



## ***Extended Annual Report 2021***

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***Creating Sustainable Compounding Returns***



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# Our ESG Strategy and Performance

## Creating Sustainable Compounding Returns

JAB is committed to delivering superior long-term shareholder returns, which are fundamentally dependent on a healthy planet and society.

### ESG priority topics

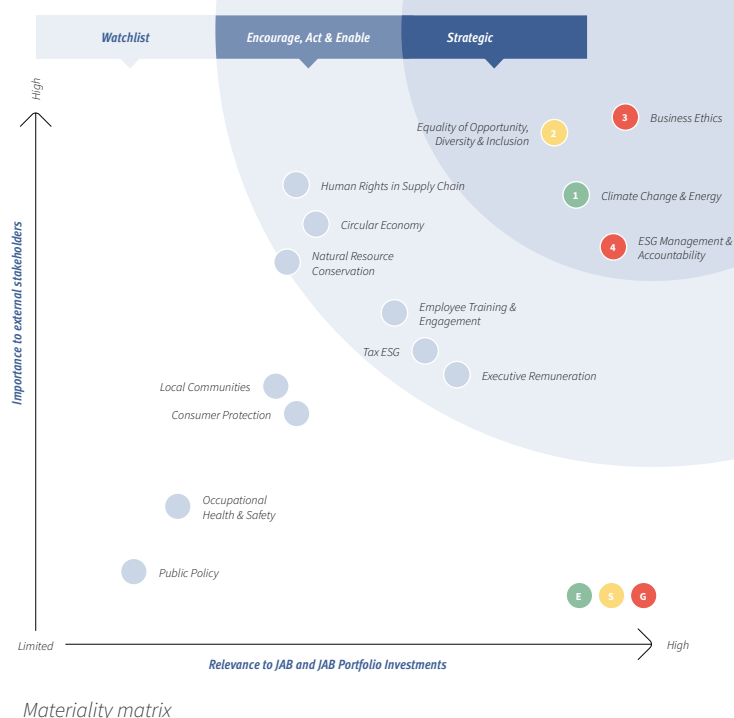
Within our ESG Strategy, we have prioritized key ESG topics based on an in-depth materiality analysis conducted through conversations with key stakeholders including our team, investor community, consumers, regulators and our portfolio companies. The four priority topics identified through the analysis are:

1. Climate Change & Energy
2. Equality of Opportunity, Diversity & Inclusion
3. Business Ethics
4. ESG Management & Accountability

We approach these topics through tailored programs both within our own organization and with our portfolio companies. While our portfolio companies operate independently, we actively engage with each to embed JAB's ESG priorities into their strategy and operations, as well as pursue their own tailored ESG agendas before the four key topics identified above are considered. ESG is overseen at the Board level of all our investments, with each business reporting to the Board at least once per year on ESG priority topics, including climate.

In addition, we enable our portfolio companies to share best practices through our ESG Collaboration Forum, which takes place every quarter. We started this initiative in 2019 because of our conviction that ESG is universally important, and that collaboration can only build positive impact and momentum across the portfolio companies. The Collaboration Forum, which includes sustainability experts and C-suite members from across the portfolio, provides our portfolio companies with the opportunity to jointly discuss progress and challenges experienced in the execution of their ESG agendas. It also enables leadership teams from both private and public companies to work together. This dynamic is unique to JAB thanks to our long-term ownership model and continued engagement with our companies once they become public.

Our due diligence process also includes ESG considerations, and we encourage new portfolio companies to embed ESG into their strategy early on, if it is not already present.

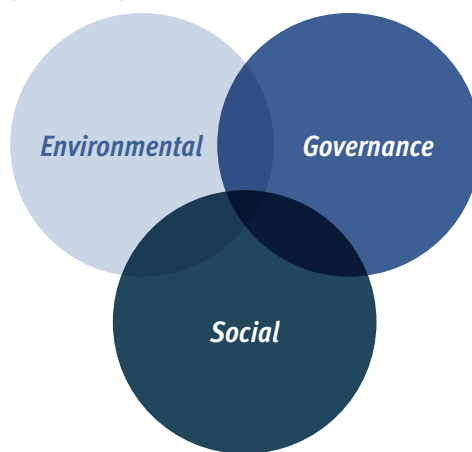


We evaluate the performance of these ESG topics at JAB and across the portfolio based on Key Performance Indicators (KPIs), which as of 2021 are periodically measured, monitored and reported on. These KPIs have been defined for each of the four priority ESG topics, both at the Holding level and the Investment Platform level.

This financial year, we will report for the first time on our ESG KPIs and the progress made to-date in achieving our targets. For details on the KPIs, please refer to our non-financial results.

### UN Sustainable Development Goals

JAB is committed to the UN Sustainable Development Goals (SDGs), which are the internationally recognized framework adopted by all UN Member States in 2015 as part of the 2030 Agenda for Sustainable Development. We believe that all businesses have a critical role to play in building a healthier world, and the UN SDGs provide a strong framework from which to ensure that JAB and our Investment Platforms are effectively bringing long-term benefits to consumers and communities around the world.



