BREWING SUSTAINABLE VALUE

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CHIEF FINANCIAL OFFICER

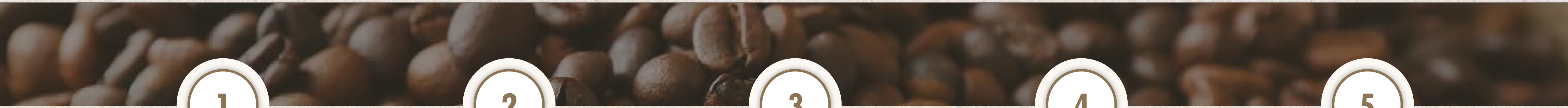
MY ASSESSMENT OF OUR FINANCIAL PROFILE… SOLID FOUNDATION, WITH ROOM FOR IMPROVEMENT

FINANCIAL STEERING TO ENABLE BUSINESS STRATEGY

1. **Performance Metrics**
   Focus on Relevant Financials
2. **Financial Discipline**
   Drive Growth & Profitability
3. **Capital Structure**
   Strengthen Further
4. **Capital Allocation**
   More Intentional & Disciplined
5. **Stakeholder Communication**
   Improve Transparency

JDE Peet's

ABSOLUTE PROFITABILITY AND CASH FLOW ARE THE MOST RELEVANT KPIs FOR JDE PEET'S



1. **Performance Metrics**
2. **Financial Discipline**
3. **Capital Structure**
4. **Capital Allocation**
5. **Stakeholder Communication**

