

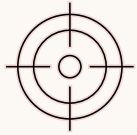


REPORT OF THE BOARD FOR 2023

LUC VANDELDE, INTERIM CEO

30 MAY 2024

# PERFORMANCE HIGHLIGHTS FULL-YEAR 2023



**Improving financial performance with strong sequential improvement in H2**



**Business is well-invested**



**Expanded our presence in key markets through Maratá acquisition and Caribou CPG license**



**Continued focus and progress on Sustainability priorities**



**Board of Directors proposes a dividend of EUR 0.70 per share**

# FINANCIAL RESULTS FULL-YEAR 2023

## ORGANIC SALES GROWTH

Organic sales growth

**+3.9%**

In-home

**+3.3%**

Away-from-home

**+6.4%**

Developed Markets

**+3.7%**

Emerging Markets

**+4.6%**

## PROFITABILITY

Adjusted EBIT

**EUR 1,128 m**

Organic growth

**+1.1%**

Reported growth

**-8.1%**

Underlying earnings per share

**EUR 1.51**

## CASH & DEBT

Free Cash Flow

**EUR 522 m**

Net debt

**3.9 bn**

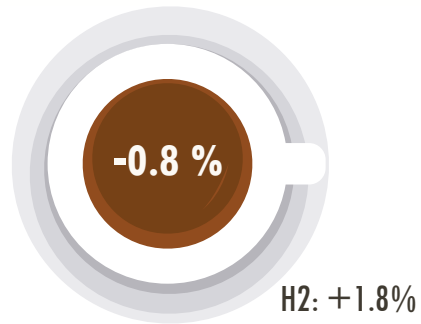
Net leverage

**2.73x**

# STRONG OPERATIONAL DISCIPLINE TO SUPPORT PREMIUM GROWTH

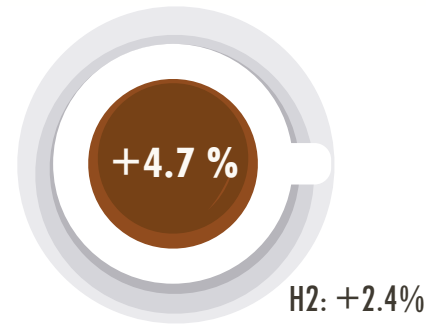
FY 2023 — Organic %

## Vol/Mix



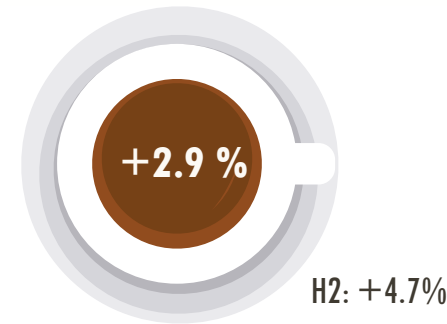
- H2 better than H1
- Market share outperformance in Single Serve & Instants\*
- Acceleration in E-commerce
- >98.5% customer service level

## Pricing



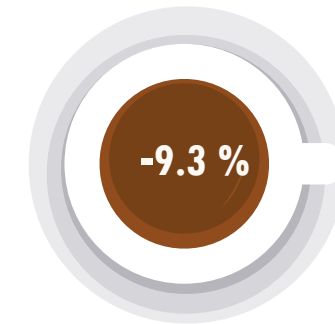
- Pricing for high-single-digit COGS inflation
- Lowering promotional intensity index

## Adj. Gross Profit



- SKU & portfolio rationalisation
- Productivities & footprint optimisation
- No compromise on product quality
- Additional ESG investments

## GHG Emissions\*\*



- 84% responsibly sourced coffee (vs 21% in 2020)
- FY 23 GHG reduction:
  - Scope 1 & 2: -6%
  - Scope 3: -10%
- Industry-first innovation, home-recyclable paper packs for instant coffee (98% less CO2 vs glass jar)

\* Source Nielsen FY 2023 in JDEP markets

\*\* Scope 1, 2 & 3 vs 2022

# CONTINUING TO DELIVER AGAINST OUR STRATEGIC PRIORITIES



## More Global

in a more fragmented world

- Emerging markets organic sales growth +5 %
- Gaining share in ~2/3rd of the emerging markets\*
- China organic sales growth +19%
- Positive reception of L'OR Barista launch in the US
- Europe <50% of total volume



## More Digital

in an increasingly channel-blurring environment

- E-commerce growth double-digit, representing 9% of company In-Home revenue
- Digital marketing ~40% of working media
- Omni-channel organisation in Europe
- Multiple automation and AI pilots in supply chain, marketing and back-office