	Environmental	Social	Governance
Priority topics	<ul style="list-style-type: none"> <li>Climate Change &amp; Energy</li> </ul>	<ul style="list-style-type: none"> <li>Equality of Opportunity, Diversity &amp; Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Business Ethics</li> <li>ESG Management &amp; Accountability</li> </ul>
Objective	<ul style="list-style-type: none"> <li>Reduce greenhouse gas emissions ('GHG') in-line with the 1.5 Degrees Celsius Target set by the Paris Climate Agreement</li> <li>Manage climate risks and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Advance equality of opportunity and increase diversity and inclusion, starting at the leadership level</li> </ul>	<ul style="list-style-type: none"> <li>Establish Business Ethics as a fundamental cornerstone to everything we do</li> <li>Embed ESG throughout the entire value chain and report in a transparent way on ESG progress</li> </ul>
KPIs and results			
Commitments, partnerships & affiliations	  	 	 
2021 Highlights	<ul style="list-style-type: none"> <li>Market-leading commitment made to align with Science Based Targets initiative (SBTi)</li> <li>By 2025, a minimum of 80% of JAB's portfolio companies will have set SBTi approved targets, increasing to 95% by 2030</li> <li>First-time TCFD disclosure (phase 1)</li> <li>Reduction of JAB's office emissions and full offset of business travel in 2021 through certified reforestation</li> </ul>	<ul style="list-style-type: none"> <li>Committed to a diverse, inclusive workplace that advances equality of opportunity</li> <li>Actively engaged in the G7's Business for Inclusive Growth coalition (B4IG) after taking the B4IG pledge alongside several Investment Platforms in 2019</li> <li>Committed to working towards a diverse Board and Executive Leadership composition across our Investment Platforms</li> </ul>	<ul style="list-style-type: none"> <li>Sustainalytics, a Morningstar company, ranked JAB 1st in the industry for its ESG Risk Rating</li> <li>First-time reporting on KPIs and various voluntary ESG frameworks or standards as part of this annual report (e.g. CSRD, Integrated Reporting Framework, and GRI reference)</li> <li>Held quarterly ESG Collaboration Forum for leaders across all portfolio companies to exchange best practices</li> </ul>
Sustainable Development Goals	 	 	

## 1. Climate Change & Energy



We have made a market-leading commitment to align with the Science Based Targets initiative (SBTi), which is the gold standard in driving private sector climate actions. SBTi provides us with the framework to guide emissions reductions for ourselves and our portfolio companies, and we are fully committed to limiting global warming by reducing greenhouse gas emissions (GHG) in-line with the 1.5 Degrees Celsius goal of the Paris Climate Agreement.

We also follow and support the recommendations of the Task Force for Climate-related Financial Disclosures (TCFD) to identify and manage climate risks and opportunities. This approach considers the fact that risks and opportunities can be material from a financial (TCFD) and non-financial (SBT) perspective (i.e. double materiality).

In 2021, we have taken further steps with regards to:

- Progressing from inventorying our direct emissions, committing to the Science Based Target initiative, and receiving **SBTi-approved targets** on our scope 1-3 emissions:
  - Scope 1 and 2:** we have committed to reducing absolute scope 1 and 2 GHG emissions 46% by 2030 from a 2020 base year, in-line with the **1.5 Degrees Celsius trajectory**.
  - Scope 3 asset class level target:** we have committed that at least 80%<sup>1</sup> of our portfolio companies will have set SBTi approved targets by 2025, increasing to 95% by 2030; this target covers 99% of total investment and lending activities as of 2021.
- Creating a **carbon emission reduction program for our scope 1 and 2 targets**, starting with the reduction of JAB's office emissions through a shift to green electricity, with green electricity comprising 78% of total electricity consumed in 2021
- Measuring and reducing business travel emissions by air and offsetting the total through a **Verra certified reforestation project**
- Strengthening disclosure and transparency** in relation to climate, including reporting on SBTi target progress and TCFD phase 1

<sup>1</sup> 80% based on invested capital at fair value

## 2. Equality of Opportunity, Diversity & Inclusion



At JAB and across our Investment Platforms, we are committed to identifying and eliminating systemic barriers along the entire employee life cycle to create a diverse and inclusive workplace in which our people can experience equality of opportunity. This includes maintaining an inclusive culture and diverse team – starting with the Board of Directors and Executive Leadership teams of our investments – to deliver long-term sustainable compounding returns through better decision making, striving to offer equal pay based on function level and geography, and maintaining a work environment conducive to high job satisfaction and low turnover.

To help enable these commitments, we are actively engaged in the G7 Business for Inclusive Growth (B4IG) coalition to advance human rights throughout value chains, build inclusive workplaces and strengthen inclusion. We have also taken the B4IG pledge.

In 2021, we took further steps to drive inclusion by:

- Completing our **first annual gender pay-gap assessment**
- Engaging with portfolio companies **to advance equality of opportunity**
- Implementing a **Parental Leave policy** in order to promote equality of opportunity in career development among all JAB employees

### 3. Business Ethics

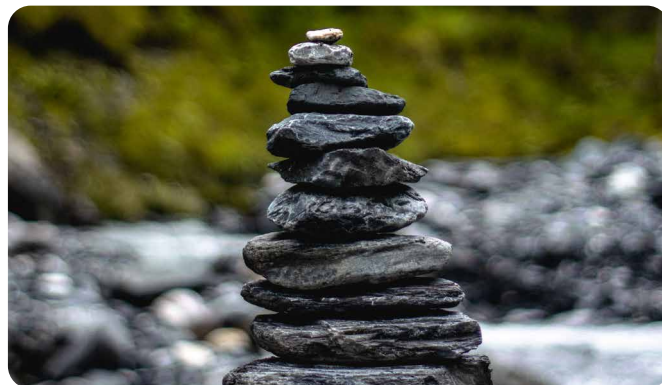


Business Ethics are a fundamental cornerstone in the way JAB operates. In 2021, we became a member of the UN Global Compact (UNGC) and incorporate its Ten Principles into our strategy, policies and procedures. We have set the bar high to meet all Business Ethics KPIs, including a range of key policies and training on business ethics.

