

# Environmental Social & Governance



JBT's purpose is to help our customers win in the marketplace by giving them solutions to make better use of the world's precious resources.



# ESG

## ENVIRONMENTAL, SOCIAL & GOVERNANCE



**ENVIRONMENTAL**



**SOCIAL**



**GOVERNANCE**

Sustainability is not only part of JBT's philosophy, it is something positive for the world and indispensable for the industry as a whole. What we do is reduce waste, increase the recovery of products or by-products and achieve a more efficient industry. We want to achieve this hand-in-hand with our customers.



**Reduce  
Environmental  
Impact**



**Care for  
people**



**Conduct  
Business  
Responsibly**



**Build  
Partnerships**

JBT's purpose is to help our customers win in the marketplace by giving them solutions to make better use of the world's precious resources. Sustainability is not only part of JBT's philosophy, it is something positive for the world and indispensable for the industry as a whole. What we do is reduce waste, increase the recovery of products or by-products and achieve a more efficient industry. We want to achieve this hand-in-hand with our customers.

After decades of steady decline, the number of people who suffer from hunger – as measured by the prevalence of undernourishment – began to slowly increase again in 2015. Current estimates show that nearly 690 million people are hungry or 8.9 percent of the world population – up by 10 million people in

one year and by nearly 60 million in five years. At the same time, a profound change of the global food and agriculture system is needed if we are to nourish the more than 690 million people who are hungry today – and the additional 2 billion people the world will have by 2050. Increasing agricultural productivity and sustainable food production are crucial to help alleviate the perils of hunger. <sup>1</sup>

Sustainability is essential for the health of the food industry. JBT's technologies are key to this focus, providing solutions to maximize yield, minimize wastage and preserve food in all its forms to increase shelf-life and to get food to people that need it. We see a real opportunity to do more.

<sup>1</sup> <https://www.un.org/sustainabledevelopment/hunger/>

## Our ESG journey is gaining momentum.

To help us identify and assess the environmental, social and governance issues that are most important to our business and our stakeholders, we completed our first materiality assessment in 2020.

The information gained from the assessment shapes our reporting strategy and focuses our efforts on where we can make the most meaningful impact.