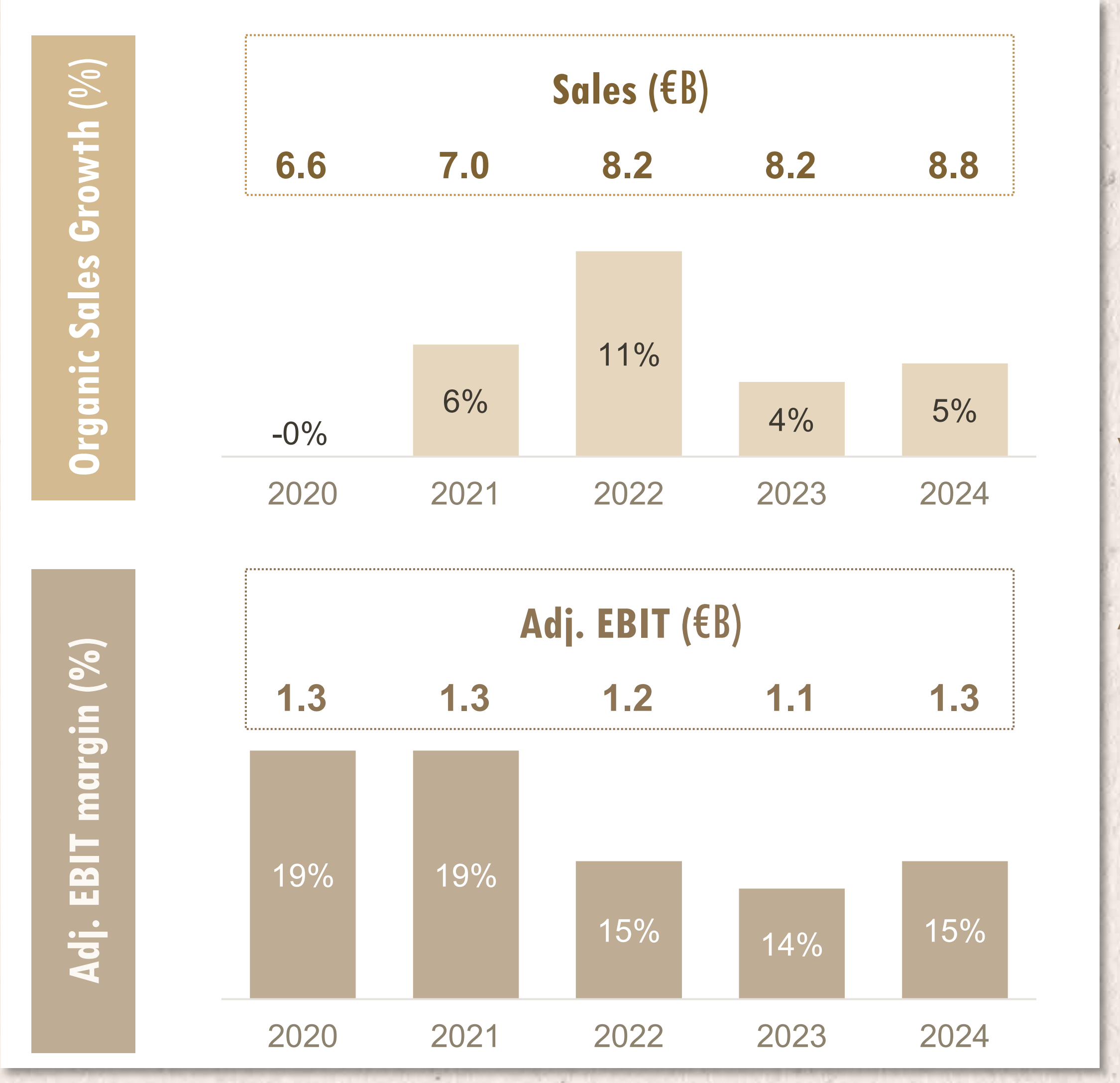
Assessment

- Topline & EBIT ***margin*** **not** meaningful
- Strong cash flow focus

Conclusion

- Focus on relevant financial KPIs: **Absolute Profit & Cash Flow**

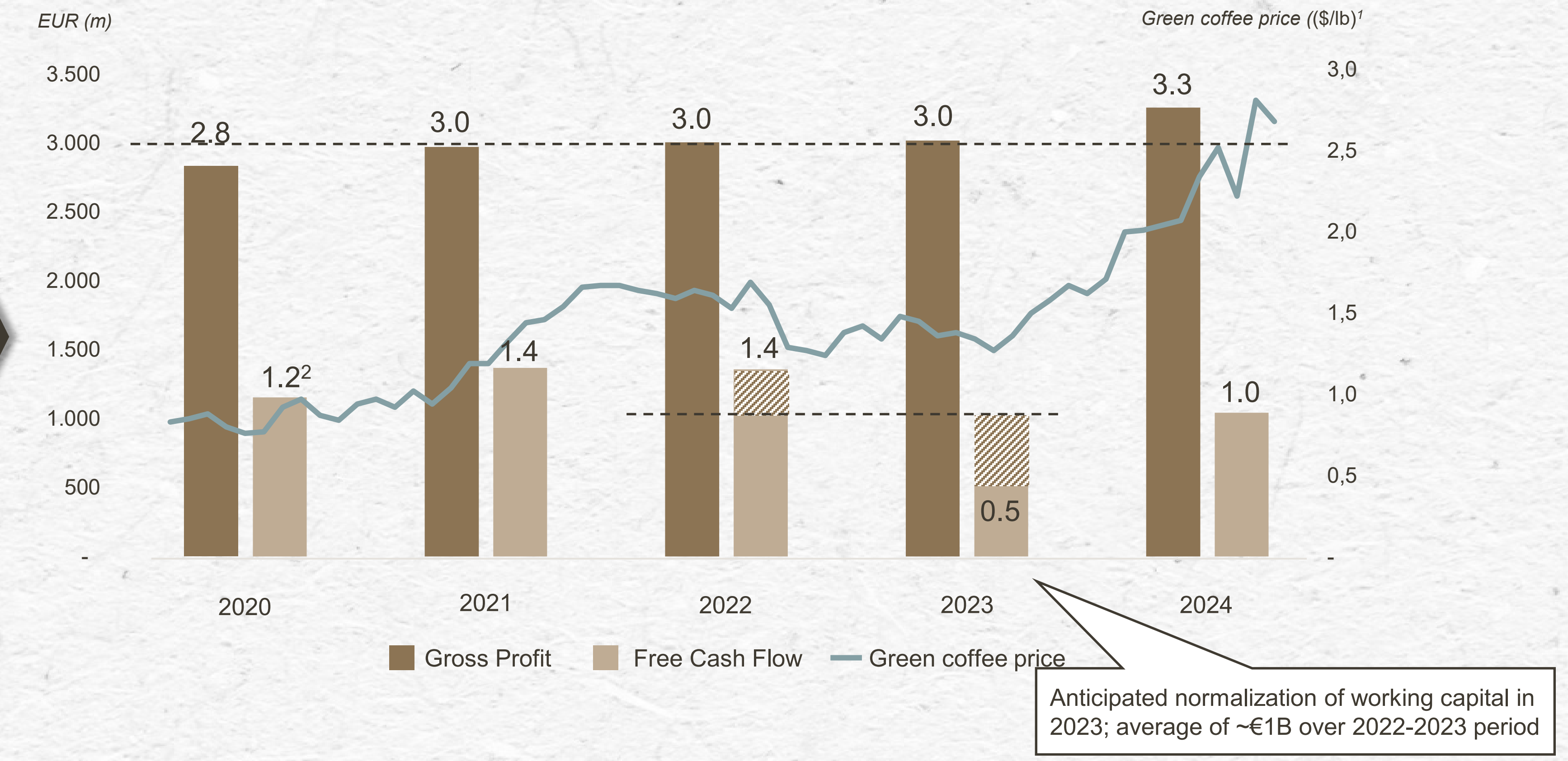
IN THE COFFEE CATEGORY, TOPLINE AND EBIT MARGIN EVOLUTION ARE AFFECTED BY PASS-THROUGH PRICING



