial income and expense, adjusted for the effect of non-recurring items such as the settlement benefits of

the derivatives related to the legacy financing structure in 2022.

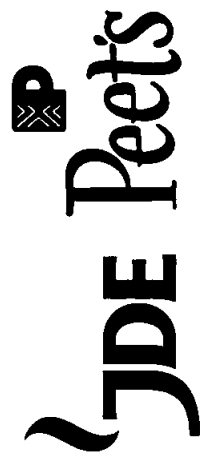
- **Free cash flow:** Free cash flow is defined as net cash provided by operating activities less purchases of property, plant and equipment and intangible assets.
- **Net debt:** Net debt is defined as total borrowings less cash and cash equivalents, excluding cash not at the free disposal of the Company.
- **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, divestitures and new business ventures) and other items. To determine organic 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, divestitures and new business ventures) 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, divestitures and new business ventures) 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 effect of adjusting items.

- **Underlying income tax expense:** income tax expense is determined as tax expense normalised for the tax reserves, audit adjustments, revenue recognised deferred tax assets and adjusting items.
- **Underlying profit:** Underlying profit is defined as adjusted EBIT for the period including financial income and expenses, adjusted for the effect of tax reserves, audit adjustments and effect of adjusting items.



A COFFEE & TEA FOR EVERY CUP