**We followed these steps:**

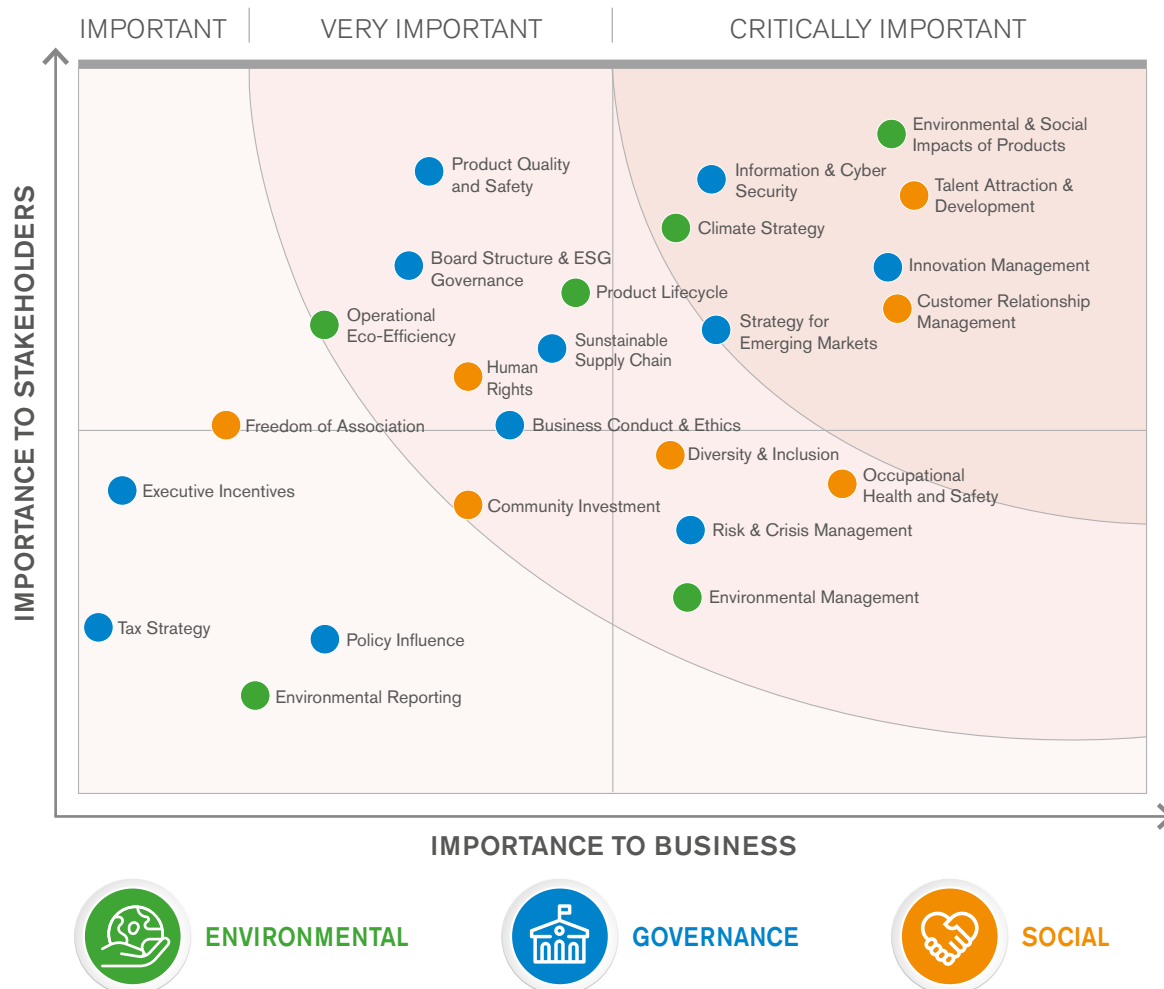


We conducted a gap analysis comparing the priorities of key ESG rating and ranking organizations and JBT's current priorities and compiled a list of 24 ESG issues.

Using a third-party consultant, we collected input on the relative importance of our focus on these issues from JBT leaders and external stakeholders such as key customers and investors.

Combining the results of the gap analysis and stakeholder surveys, we created a materiality matrix that shows the environmental, social and governance issues that are a focus of our business and stakeholders.

## JBT MATERIALITY MATRIX



We consider all 24 topics shown in the above matrix to have some level of importance. We categorize an issue as material if 1) it could impact the business in terms of costs, growth, risk or reputation or 2) if it is important to our stakeholders. Topics in the “critically important” category are viewed by both JBT leaders and stakeholders as potential big wins/differentiators and/or critical risks.

**Based on this assessment, the issues we have developed focus around are:**

### 1. Environmental and Social Impact of Products

Managing and mitigating the impact products have on the environment and communities; strategy towards a more environmentally or socially beneficial product portfolio.

### 2. Climate Strategy

JBT’s approach to reducing GHG emissions across operations while managing physical and transition risks related to climate change.

### 3. Talent Attraction & Development

Policies and practices that attract and develop high-quality talent with the right skills to deliver on current and future business needs.

### 4. Diversity, Equity & Inclusion

Policies and practices that create a welcoming environment for all employees (regardless of differences in race, color, gender, backgrounds, beliefs, abilities, and experiences) to fulfill their potential.

These evaluations were further reviewed with the Company’s Nominating and Governance Committee of the Board of Directors, who has oversight over management’s processes to identify, assess, manage and disclose climate-related risks and opportunities. We plan to periodically update this assessment to reflect our business and our stakeholders’ expectations.



# ENVIRONMENTAL



Our mission: Making better use of the world's precious resources by providing solutions that substantially enhance our customers' success.

Our FoodTech business is driven to help the world's food producers provide healthy food, in a safe and efficient manner. Meanwhile, consumption grows worldwide and consumer preferences and tastes evolve. We are all participants in the food supply chain, with ambitious goals to ensure this growth is managed with the least food waste.