In 2021, we have taken further steps to reinforce these KPIs by:

- **Formalizing our Business Ethics policies** (e.g. Code of Conduct, Human Rights Policy, Whistleblower Policy, Anti-Money Laundering Policy, Compliance and Human Capital Program, and Responsible Investment & Stewardship Policy), driving their implementation and **embedding business ethics into the entire value chain**
- **Conducting training for all JAB employees** through a mobile-first interactive digital platform covering the topics of Code of Conduct, Business Ethics, Whistleblower Mechanism, Conflicts of Interest, Anti-Bribery & Corruption, Anti-Money Laundering, Tax Evasion & Sanctions, and Non-Discrimination.
- **Implementing a Whistleblower system**, complying with EU Whistleblower Directive

### 4. ESG Management & Accountability



We follow the UN's six Principles for Responsible Investment (PRI) and have a fit-for-purpose lean governance structure for sustainable value creation.

In 2021, we have taken further steps to bolster management and accountability by:

- **Formalizing ESG roles** at JAB, and strengthening governance, disclosure and transparency (e.g. KPIs and results, Integrated Reporting and GRI reference)
- **Conducting ESG training for all JAB employees** to set the foundation of embedding ESG in everything that we do
- First-time reporting on KPIs and various **voluntary frameworks and standards**



# Our 2021 Non-Financial Performance

As a long-term investor, we focus on sustainable value creation over time and measure our impact through a combination of financial and non-financial performance metrics. During 2021, we accelerated the impact to our stakeholder community from both financial and non-financial performance points of view.

The tables presented on the next pages provide the KPIs, Targets, Actuals and Reflections per KPI. The first table relates to KPIs at the JAB level (i.e. Holding Company), and the second table relates to KPIs of our Investment Platforms (i.e. portfolio companies) since we are actively engaging with the portfolio to embed ESG in their strategies. We include our portfolio companies in our ESG KPI reporting starting two years, unless otherwise specified, after they have been acquired in order to give these investments time to onboard and adhere to our objectives.



## Climate Change & Energy

KPIs	Actuals	Reflection
<b>Holding Company</b>		
<b>Scope 1 and 2 GHG emissions - tCO2e</b> 1.5°C SBT – at least 46.2% reduction by 2030 (vs. 2020) – equivalent to 30 tCO2e	<b>-5.1%</b> 2021: 53 tCO2e 2020: 56 tCO2e 2019: 56 tCO2e	During 2021, we completed an inventory of our 2020 scope 1 and 2 emissions in-line with the GHG protocol. We aim to reduce our scope 1 and 2 emissions by at least 46.2% in 2030 vs. our 2020 base year. This target is in-line with the 1.5 Degree Celsius emission reduction pathway and has been approved by the Science Based Target initiative (SBTi). In 2021 our emissions equalled 53 tonnes (scope 1 23 tonnes and scope 2 30 tonnes); a reduction of 5.1% compared to 2020 (base year) mainly due to a transition to renewable energy which we aim to have in all our offices at the end of 2023.
<b>Scope 3 GHG emissions – Air travel - tCO2e</b> Fully offset scope 3 emissions from air travel	2021: 689 tCO2e 2020: 421 tCO2e 2019: 1,365 tCO2e	In 2021, our air travel emissions grew by 64% vs 2020, but remained well below 2019 pre-pandemic levels. In the coming years, we will aim to keep using the lessons from the COVID-19 pandemic and optimise our travel footprint. Our reforestation offsetting program covers our 2019, 2020, 2021 and future air travel emissions.
<b>Completion of TCFD (as described by PRI)</b> Phase 1: Annual Report 2021 Phase 2: Annual Report 2022	 On track	In 2021, we focused on Phase 1 of TCFD, which resulted in JAB's first TCFD report that is incorporated in this annual report and summarized in the TCFD reference table. Our next step will be to cover Phase 2, which focuses on identifying investment level climate risk and opportunity analysis.
<b>Investment Platforms</b>		
<b>% Investment value with approved SBTs</b> 80% by 2025 95% by 2030		A key part of our science based targets is to engage with portfolio companies and support target setting at that level. For an Investment Holding Company like JAB, Scope 3 emissions are mainly related to the portfolio companies' operations, which we intend to monitor and manage through the % of the portfolio companies by fair value with SBTi-approved targets. As of the end of 2021, the share of our portfolio companies with approved SBTs is 34% and further 21% is committed. As per the date of this report 43% has approved SBTs. We have set a highly ambitious target to achieve an 80% SBTi-approved target coverage by 2025 and 95% by 2030.
<b>% Investment value reporting on TCFD</b> 80% by 2025 95% by 2030		We strive to achieve 80% coverage by 2025 and 95% coverage by 2030, based on invested capital at fair value. As part of the 2021 reports, the share of portfolio companies reporting in compliance with TCFD is 43%.