- Coffee category has pass-through nature
- Top-line fluctuates with green coffee cycle
- Adj. EBIT ***margin*** not meaningful

ABSOLUTE PROFITABILITY AND CASH FLOW ARE THE MOST MEANINGFUL MEASURES OF OUR FINANCIAL HEALTH

- **STRONG BRANDS + PRICING DISCIPLINE**
- **TO PASS THROUGH GREEN COFFEE INFLATION**



Notes: (1) Blended 50/50 Green Coffee Futures Price ($/lb); (2) Excluding IPO related payments and a tax one-off

WE ARE IMPLEMENTING AN AMBITIOUS PRODUCTIVITY PROGRAM, SHARPENING OUR FINANCIAL DISCIPLINE

1. Performance Metrics
2. **Financial Discipline**
3. Capital Structure
4. Capital Allocation
5. Stakeholder Communication

Assessment

- Strong pricing and hedging rigor
- Solid risk management

  But no EBIT expansion

Conclusion

- Start **Productivity program**, as engine for reinvestment & profit expansion

WE HAVE IDENTIFIED 4 AREAS OF PRODUCTIVITY OPPORTUNITIES…

Assessment

No "lavish" spending

But not <u>efficient</u>:

- **Complexity**
- **Decentralised**

1. Portfolio simplification – brands, SKUs, footprint
2. Ways of working – synergies from within
3. Continuous improvement – simply doing more
4. Asset-light route-to-market – scalable model

...WHICH WILL YIELD €500M OF SAVINGS ACROSS COGS AND SG&A

of which

50%+

delivered by the end of 2027

WE ARE IMPLEMENTING MULTIPLE SPECIFIC INITIATIVES IN EACH PRODUCTIVITY AREA

Portfolio Simplification

- Brand portfolio / SKU pruning
- Footprint optimization

~35%

Synergies by Way of Working

- Simplify the structure
- Eliminate duplication

~25%

Continuous Improvement

- Better Sourcing / Design for Value
- Plant productivity

~30%

Asset-Light Route-to-Market & Partnerships

- From DSD to Direct
- Asset light business model / partnerships

~10%

PORTFOLIO SIMPLIFICATION IS A BIG OPPORTUNITY FOR STRUCTURAL PRODUCTIVITIES

Portfolio Simplification

- Brand portfolio / SKU pruning
- Footprint optimization

~35%

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- Simplify the structure
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OUR FOCUS ON 3 BIG BETS CREATES SIGNIFICANT OPPORTUNITIES TO STREAMLINE THE REST OF THE BRAND PORTFOLIO…