According to the U.N. Food and Agriculture Organization, one-third of food produced for human consumption is wasted globally across the supply chain, contributing 8 percent of total global greenhouse gas (GHG) emissions. If food waste were a country, it would be the third largest contributor to global warming, after the United States and China.<sup>2</sup>

We believe reducing food waste is one of the most important things we can do to reverse global warming, and at the same time possibly feed more people, increase economic benefits and preserve threatened ecosystems. FoodTech is part of the solution.

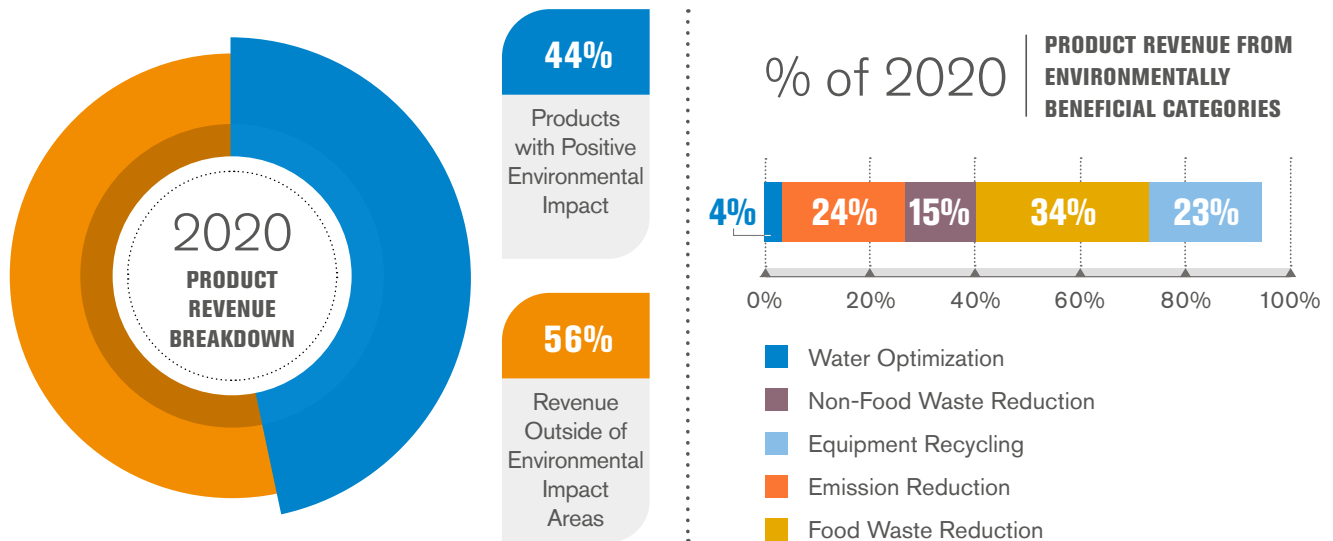
Our AeroTech business is driven to support the air transportation industry, particularly as it continues to strive for more electric and alternative fuel vehicles and operations.

We believe our greatest contribution to mitigating climate-related risks, as well as our abilities to capitalize on climate-related opportunities, are at the heart of our mission and strategy to provide the smartest solutions to the food and air transportation industries.

<sup>2</sup> <http://www.fao.org/3/a-i2697e.pdf>

## Environmental Impact of our Products

Our portfolio of equipment and services also provides a beneficial environmental impact for our customers.



### ➤ WATER CONSERVATION EQUIPMENT

Our water re-use equipment is becoming increasingly valuable and can help conserve large amounts of water for our food processing customers. For example, a poultry processing line working through 1,200 birds-per-hour could save one gallon per bird processed equating to 48 million gallons per year in total savings for just that one line of production.

We steam or blanch fruits and vegetables to inactivate microorganisms and enzymes responsible for oxidation and browning, making the product less desirable. Our equipment saves up to 90% of the steam as compared to existing technologies that are not as efficient or controlled as our machine



● Water Re-Use Equipment



● Water Re-Use Equipment



● Food Steamer

## ➤ PRODUCTS THAT CAN HELP REDUCE GHG EMISSIONS



● Pre-conditioned Air Unit



● Electric Powered Cargo Loader



● Tow Tractor



● Automatic Guided Vehicle

We supply products that air-condition and power parked airplanes allowing aircraft to shut off their jet-engine powered generators. Typical aircraft power units consume 30 gallons of jet fuel for every hour of ground operation.