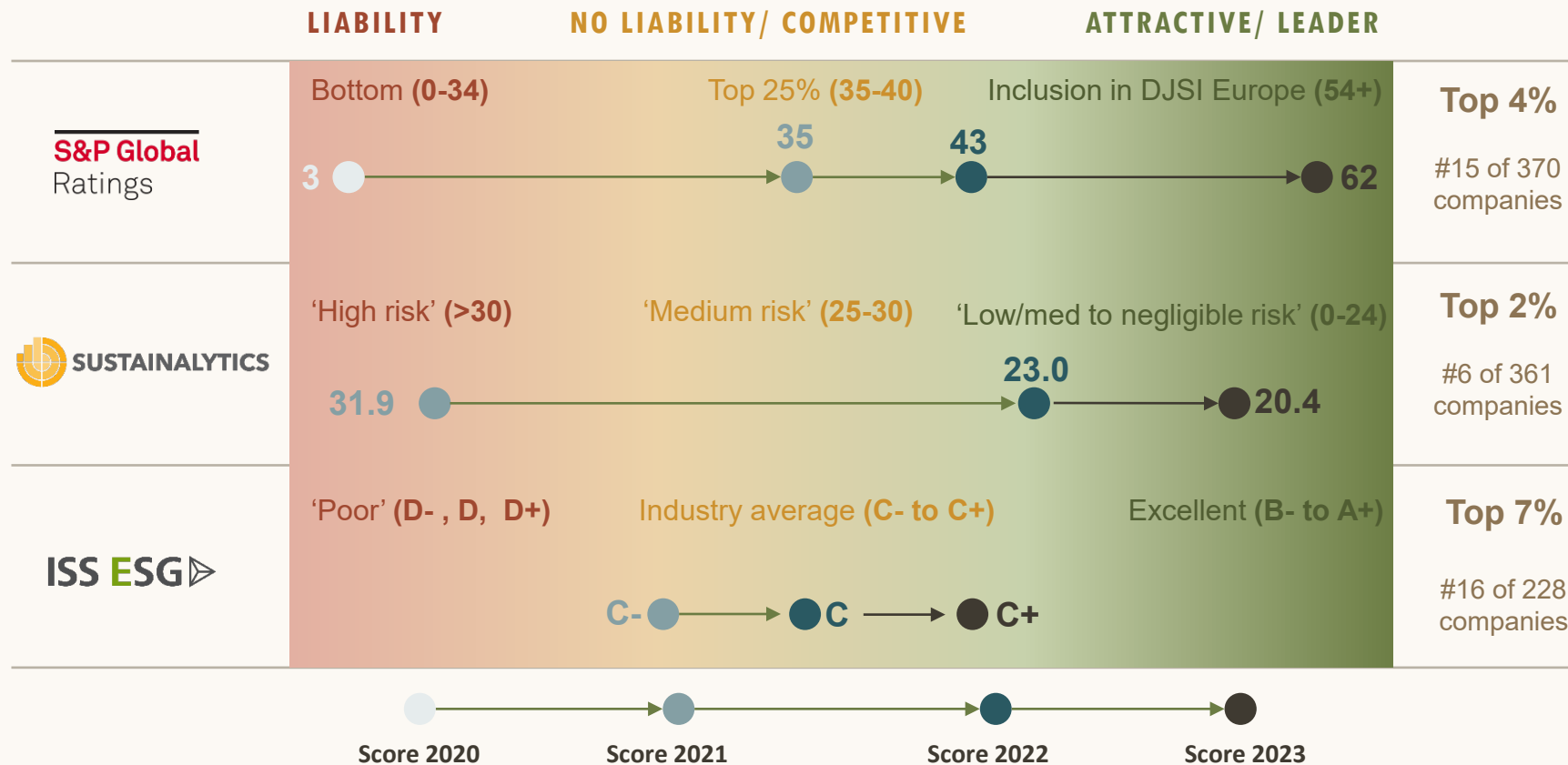
## More sustainable

in an imperative transition towards de-carbonisation

- Embedded Carbon Accounting
- Sustainability-led innovations
- GHG emission reductions since 2020 of -21% Scope 1&2 and -9% Scope 3
- Leading progress on deforestation and EUDR readiness, leveraging AI and inclusive ecosystem

\* Source Nielsen FY 23 in JDEP markets

# BEING RECOGNISED AS A SUSTAINABILITY LEADER





Member of  
**Dow Jones Sustainability Indices**  
 Powered by the S&P Global CSA



# GLOBALISING FURTHER IN 2024, WITH TWO INORGANIC TRANSACTIONS



<b>Geography</b>	 Largest global coffee market in value	 Largest global coffee market in cups
<b>Asset position</b>	Largest regional player in the Midwest	Strong #2 in North / North-East
<b>Rationale</b>	Expanding portfolio of pure-premium-play in US	Scale & synergy play / MT-LT premiumisation
<b>Transaction</b>	Global CPG licence & roastery	Acquisition (Coffee & Tea)
<b>Last 2-yr avg annual revenue</b>	~ USD 70 m	~ BRL 1.3 bn

## OUTLOOK 2024

<b>Organic sales growth</b>	<b>At the lower end of our medium-term range of 3-5%</b>
<b>Organic Adjusted EBIT growth</b>	<b>Mid-single-digit excluding Russia</b> <i>Total company: low single-digit in H1 and mid-single-digit in H2</i>
<b>Net leverage</b>	<b>Around 3x including Maratá and Caribou transactions</b> <i>Supported by Free Cash Flow above the level of FY 23</i>
<b>Dividend</b>	<b>Stable</b>



# JDE Peet's

A COFFEE & TEA FOR EVERY CUP