## Equality of Opportunity, Diversity & Inclusion

KPIs Objectives	Actuals	Reflection
<b>Holding Company</b>		
<b>% Gender diversity</b>  Gender balance in the Partner and Management Team over the long term	<b>21%</b>  of the Partner Group are women  <b>29%</b>  of the Management Group are women	As of the end of 2021, the share of women in the JAB Partner Group is 21%, and 29% within the broader Management Team. In total, the JAB team has a representation of 44% female and 12 different nationalities. JAB commits to have an inclusive culture and a diverse team that delivers long-term sustainable results through better decision making. We are committed to reaching gender balance in all function layers over time.
<b>Gender pay gap</b>  No pay gap	-5% mean and 0% median pay gap within the Partner Group  20% mean and -12% median pay gap within the Management Team  -11% mean and -12% median pay gap within the Support Group	In 2021, JAB conducted an analysis of its payroll, taking into consideration factors such as position, tenure and location, among others. In an organization with offices located in six different countries, pay gap analyses need to take into consideration the particularities of role, geography, and level of experience of each professional. The actuals represent the ratio of remuneration of men to women for the specific categories. A positive number indicates that men's compensation is higher. A negative number indicates that women's compensation is higher.  The analysis resulted in: <ul style="list-style-type: none"> <li>• 0% mean and 0% median pay gap within the Managing Partner group</li> <li>• -5% mean and 0% median pay gap within the Partner Group</li> <li>• 20% mean and -12% median pay gap within the Management Team</li> <li>• -11% mean and -12% median pay gap within the Support Group</li> </ul> JAB conducted a case-by-case analysis of each category. The main conclusion is that the identified differences are mostly explained by tenure or by the nature of the role. We are committed to performing a pay-gap analysis on an annual basis.
<b>Investment Platforms</b>		
<b>% gender diversity at board of director level (non-executive board members)</b>  100% of the portfolio companies having at least 30% gender diversity by 2025	<div>55%</div> 55% by December 2021	55% of JAB's portfolio companies have at least 30% female non-executive board members in their board of directors. Each of JAB's portfolio company board of directors has at least one female representative, and an average 31% of the board of director positions are held by female as of year-end 2021.
<b>% gender diversity at executive leadership team level</b>  100% of the portfolio companies having at least 30% gender diversity by 2025	<div>55%</div> 55% by December 2021	55% of JAB's portfolio companies have at least 30% female representation in their executive leadership team (CEO and direct reports). During recent years, the female representation on the leadership teams of JAB portfolio companies has continuously improved.

## Business Ethics

KPIs Objectives	Actuals	Reflection
<b>Holding Company</b>		
<b>% of workforce trained on Business Ethics</b>  100% with new joiners within 6 months after joining	100%	During 2021, we trained 100% of our workforce on Business Ethics, including new hires within 6 months of joining. We implemented a mobile-first interactive digital learning tool covering the topics of Code of Conduct, Business Ethics, Whistleblower Mechanism, Conflicts of Interest, Anti-Bribery & Corruption, Anti-Money Laundering, Tax Evasion & Sanctions and Non-Discrimination.
<b>% of workforce completing annual compliance confirmation</b>  100% annually	100%	100% of our workforce has completed their 2021 annual compliance confirmation and no issues were reported.
<b>Anonymous complaints mechanism in place</b>  By end of 2021	● Launched in 2021	In 2021, JAB launched the complaints mechanism which was communicated to all employees.
<b>% of complaints about the JAB leadership team formally analyzed and concluded</b>  100% analyzed and brought to a conclusion	100%	During 2021, no complaints were received about the JAB leadership team. Our policies require that when a complaint is received, it is formally analyzed and a conclusion is drawn.
<b>Investment Platforms</b>		
<b>% of minimum level of business ethics policies in place at portfolio companies</b>  100% by end of 2022 (within 6 months after joining)	64%	We measure what percentage of critical business ethics policies are documented and in place across our portfolio companies. This refers to formalized policies. At year-end 2021, 64% of all business ethics policies are completed and action plans are in place to formalize documentation of business ethics policies in order to achieve the 100% target by end of 2022.
<b>% of portfolio companies that trains its workforce on Business Ethics</b>  100% by end of 2022 (within 6 months after joining)	45%	At the end of 2021, 45% of the portfolio companies have trained their workforce on Business Ethics. The Business Ethics trainings were provided by means of a combination of classroom sessions and e-learning.
<b>% of portfolio companies that has an anonymous complaints mechanism in place</b>  100% by end of 2022 (within 6 months after joining)	82%	At the end of 2021, 82% of the portfolio companies have a whistleblowing mechanism in place which is regularly communicated to all employees and upon which remediating actions are taken. Implementation of a whistleblowing mechanism for remaining 18% is on-track to meet the 2022 target.
<b>% of complaints about the board of directors or executive leadership team formally analyzed and concluded</b>  100% analyzed and brought to a conclusion	100%	During 2021, zero complaints were received throughout our portfolio companies about their respective board of directors and executive leadership teams. Our policies require that when a complaint is received, it is objectively analyzed and adequately followed up on.