JDE Peet's Gross Profit (GP) by coffee brand

...AND TO PRUNE OUR SKUs

HEROES

High velocity x **High** distribution

→ **Focus**

HIDDEN GEMS

High velocity x **Low** distribution

→ **Expand**

COMPLEXITY

Low velocity SKUs

→ **Simplify**

JDE Peet's

High vs low rotating SKUs

Source: Nielsen SKU level data; Nielsen x category x brand level data

WE WILL REINVEST SAVINGS TO ACCELERATE GROWTH AND INCREASE PROFITABILITY

50% OF PRODUCTIVITY SAVINGS WILL BE RE-INVESTED IN HIGH-IMPACT GROWTH INITIATIVES

Increase A&P (esp. Big Bets)

Build Capabilities

Advance Sustainability

Expand Capacity

€30-50M of additional Capex annually

FINANCIAL RESULTS OF OUR STRATEGY WILL BE VISIBLE OVER THREE PHASES…

3 Financial Delivery Phases	**2026 - 2027** **WAKE UP**	**2028 - 2029** **STEP UP**	**2030 – 2032+** **LOOK UP**
3 Financial Metrics	**GROSS PROFIT**	**ADJ. EBIT**	**FREE CASH FLOW**

Translating Key Strategic Choices

- Jump start Productivity program
- Ramp-up growth over time driven by Big Bets
- Step up A&P; other selective investments
- Asset-light model embedded
- Steady FCF growth (despite higher Capex)

…WITH ACCELERATING FINANCIALS IN EACH PHASE

	2026 - 2027 WAKE UP	2028 - 2029 STEP UP	2030 – 2032+ LOOK UP
Gross Profit[1]	1 – 3%[2]	3 – 4%	4 – 7%
Adjusted EBIT[1]	3 – 4%[2]	4 – 5%	5 – 8%
Free Cash Flow[3]	~ €2B	> €2B	> €3.5B

Notes: (1) Organic CAGR; (2) vs FY 24A; (3) Cumulative in the period

WE WILL ENHANCE OUR CAPITAL STRUCTURE AND ALLOCATE CAPITAL MORE INTENTIONALLY

1. Performance Metrics
2. Financial Discipline
3. **Capital Structure**
4. **Capital Allocation**
5. Stakeholder Communication

Assessment

- Solid liquidity & deleveraging
- Capital allocation skewed to M&A
- Inconsistent organic investments & shareholder returns

Conclusion

- Further strengthen Balance Sheet; **target lower leverage**
- **Align capital allocation** with **strategy**

OUR CAPITAL ALLOCATION PRIORITIES ARE ALIGNED WITH OUR STRATEGY

CAPITAL ALLOCATION FRAMEWORK	NEAR-TERM PRIORITIES
REINVEST IN OUR BUSINESS	Focus resources to grow Big Bets Funded with productivities program
STRONGER BALANCE SHEET	Target 2x net leverage (previously 2.5x)
ENHANCE SHAREHOLDER RETURNS	Gradual, consistent dividend increase Complemented by share buybacks
DISCIPLINED M&A	Deprioritise leveraged acquisitions Preference for asset-light

WE COMMIT TO MORE TRANSPARENT COMMUNICATION

1. Performance Metrics
2. Financial Discipline
3. Capital Structure
4. Capital Allocation
5. **Stakeholder Communication**

Assessment

- Infrequent communication
- Certain swings / adjustments complicate clarity of underlying core financials

Conclusion

- Increase **frequency** of communication
- Increase **clarity** on underlying core financials

WE ARE INCREASING THE FREQUENCY AND CLARITY OF OUR FINANCIAL COMMUNICATION

- Quarterly strategic & performance update
- Increase conference & roadshow activities
- Increase clarity on underlying core financials

CREATING SUSTAINED LONG-TERM VALUE

ROBUST FINANCIAL PROFILE

- Profitability expansion
- Cash flow growth
- Stronger balance sheet

INTENTIONAL, DISCIPLINED CAPITAL ALLOCATION

TRANSPARENT COMMUNICATION

A COFFEE FOR EVERY CUP. A BRAND FOR EVERY HEART.