With our all-electric equipment, this use of natural resources can be greatly reduced, saving our customers an estimated 350 million gallons of jet fuel every year in North America alone.



● Ground Power Unit

We are also working to expand our offerings of electric and alternative energy vehicles and support products in lieu of those that use traditional fuel. Our goal is to increase electric powered sales from less than 5% of total vehicle sales in 2020 to 30% by 2023. Achieving our goal will require new vehicles. We have plans to value engineer current electric vehicles, and design new alternative energy vehicles including hydrogen powered loaders and lithium ion battery options which will result in the roll-out of five new products.

Our automatic guided vehicles (AGVs) offer significant benefits as compared to traditional forklifts, including less fuel consumption due to battery power, as well as enhanced safety versus human operators. With many different types of AGVs, they can be used across many different industries, such as automotive, food and beverage, or health care for countless applications.



## ➤ NON-FOOD WASTE REDUCTION

JBT is a large supplier of cooking equipment, including fryers. A new initiative designed to continuously filter fry oil during operation helps reduce the frequency of oil replacement, resulting in longer-lasting oil and less oil waste. Our tray sealing equipment is an ideal packaging

solution to minimize food waste, extend product shelf-life and preserve quality while reducing packaging materials by up to 45% when compared to some other packaging formats. They drive efficiency and encourage the use of the most viable, sustainable packaging.



● Hot Oil Filter



● Tray Sealing Equipment



● Efficient Packaging Solution

## ➤ FOOD WASTE REDUCTION TOOLS

The use of our freezers plays a big role in reducing food waste. By freezing food, it stays fresh longer and provides more time for the consumer to enjoy it before it reaches its expiration date and needs to be thrown out. We believe it is essential to continue innovating and deploying food and beverage preservation solutions as it has been proven that frozen foods, ambient shelf-stable foods, and extended shelf-life refrigerated foods all help to reduce waste and create a more secure global food system.

*"Your product makes our product. As freezer technology has improved, so has our product. Every 15% of water retention generates three months of shelf life."*

### JBT FoodTech Customer

Another way we seek to reduce food waste is through our x-ray machines. By detecting bone or foreign particles in food prior to distribution, we can reduce the number of food recalls and subsequently wasted, unusable food.



● Freezer



● X-Ray Machine

## ➤ EQUIPMENT RECYCLING

Rather than replacing a piece of equipment with a brand new one, we provide retrofits and refurbishments to accommodate changing operational requirements.

### Energy Use Optimization and Product Safety

While we aren't reporting metrics for our equipment that optimizes energy use or provides safety benefits to those utilizing our products, they are of the utmost importance to JBT. These considerations are part of our value proposition and always included in ongoing design processes and thereby difficult to track separately.

For example, we have a heat recovery system as an upgrade to some of our sterilizer equipment that can deliver a reduction in steam usage of up to 40%, decreasing the overall thermal load of the cooling tower, resulting in substantial energy savings. In fact,

the system offers such a high return on investment, the payback is two - three years based solely on cost savings from our steam reduction technology.

Chicken or turkey gizzard processing can be a great profit source for our customers, but doing it right has its challenges, both in terms of labor and worker safety. Our innovative equipment improves worker safety by eliminating access to potentially dangerous equipment and re-deploys gizzard labor elsewhere in the plant. This process can also increase yield and improve quality since gizzards are not re-worked unnecessarily.



