



JDE PEET'S

# SUPPLIER CODE OF CONDUCT

31 October 2023

## BACKGROUND

JDE Peet's N.V. and its affiliated companies ("JDE Peet's") are committed to high standards of social and environmental responsibility and ethical conduct.

Responsible and ethical business practices in our supply chains improve our products, allow us to enjoy long-term sustainable and mutually-beneficial relationships with our suppliers and minimise adverse environmental and social impacts associated with the goods and services sourced by JDE Peet's. We expect our Suppliers to adhere to the policies, principles, standards, and requirements set out in this JDE Peet's Supplier Code of Conduct ("Code").

This Code is informed by the International Bill of Human Rights, the principles set forth in the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights and JDE Peet's Human Rights Policy.

## SCOPE

All Suppliers, defined as a person or organisation with whom JDE Peet's has active and direct commercial relationships for the supply of goods or services, are expected to comply with this Code. This Code applies to Supplier's officers, directors, employees, third-party contractors, subcontractors, and temporary and migrant workers.

JDE Peet's expects its Suppliers to support our commitment to responsible and ethical business practices and compliance with this Code by developing and implementing similar standards, policies and risk-based due diligence process over their own operations and supply chain. This Code is intended to enable Suppliers to understand what is expected from them and JDE Peet's' minimum standards for responsible and ethical business practices.

If this Code establishes a higher standard than is required by applicable law, JDE Peet's expects its Suppliers to apply the relevant standard set out in this Code. Where adherence to this Code could lead to a conflict with or a violation of applicable laws or regulations, the Supplier should notify JDE Peet's and explain how it intends to operate in a responsible and ethical manner.

## PRODUCT-SPECIFIC POLICIES & PRINCIPLES

As a global operating company that procures a variety of diverse products and services, we have created this Code to describe the overarching requirements across all Suppliers and supply chain types.

For certain supply chains, we also specify product-specific responsible sourcing policies or principles that provide additional standards and requirements to ensure compliance, such as for coffee, tea, and palm oil ("Product-Specific Principles"). These are made publicly available on JDE Peet's website ([Policies | JDE Peet's \(jdepeets.com\)](https://www.jdepeets.com/policies)). This Code and the Product-Specific Principles should always be read in conjunction with one another. In case of deviations or contradictions between this Code and the Product-Specific Principles, the Product-Specific Principles shall prevail. In the absence of a Product-Specific Principles for a Supplier's specific supply chain type and tier, this Code shall apply.

The Product-Specific Principles, and the standards included therein, are regularly reviewed by JDE Peet's and may be supplemented or changed over time.

## BUSINESS ETHICS

### **Compliance with Laws**

Suppliers must comply with applicable laws and regulations in the jurisdictions in which they operate. Suppliers must also comply with other applicable international laws and regulations, including without limitation those relating to international trade, embargoes, sanctions, and export controls.



### **Competition Law**

Suppliers must conduct their business in compliance with applicable competition and anti-trust laws, in particular with respect to:

- Price fixing
- Bid rigging
- Division of territories or customers
- Tying and bundling of products
- Abuse of dominant market position.

### **Bribery, Corruption**

All forms of bribery, kickbacks, and corrupt practices are prohibited, and Suppliers must have a zero-tolerance policy that prohibits any such behaviour. Suppliers may not take any action that would violate, or cause JDE Peet's to violate, any applicable anti-bribery law or regulation. Suppliers must maintain their own policies and adequate procedures to ensure compliance with applicable anti-bribery and corruption laws, this Code, any other applicable policies of JDE Peet's or its subsidiaries with which the Supplier has a commercial relationship and ensure implementation and enforcement of such policies and procedures.

### **Gifts, Hospitality, Entertainment**

Any business entertainment or hospitality involving JDE Peet's employees must be reasonable and customary under the circumstances of the relationship and not be intended to influence the business decisions of JDE Peet's.

### **Sanctions, Export Controls**

Suppliers must comply with all applicable international sanctions and export controls, including measures issued by the United Nations and sanctions regulations issued by the European Union, the United Kingdom, and the United States of America to the extent that such sanctions regulations are applicable to them. Suppliers shall promptly notify JDE Peet's in writing if they become subject to any investigation or enforcement action by governmental authorities in respect of sanctions.

### **Money laundering**

Suppliers must perform all business and commercial dealings transparently and record them accurately in their books and records in accordance with applicable laws and accounting standards. A Supplier may not engage in or facilitate any form of money laundering.

### **Conflicts of interest**

A "conflict of interest" refers to situations where personal interests and activities of our employees may potentially represent a conflict with those of JDE Peet's. Suppliers will declare any conflict of interest in any business dealings with JDE Peet's and will actively seek to avoid such conflicts.

