



JDE PEET'S

GREEN COFFEE SUPPLY DUE DILIGENCE:

- HUMAN RIGHTS & ENVIRONMENTAL
- EU DEFORESTATION FREE REGULATION

FRAMEWORK

Category: Framework

Classification: Public
Effective date: November 2025

1. PURPOSE

The Green Coffee Human Rights & Environmental Due Diligence (HREDD) Process forms the foundation of JDE Peet's (JDEP) Responsible Sourcing Strategy. Aligned with the OECD [Due Diligence Guidance](#) for Responsible Business Conduct, this framework supports the JDEP broader alignment with the [EU Corporate Sustainability Due Diligence Directive \(CSDDD\)](#) to promote transparency, respect for human rights, and environmental protection.

This framework constitutes one element of JDE Peet's broader HREDD approach, which covers the entire value chain—including our own operations and non-coffee procurement—each governed by separate procedures. This document reflects our current practices as of November 2025.

Our process also incorporates requirements from:

- The EU Deforestation Regulation (EUDR), which aims to ensure that products placed on the EU market are deforestation-free;
- The Brazilian Ministry of Labour and Employment's "Dirty List", which identifies suppliers associated with labour violations;
- The EU Forced Labour Regulation (EU FLR), which prohibits products made with forced labour.

Applicability:

This framework applies to all JDE Peet's entities involved in sourcing green coffee.

2. SCOPE

- **HREDD process:** Applies to all JDE Peet's entities sourcing green coffee and is closely linked to our Coffee & Tea Sourcing processes.
- **EUDR process:** Applies to all JDE Peet's entities sourcing green coffee regulated by the EUDR. Goods originating from outside the EU that do not follow the "release for free circulation" import procedure are excluded from EUDR scope.

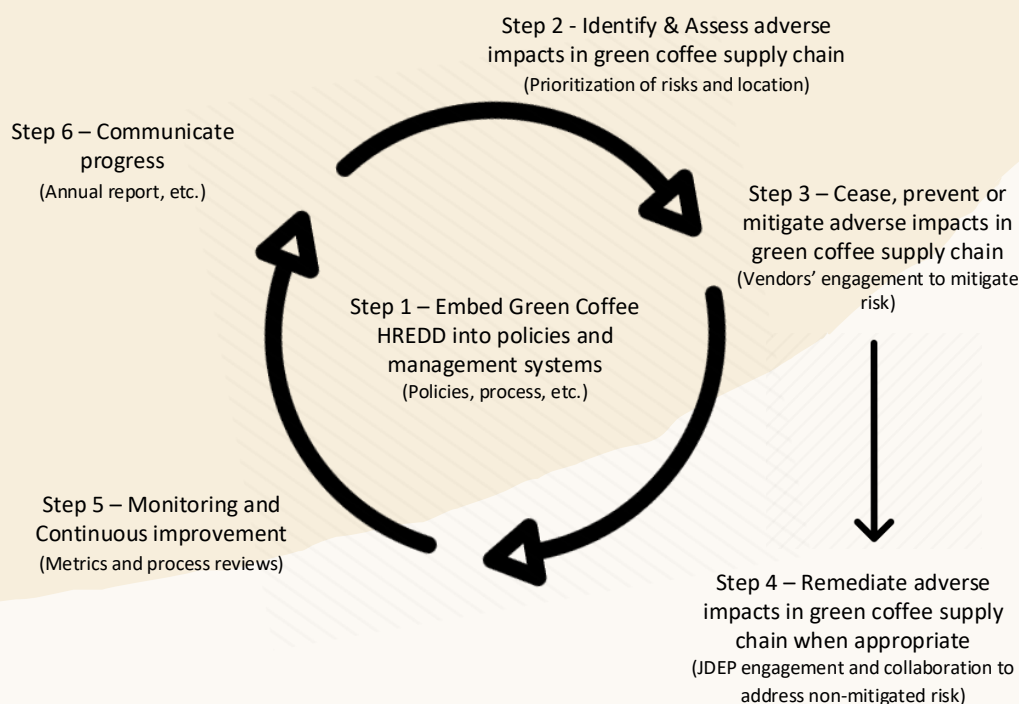
3. PRINCIPLES

The Green Coffee HREDD process is structured around the CSDDD and OECD due diligence frameworks, with JDEP's implementation steps mapped below.