## Management & Accountability

KPIs Objectives	Actuals	Reflection
<b>Holding Company</b>		
<b>Progress on roadmap</b> Implementation in line with timeline	 On track	We are well on-track on the implementation of our ESG roadmap, which is proven by the progress on all ESG related KPIs and ESG related ratings and affiliations (i.e. Sustainalytics, PRI, SBT). We were rated #1 in our industry by Sustainalytics and our rating improved to 'negligible risk' as a result of significant steps taken during the year.
<b>% of JAB employees trained on ESG</b> 100% of employees after one year of joining	100%	During 2021, 100% of the JAB team was trained on ESG. Each JAB team member has completed three ESG basics modules focusing on the drivers of ESG's relevance, ESG frameworks, ESG regulation, investor priorities, ratings and a deep-dive on the relevant ESG topics for JAB and its Investment Platforms.
<b>Investment Platforms</b>		
<b>% of portfolio companies that hold at least one strategic board discussion on ESG per year</b> 100% by end 2021 (annually)	100%	During 2021, we had at least one strategic board discussion on ESG at all of our portfolio companies. These board discussions capture various topics including defining of priority topics, target setting and the translation of ESG targets into clear and measurable initiatives.
<b>% of portfolio companies that have defined an ESG strategy</b> 100% by end 2022 (within 1 year after joining)	 82%	During 2021, we actively supported our portfolio companies on their ESG strategy implementation. As of the end of 2021, 82% of our portfolio companies have defined their ESG strategy. We are confident that all portfolio companies will have an ESG strategy in place by the end of 2022 by raising the importance of a defined ESG strategy during Board discussions, and through continued collaboration with the portfolio companies via our dedicated ESG Collaboration forum.
<b>% of portfolio companies that publish externally about its approach to ESG</b> 100% in 2022 Annual Report, ESG report or website (within 1 year after joining)	 73%	In 2021, 73% of our portfolio companies report externally (e.g. via their website, ESG report or in their annual report) about their approach to and progress on ESG. We remain committed to our ambitious target for 2022 with 100% of our portfolio companies reporting externally on ESG.

# Climate Risk Management

## Climate related risk and opportunity analysis – along the framework of the Task Force for Climate-related Disclosures

As a long-term investor, we believe it is essential to assess the impact of climate change on our business and to include climate considerations in our investment process. To formalize this commitment, JAB became a formal supporter of the Task Force on Climate-related Financial Disclosures (TCFD) in 2021.

Over the course of 2021, we performed an initial analysis across our Investment Platforms using the approach to TCFD suggested by the UN Principles of Responsible Investment (PRI) framework.

Per the TCFD recommendations, we have analyzed two scenarios:

1. A 1.5° Degrees Celsius scenario (focused on transition risks); and
2. A 4° Degrees Celsius scenario (focused on physical risks), in which we identified material issues for the supply chains (upstream) at our own operations, and for the customers of our Investment Platforms (downstream).

This initial analysis leads to the following aggregated climate-related risk exposure of our Investment Platforms:

*Sensitivity to transition risks in a 1.5°C scenario*

Low

*Sensitivity to physical risks in a 4°C scenario*

Medium

Specific insights that underpin these conclusions are detailed below.

## ***Transition risks and opportunities in a 1.5 Degree Celsius scenario***



Limiting global warming to 1.5°C vs. pre-industrial levels requires rapid, deep decarbonization across the value chain of all Investment Platforms. In this scenario, transition risks and opportunities are particularly prominent, the most material of which we identified are summarized below. All mentioned issues are acute, or are expected to become relevant in the short-term (i.e. by 2030).

### ***Upstream supply chain***

Several JAB Investment Platforms depend on agricultural commodities. In a 1.5°C scenario, it is expected that pressure on yields will arise as a result of legislation on sustainable agricultural practices. This may pose a risk to those portfolio companies, as stable yields are required to ensure steady supply and to keep raw material prices manageable. Furthermore, the agricultural and chemicals suppliers – which some of our Investment Platforms depend on – are deemed rather difficult to fully decarbonize: investments of suppliers in decarbonization measures and the impact of government policy (e.g. carbon pricing) may therefore result in rising purchasing prices for those portfolio companies.

### ***Own operations***

Many of the processes of our Investment Platforms are currently reliant on fossil fuels and may therefore be directly or indirectly impacted by carbon pricing. However, it is expected that substantial decarbonization will be manageable, as key reduction levers (such as renewable electricity, heating and cooling) are already well-established and can often be implemented with a relatively limited impact on operations and cost of goods sold.

### ***Downstream value chain***

The markets where our portfolio companies operate are focused on consumer products and services. In these markets, further legislation is expected to be introduced in several jurisdictions in order to further reduce environmental impacts from packaging and (food) waste. For some of our portfolio companies, it may be a challenge to find suitable solutions to respond to such legislation and/or those solutions will have cost implications. We note that it will be increasingly important to consider changing customer preferences: whereas most of our portfolio companies have already taken steps in this direction, all of them will need to continue to assess how to turn these into further business opportunities.





## Physical risks and opportunities in a 4 Degree Celsius scenario

A 4°C scenario could occur if global emissions continue to rise throughout the 21st century as a consequence of low decarbonization action. In this scenario, physical risks and opportunities are predominant. Overall, the most material physical risks were identified in the supply chain. Although specific sites and agricultural supply regions of Investment Platforms operations might be vulnerable, physical risks on an Investment Platform level are mitigated by the fact that the operations of most Investment Platforms are highly spatially distributed. All mentioned issues are expected to start manifesting themselves in the short- to medium-term (i.e. 2030-2040).

### Upstream supply chain

When climate change impacts materialize, this results in risks of security, supply and pricing of agricultural commodities that are key for several of our portfolio companies. Yields of tropical climate crops, such as green coffee beans, tea and cacao, are expected to decline. Increasing average temperatures and droughts will reduce areas that are suitable for cultivation, and increased frequency and severity of extreme weather events are expected to negatively affect the remaining cultivation sites. Cultivation of food crops on land that remains fertile is expected to be prioritized over cash crops.

Physical risks for agricultural inputs that can be produced in temperate climates, such as sugar, wheat and eggs, would also manifest. Impact on those crops would generally be less prominent, as suppliers/production locations are distributed across a wider variety of geographies, spreading the risks arising thereof.