### **Confidential Information, Intellectual Property**

JDE Peet's confidential information and intellectual property must be safeguarded and must not be shared with any third party unless expressly permitted by JDE Peet's in writing. Any transfer of confidential information of JDE Peet's which is permitted by JDE Peet's in writing must be made in a way that protects JDE Peet's intellectual property rights.

### **Data Privacy, Data Protection**

Suppliers must comply with all applicable privacy, data protection and information security laws and regulations, as well as all applicable industry standards and best practices for the collection, transmission, and use of consumer and/or employee information and confidential business data. At JDE Peet's' request, Suppliers must promptly provide information about their security programs or policies related to the handling, protection, disposal, or other processing of such data. JDE Peet's shall have the right to audit a Supplier's security infrastructure, policies, and practices to confirm compliance with this paragraph.

### **Animal Welfare**

Suppliers shall comply with JDE Peet's Animal Welfare Policy which is publicly available at JDE Peet's website.

### **No Insider Dealing**

All business, commercial and financial information regarding JDE Peet's and its business partners must be treated confidentially and may not be used as a basis for purchasing or selling or entering into any transaction with respect to any shares or other securities issued by JDE Peet's. Likewise, providing such inside information to any other person or organization who uses such information in connection with the purchase or sale of shares or securities – a practice known as "tipping" – is prohibited.

## **HUMAN RIGHTS**

### **Freely Chosen Employment**

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

- Suppliers must ensure that all work must be voluntary, and workers must be free to resign "at-will."



- Suppliers shall not unreasonably restrict workers' freedom of movement at the workplace or at Supplier or agent-provided housing.
- Suppliers must ensure that employment agreements with their employees comply with local laws, inform employees of their legal rights and employment conditions in a language understood by the employee, and be concluded before work has commenced. If employment contracts are not legally required, workers shall, at the very least, be informed of the terms and conditions of their employment, in a language understood by them, prior to starting work.
- Suppliers and their agents may not hold or otherwise deny access by employees to their identity or immigration documents unless such holdings are required by law.
- Suppliers must ensure that workers do not pay recruitment fees or other related expenses for their employment. If it is discovered that workers have paid fees, the Supplier must ensure that the workers are repaid in full.

#### **Child Labour, Young Workers**

Child labour shall not be used. The term "child" refers to any person under the age of 15, or under the minimum age for employment in the country, whichever age is higher.

- All employment of young workers, including apprentices or vocational students, must comply with laws and regulations on the minimum working age and the compulsory age for schooling.
- Young worker protections must be in place (including for the children of farmers), so that young workers under the age of 18 do not experience work conditions that are mentally, physically, socially or morally dangerous or harmful, or that interfere with their schooling.
- A child may help at their family's business only if they perform light work and meet applicable legal requirements and the above requirements.

#### **Freedom of Association, Collective Bargaining**

Suppliers must respect workers' legal right to freedom of association and collective bargaining.

#### **Regular Employment Status**

Suppliers must ensure that work performed is based on a recognised employment relationship between the supplier and the worker. Obligations to employees under labour or social security laws and regulations arising from a regular employment relationship shall not be avoided through exploitive use of fixed-term employment contracts, sub-contracting or through apprenticeship schemes with no real intent to impart skills or provide regular employment.

#### **Wages and Benefits**

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

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

#### **Working Hours**

Workers shall not be required to work in excess of the working hours, overtime hours, and/or the number of working days per week specified by applicable laws and collective labour agreements.

- Rest days shall comply with legal requirements or, in the absence of such a requirement, workers shall be provided not less than one day off in seven. This may be amended in unusual or emergency circumstances with the consent of applicable workers.
- Overtime shall not be coerced and must be voluntary.

#### **Humane Treatment**

All workers are to be treated with respect and dignity and, therefore, JDE Peet's expects its Suppliers to prohibit any kind of harassment, intimidation, bullying or abuses of any employee, including through the threat of physical punishment or disciplinary action or physical, psychological, sexual, racial, or verbal abuse.

### **Discrimination**

Suppliers shall commit to a workforce which is free from discrimination.

- All employment decisions (including hiring, termination, compensation, promotion, and discipline) must be based exclusively on merit, ability and willingness to do the job.
- There shall be no discrimination based on race, colour, sex, national or social origin, religion, age, disability, sexual orientation, gender identity, marital status, political affiliation, pregnancy status, or past or present union affiliation. Suppliers are expected to protect the rights of women and ensure they are treated equally.
- Except where required by applicable laws or regulations or prudent for workplace safety, a Supplier shall not require pregnancy or medical tests and shall not discriminate based on such test results.

### **Respect for Community Rights to Land**

Suppliers shall respect the rights and titles to property and land and natural resources of individuals, indigenous peoples, and communities. Negotiations regarding property and land shall adhere to principles of free, prior and informed consent, as well as contract transparency and disclosure.