OECD	EU CSDDD	JDEP HREDD
Embed responsible business conduct into policies & management systems	Integrate due diligence into policies	STEP 1 – Embed Green Coffee HREDD into policies and management systems
Identify & assess adverse impacts in operations, supply chains & business relationships	Identify actual or potential adverse human rights and environmental impacts	STEP 2 - Identify & Assess adverse impacts in green coffee supply chain
Cease, prevent or mitigate adverse impacts	Prevent or mitigate potential impacts Bring to an end or minimize actual impacts	STEP 3 – Cease, prevent or mitigate adverse impacts in green coffee supply chain
Provide for or cooperate in remediation when appropriate	Establish and maintain a complaints procedure	STEP 4 – Remediate adverse impacts in green coffee supply chain when appropriate
Track implementation and results	Monitor the effectiveness of the due diligence policy and measures	STEP 5 - Monitoring and Continuous improvement
Communicate how impacts are addressed	Publicly communicate on due diligence	STEP 6 – Communicate progress

4. GREEN COFFEE HREDD PROCESS

JDE Peet's Green Coffee HREDD process consists of six sequential steps:



4.1. Step 1 - Embed Green Coffee HREDD into Policies and Management Systems

We integrate human rights and environmental standards into our company policies, contracts, and management systems. Our approach is informed by regular risk assessments, including Double Materiality Assessment (DMA), to ensure that our efforts are focused on the most material topics for our business and stakeholders. All suppliers are expected to acknowledge and comply with our Codes of Conduct and Responsible Sourcing Principles, ensuring these standards are upheld throughout our supply chain.

4.2. Step 2 - Identify & Assess Adverse Impacts in the Green Coffee Supply Chain

We regularly assess our green coffee supply chain to identify and prioritise potential and actual risks related to human rights and the environment.

To support prioritisation, we use a range of data sources and indicators, including proxies such as child labour and forced labour incidence, water availability, deforestation rates, and poverty levels. These proxies help us focus our efforts on the most material risks, without narrowing the scope of our due diligence.

4.3. Step 3 – Cease, prevent or mitigate adverse impacts in green coffee supply chain

When risks are identified, we work with suppliers and partners to prevent or mitigate adverse impacts. Suppliers are evaluated on their approach to due diligence, and those operating in higher-risk regions or those that we consider strategic partners may be required to implement corrective action plans. Our approach is collaborative and aims to build supplier capacity for continuous improvement.

4.4. Step 4 – Remediate adverse impacts in green coffee supply chain when appropriate

If risks cannot be fully mitigated, we support remediation through engagement with suppliers, sector initiatives, and support programmes for farmers. We also maintain accessible grievance mechanisms, enabling stakeholders to raise concerns confidentially. Remediation actions are prioritised in regions with higher risk and lower supplier maturity.

4.5. Step 5 – Monitoring and Continuous improvement

We monitor the effectiveness of our due diligence process through regular reviews and independent third-party assessments. Performance is tracked using defined metrics, and the process is reviewed annually to ensure it remains effective and up to date with regulatory and market developments.

4.6. Step 6 – Communication

The results of the Green Coffee HREDD process and the annual 3rd party verification shall be made available in the JDE Peet's Annual Report.

5. GREEN COFFEE EUDR DUE DILIGENCE PROCESS

JDE Peet's approach to the EU Deforestation-Free Regulation (EUDR) is fully integrated into our responsible sourcing framework for green coffee. The process includes:

5.1. Step 1 – Embed Green Coffee EUDR compliance into policies and management systems

EUDR requirements are embedded into our sourcing policies and management systems, ensuring that all relevant teams and suppliers are aware of and comply with these standards.

5.2. Step 2 – Identify & Assess Adverse Impacts in Green Coffee Supply Chain (Article 10)

We collect and verify supply chain data, including geolocation information, to assess risks of deforestation and legality in accordance with EUDR requirements. This process helps us ensure that green coffee imported into the EU is deforestation-free and produced in compliance with applicable laws.

5.3. Step 3 – Cease, prevent or mitigate adverse impacts in green coffee supply chain (Article 11)

Suppliers are categorised by risk level and must meet defined standards for due diligence and traceability. Additional verification is conducted for suppliers and origins identified as higher risk, with enhanced controls and monitoring where necessary.

5.4. Step 4 – Remediate adverse impacts in green coffee supply chain when appropriate (Article 11)

Where risks are identified, we work with suppliers and partners to implement remediation measures and ensure compliance with the EUDR. Remediation actions may include supplier engagement, corrective action plans, and collaboration with sector initiatives.

5.5. Step 5 – Monitoring and Continuous improvement

The EUDR due diligence process is subject to regular internal review and annual third-party audit to validate robust implementation and identify opportunities for improvement.

5.6. Step 6 – Communication

We publish high-level overviews of our EUDR process and verification results on our website and in our annual reporting, demonstrating our commitment to transparency and regulatory compliance.

6. Governance

Oversight of the Green Coffee HREDD and EUDR processes is provided by senior leadership and sustainability teams. All exceptions and deviations from standard procedures are managed through formal governance processes, ensuring accountability and transparency.

7. Performance KPIs

We track the percentage of green coffee sourced in compliance with HREDD and EUDR processes, with the goal of working towards 100% compliance by 2028 (HREDD) and 2026 (EUDR). Additional impact metrics, such as incidents reported and greenhouse gas emissions, are monitored and disclosed as part of our sustainability commitments

8. Conclusion

JDE Peet's is dedicated to upholding the highest standards of human rights and environmental sustainability in green coffee sourcing. Through robust due diligence, supplier engagement, and transparent reporting, we strive to foster a responsible and resilient supply chain that benefits communities and the planet.