### Own operations

Acute climate impacts such as forest fires or tropical cyclones, are generally more pressing for our Investment Platforms' own operations than chronic impacts such as temperature rise. Vulnerability to these impacts is partially mitigated by the fact that our portfolio companies are often composed of a network of operations located in a variety of geographies, hence distributing risks. Furthermore, our portfolio companies mainly operate in highly developed or emerging economies, resulting in fast recovery of potentially affected sites and infrastructure.

### Downstream value chain

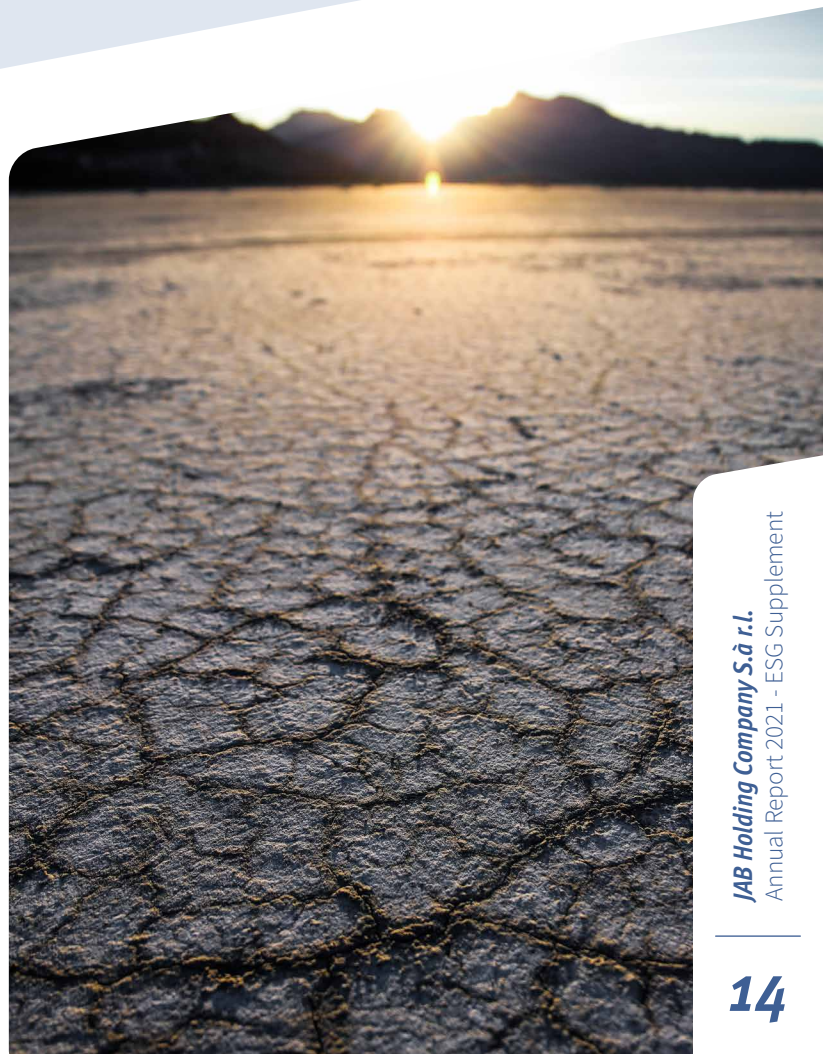
Physical risk exposure for the downstream value chain is largely similar to the risk profile of own operations for a significant subset of our portfolio companies.

## Risk management approach

The risks and opportunities identified above are the starting point for a more detailed TCFD scenario analysis by JAB and our portfolio companies in 2022. We have set targets on the adoption of TCFD at the portfolio company level (80% portfolio coverage<sup>1</sup> by 2025 and 95% by 2030) and we intend to refine our JAB level analysis based on the additional insights that will be generated there. This approach ensures that our portfolio companies diligently include climate in their risk management approach themselves.

We consider the adoption of Science Based Targets and the associated need to develop a strategic 1.5 Degree Celsius decarbonization pathway at the portfolio company level to be a key mitigation measure for transition risks. Beyond that, whenever specific material climate related risks or opportunities are identified by our investments, we will discuss them with management and collaboratively determine a suitable follow-up approach.

<sup>1</sup> 80% based on invested capital at fair value



## TCFD Reference table

### TCFD disclosure

### JAB approach

#### Governance

Describe the leadership team's oversight of climate-related risks and opportunities

It is the responsibility of our leadership team to address environmental issues, including climate-related risks and opportunities. Our CEO, Olivier Goudet, is ultimately responsible for ESG as a whole.

Describe management's role in assessing and managing climate-related risks and opportunities

Our CEO, Olivier Goudet, and our ESG partner, Jacek Szarzynski, lead the setting and execution of our ESG strategy, including the management of climate-related risks and opportunities.

This responsibility covers climate and the integration of climate into our partner meetings, operating meetings, and processes.

We are committed to monitoring and regularly evaluating our environmental performance based on KPIs to ensure the environmental impact of our operations is aligned with our ambitions. Targets on GHG reduction have been set and climate risk and opportunities for our portfolio companies are measured as part of our regular financial and non-financial KPI monitoring (see Metrics & Targets subsection).

We regularly engage with our portfolio companies on their climate risk management as part of our regular meetings. Based upon this initial TCFD assessment, we will further assess identified risks together with them.

To develop our team's knowledge and skills in assessing and handling climate related risks, all JAB employees have completed trainings on overarching ESG as well as a deep-dive on climate.

#### Strategy

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term

Refer to page 12 for a description of identified climate-related risks and opportunities and an assessment of the impact of these issues on JAB's strategy and financial planning.