## **HEALTH AND SAFETY**

### **Working conditions**

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

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

### **Emergency Preparedness**

Potential emergency situations and events (such as fires, floods, earthquakes, and chemical exposures) should be identified and assessed, and their impact minimized, by implementing emergency plans and response procedures. In buildings, emergency exits must be unlocked and always unblocked.

### **Basic services**

Workers should always have access to potable drinking water and clean toilet facilities at the workplace and at any company- or third party-provided housing, as well as sanitary food preparation, storage, and consumption areas.

### **Accommodation**

Accommodation, where provided, should be clean, meet the basic needs of workers and comply with applicable laws. Accommodation should meet or exceed the basic levels afforded in the local community. Workers must have the freedom to enter and leave the work premises at will.

## **ENVIRONMENTAL SUSTAINABILITY**

JDE Peet's is mindful of its impact on our surrounding environment and aims to mitigate it. To this end, we implement responsible practices worldwide, striving to meet or exceed environmental laws and regulations. We seek to conserve resources, minimize waste, and valorise it where possible and make efficient use of water, energy, CO<sub>2</sub>, and raw materials. We expect our Suppliers to adopt similar standards.

### **Resource consumption, pollution prevention and waste minimization**

We expect Suppliers to conduct business as responsible business. Suppliers should optimize their consumption of natural resources, including energy, CO<sub>2</sub>, water and contribute to re-use and recycling of materials and products.

### **Environmental impact management and remediation**

We expect Suppliers to conduct their facilities and operations in a manner which reduces their environmental impact. As such, Suppliers are expected to measure and minimize the environmental impact of their facilities and operations, including air and greenhouse gas emissions, water (whether in a production process, for irrigation, or for other uses), contamination and waste.

### **Deforestation**

We expect Suppliers to ensure, in accordance with applicable deforestation laws, that products supplied, such as coffee, cocoa, and wood and derivatives (paper, pulp), to JDE Peet's do not contribute to the



loss of natural forest as a result of conversion to agriculture or other non-forest land use, conversion to a plantation forest or severe and sustained degradation.

#### **Hazardous materials, product safety**

Suppliers should identify and reduce the use of hazardous materials, chemicals, and substances. Suppliers should also ensure their safe handling, storage, and disposal. All relevant employees should be made aware of and trained in related safety procedures.

### **IMPACT ASSESSMENTS, AUDITS**

Products supplied to JDE Peet's must comply with applicable laws and regulations of the destination and, if requested, Suppliers must provide JDE Peet's with traceability information and due diligence undertaken.

JDE Peet's reserves the right to verify Suppliers' compliance with this Code through due diligence including self-assessments and audits or other monitoring activities. If Supplier is not able, fails or refuses to correct or remediate non-compliance with this Code within a specific timeframe, JDE Peet's may suspend or terminate the relationship.

### **SUPPLIER'S POLICIES, PROCESSES, PROCEDURES, GRIEVANCE MECHANISM**

Suppliers must develop and enforce policies and procedures to ensure compliance with this Code. This includes implementing this Code at the Supplier's own operations and requesting its own suppliers to comply with the standards of this Code, undertaking risk-based due diligence over their own operations and throughout their supply chain and taking appropriate remedial action, where necessary.

JDE Peet's also expects its Suppliers to keep and maintain transparent and accurate records to demonstrate compliance with applicable laws and this Code, which must be made freely available to JDE Peet's upon first request.

Suppliers should have systems in place, through their own operations and supply chain to enable fair grievance reporting by their employees, workers, and local communities with an adequate level of governance (including a non-retaliation policy and worker whistle blower protection) and follow-up in a fair and timely manner including remediation.

### **CONTINUOUS IMPROVEMENT AND REPORTING OF CONCERNS OR VIOLATIONS**

JDE Peet's expects Suppliers to continuously improve their performance in line with this Code.

Suppliers are encouraged to report any actual or suspected misconduct that involves or impacts JDE Peet's. In addition to Supplier's own internal reporting resources or grievance mechanisms, a Supplier is encouraged to report as follows:

- JDE Peet's' Supply Chain, Procurement or Coffee and Tea sourcing Departments
- The Compliance team at [Ethics.compliance@JDEcoffee.com](mailto:Ethics.compliance@JDEcoffee.com)
- Send letter by mail as follows: JDE Peet's N.V., Attn: General Counsel, Oosterdoksstraat 80, 1011 DK Amsterdam, the Netherlands or Peet's Coffee, Inc. Attn: General Counsel, 1400 Park Avenue, Emeryville, CA 94608, the US, or
- JDE Peet's Speak up line: <http://speakup.jdepeets.com>

The JDE Peet's Speak Up line is maintained by an independent third-party provider. It is available 24/7 online or by telephone in numerous languages to all of our Suppliers, including Supplier's employees and contractors.