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

<i>TCFD disclosure</i>	<i>JAB approach</i>
<b><i>Risk Management</i></b>	
Describe the organization's processes for identifying and assessing climate-related risks	Refer to page 12 for a description of JAB's approach to identifying and assessing climate-related risks.
Describe the organization's processes for managing climate-related risks	Refer to page 12 for a description of JAB's processes to manage climate-related risks.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	<p>Risk management is an integral part of our governance structure. The risk management approach is established to identify and analyze risks faced by JAB, monitor risks and implement remediation initiatives to ensure adherence to limits. The risk management approach is reviewed regularly to reflect changes in market conditions and the activities of JAB and includes climate-related risks.</p> <p>ESG due diligence is a key element in our climate-risk management approach. Climate risks of current portfolio companies are one element of the ESG discussions in board meetings and our ESG collaboration forum. Refer to page 12 for more details on our risk management approach.</p>
<b><i>Metrics &amp; Targets</i></b>	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Refer to page 8 for JAB's climate-related metrics.
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Refer to page 8 for JAB's scope 1,2 and 3 emissions.
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Refer to page 8 for JAB's targets on reduction of its scope 1 and 2 emissions, business travel offsetting and portfolio coverage targets on the adoption of SBTs and TCFD.

# Reference table 2021

Our 2021 Integrated Annual Report has been prepared based on our materiality assessment and in accordance with the GRI Standards (referenced option). This reference table explains where to find the relevant information for each indicator in the (extended) report and/or policies.

## General Disclosures

### Organizational profile

Disclosure	Description	Cross-reference, answer or additional 2021 information
102-1	Name of the organization	AR 2021 - About JAB
102-2	A description of the organization's activities	AR 2021 - About JAB
102-3	Location of the organization's headquarters	AR 2021 - About JAB
102-4	Number of countries where the organization operates, and the names of countries where it has significant operations	AR 2021 - About JAB
102-5	Nature of ownership and legal form	AR 2021 - About JAB
102-6	Markets served	AR 2021 - About JAB
102-7	Scale of the organization	AR 2021 - JAB at a Glance AR 2021 - About JAB
102-8	Information on employees and other workers	AR 2021 - About JAB Extended AR 2021 - Our 2021 Non-Financial Performance As of the end of 2021, JAB's workforce has 24 female employees (44%) (20 full-time representing 83% and 4 part-time representing 17%), is on average 6.5 years employed (male: 7.3 years; female: 5.6 years) and 12 nationalities are represented in the workforce
102-9	Supply chain	AR 2021 - About JAB
102-10	Significant changes to the organization and its supply chain	AR 2021 - 2021 Highlights & Results No significant changes to the organization and its supply chain occurred in recent years
102-11	Precautionary Principle or approach	AR 2021 - Governance, section Managing Risks and Uncertainties
102-12	External initiatives	Extended AR 2021 - Creating Sustainable Compounding Returns Received Top Peer ESG Rating from Sustainalytics in 2021, Risk Rating Company Report
102-13	Membership of associations	Extended AR 2021 - Creating Sustainable Compounding Returns

## Strategy

<i>Disclosure</i>	<i>Description</i>	<i>Cross-reference, answer or additional 2021 information</i>
102-14	Statement from senior decision-maker incl. Responsibility for an integrated report	AR 2021 – About this report
102-15	Key impacts, risks, and opportunities	AR 2021 - Managing Risks and Uncertainties

## Ethics & Integrity

<i>Disclosure</i>	<i>Description</i>	<i>Cross-reference, answer or additional 2021 information</i>
102-16	Values, principles, standards, and norms of behavior	AR 2021 - Our policies and programs
102-17	Mechanisms for advice and concerns about ethics	AR 2021 - Our policies and programs

## Governance

<i>Disclosure</i>	<i>Description</i>	<i>Cross-reference, answer or additional 2021 information</i>
102-18	Governance structure	AR 2021 - Governance
102-19	Delegating authority	AR 2021 - Governance
102-20	Executive-level responsibility for economic, environmental, and social topics	AR 2021 - Governance Responsible Investment & Stewardship Policy Code of Conduct
102-21	Consulting stakeholders on economic, environmental, and social topics	Extended AR 2021 - Creating Sustainable Compounding Returns
102-22	Composition of the highest governance body and its committees	AR 2021 - Governance
102-23	Chair of the highest governance body	AR 2021 - Governance
102-24	Nominating and selecting the highest governance body	AR 2021 - Governance
102-25	Conflicts of interest	AR 2021 - Governance Code of Conduct
102-26	Role of highest governance body in setting purpose, values, and strategy	AR 2021 - Governance
102-27	Collective knowledge of highest governance body	AR 2021 - Governance
102-28	Evaluating the highest governance body's performance	AR 2021 - Governance
102-29	Identifying and managing economic, environmental, and social impacts	Extended AR 2021 - Creating Sustainable Compounding Returns
102-30	Effectiveness of risk management processes	AR 2021 – Managing Risks and Opportunities
102-31	Review of economic, environmental, and social topics (policies)	AR 2021 - Governance Refer to our website for all policies in place
102-32	Highest governance body's role in sustainability reporting	AR 2021 – Governance



## General Disclosures (continued)

<i>Disclosure</i>	<i>Description</i>	<i>Cross-reference, answer or additional 2021 information</i>
102-33	Communicating critical concerns	AR 2021 – Governance  Compliance Program, including Anti-Bribery and Corruption Program, Whistleblower Program and Business Ethics Program
102-34	Nature and total number of critical concerns	AR 2021 – Governance  Zero complaints have been received on holding and investment level during 2021
102-35	Remuneration policies	AR 2021 – Governance  Human Capital program
102-36	Process for determining remuneration	AR 2021 – Governance  Human Capital program
102-37	Stakeholders' involvement in remuneration	AR 2021 – Governance  Human Capital program

## Stakeholder Engagement

<i>Disclosure</i>	<i>Description</i>	<i>Cross-reference, answer or additional 2021 information</i>
102-40	List of stakeholder groups	Extended AR 2021 - Creating Sustainable Compounding Returns
102-41	Collective bargaining agreements	AR 2021 – Governance  Human Rights Policy
102-42	Identifying and selecting stakeholders	Extended AR 2021 - Creating Sustainable Compounding Returns
102-43	Approach to stakeholder engagement	Extended AR 2021 - Creating Sustainable Compounding Returns
102-44	Key topics and concerns raised	Extended AR 2021 - Creating Sustainable Compounding Returns

## Reporting Practice

<i>Disclosure</i>	<i>Description</i>	<i>Cross-reference, answer or additional 2021 information</i>
102-45	Entities included in the consolidated financial statements	AR 2021 - Financial Statements
102-46	Defining report content and topic Boundaries / Basis of preparation and presentation	AR 2021 - About this report
102-47	List of material topics	Extended AR 2021 - Creating Sustainable Compounding Returns
102-48	Restatements of information	AR 2021 - About this report
102-49	Changes in reporting	AR 2021 - About this report
102-50	Reporting period	AR 2021 - About this report
102-51	Date of most recent report	AR 2021 - Financial Statements, section General information
102-52	Reporting cycle	AR 2021 - Financial Statements, section General information
102-54	Claims of reporting in accordance with the GRI Standards	AR 2021 - About this report
102-55	GRI content index	AR 2021 - About this report
102-56	External assurance	AR 2021 - Financial Statements, section General information

## Management Approach

Disclosure	Description	Cross-reference, answer or additional 2021 information
103-1	Explanation of the material topic and its Boundary	Extended AR 2021 - Creating Sustainable Compounding Returns
103-2	The Management approach and its components	AR 2021 - 2021 Highlights & Results
103-3	Evaluation of the Management approach	AR 2021 - 2021 Highlights & Results

## Topic-Specific Disclosures

### GRI 302: Energy

Disclosure	Description	Cross-reference, answer or additional 2021 information
302-1	Energy consumption within the organization	Extended AR 2021 - Value creation AR 2021 – Governance Environmental Policy
302-3	Energy intensity	AR 2021 – Governance Environmental Policy
302-4	Reduction of energy consumption	AR 2021 – Governance Environmental Policy
302-5	Reductions in energy requirements of products and services	AR 2021 – Governance Environmental Policy

### GRI 305: Emissions

Disclosure	Description	Cross-reference, answer or additional 2021 information
305-1	Direct (Scope 1) GHG emissions	Extended AR 2021 - Our 2021 Non-Financial Performance
305-2	Energy indirect (Scope 2) GHG emissions	Extended AR 2021 - Our 2021 Non-Financial Performance
305-3	Other indirect (Scope 3) GHG emissions	Extended AR 2021 - Our 2021 Non-Financial Performance
305-4	GHG emissions intensity	Extended AR 2021 - Our 2021 Non-Financial Performance 53 tCO <sub>2</sub> e scope 1 and 2 emissions in 2021 per \$56bn Managed Capital
305-5	Reduction of GHG emissions	Extended AR 2021 - Our 2021 Non-Financial Performance

### GRI 401: Employment

Disclosure	Description	Cross-reference, answer or additional 2021 information
401-1	New employee hires and employee turnover	Extended AR 2021 - Value creation Extended AR 2021 - Our 2021 Non-Financial Performance Employee turnover is 13% in 2021 (male 7%; female 22%) Newly hired employees is 9 in 2021 (male 2; female 7)

## Topic-Specific Disclosures (continued)

<i>Disclosure</i>	<i>Description</i>	<i>Cross-reference, answer or additional 2021 information</i>
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	AR 2021 – Governance Human Capital program
401-3	Parental leave	AR 2021 – Governance Human Capital program

## GRI 404: Training and education

<i>Disclosure</i>	<i>Description</i>	<i>Cross-reference, answer or additional 2021 information</i>
404-1	Average hours of training per year per employee	Average of >10 hours of training per employee in 2021 (full time and part-time)  100% of employees (full time and part-time) received (ESG) training in 2021
404-2	Programs for upgrading employee skills and transition assistance programs	Extended AR 2021 - Creating Sustainable Compounding Returns Human Capital Program, section 6.1 Training & Development Expenditure is USD 0.3 million Job-specific development training programs
404-3	Percentage of employees receiving regular performance and career development reviews	AR 2021 – Governance Human Capital Program, section 6.1  Each employee has a yearly performance appraisal

## GRI 405: Diversity and Equal Opportunity

<i>Disclosure</i>	<i>Description</i>	<i>Cross-reference, answer or additional 2021 information</i>
405-1	Diversity of governance bodies and employees	AR 2021 – Governance  As of the end of 2021, JAB's workforce consists out of 24 females and 30 males, JAB's Leadership Team consists out of 3 females and 10 males and JAB's Management Team consists out of 7 females and 18 males
405-2	Ratio of basic salary and remuneration of women to men	Extended AR 2021 - Our 2021 Non-Financial Performance

**JAB**  
HOLDING  
COMPANY