● Heat Recovery System



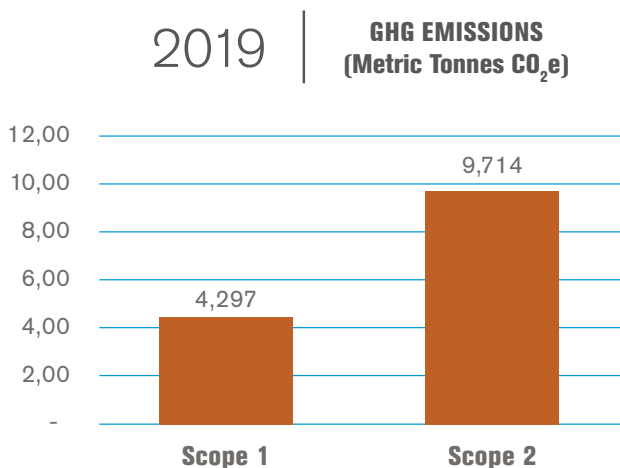
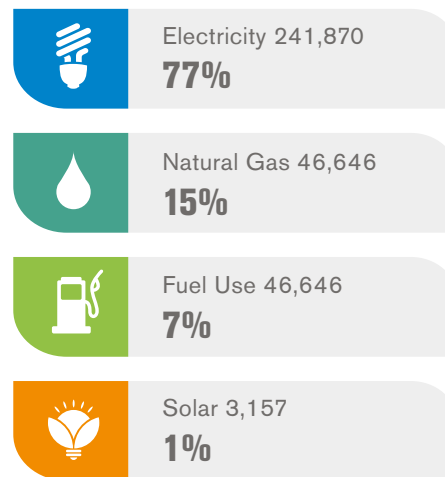
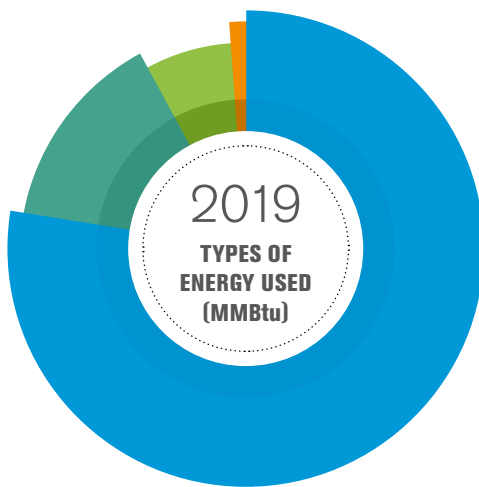
● Poultry Processing Equipment

## Emission Reduction in Our Operations

The biggest opportunity for energy conservation at JBT is to reduce overall electricity consumption.

Electricity accounts for the greatest energy cost and the majority of our indirect CO<sub>2</sub> emissions. The second biggest cost and direct CO<sub>2</sub> impact is natural gas and fuel oil consumption. In 2010, JBT set a goal to reduce energy intensity by 25% by the year 2020 through

a partnership with the **US Department of Energy's Better Plants Program**. We met our goal in 2019, reducing our energy intensity in our U.S. operations by 31% and globally by 28%.



*This data represents the majority of our largest operating facilities. More details on our environmental performance can be found in our **Global Environmental Data Summary**.*

A focus of our efforts in the coming year will be to centralize tracking of environmental metrics related to energy and water. While we have historically tracked this data at a facility level, disparate systems have made it challenging to gather and report this information at an enterprise level. We will be rolling out the use of a third-party data management system to assist us with this effort in 2021.

## JBT GLOBAL ENVIRONMENTAL DATA SUMMARY

<b>Types of Energy Used</b> in MMBtu except intensity data	<b>2017</b>	<b>2018</b>	<b>2019</b>
ELECTRICITY	272,865	258,812	241,870
NATURAL GAS	58,268	63,182	46,646
FUEL USE (DIESEL & PROPANE)	15,688	22,712	20,482
SOLAR ENERGY (FROM OUR MADERA, CA SITE)	3,055	3,122	3,157
RENEWABLE ENERGY % OF TOTAL	0.87%	0.90%	1.01%
<b>TOTAL ABSOLUTE ENERGY CONSUMED (MMBTU)</b>	<b>349,876</b>	<b>347,829</b>	<b>312,156</b>
<b>ENERGY USAGE INTENSITY (MMBTU PER MILLION REVENUE)</b>	<b>329</b>	<b>276</b>	<b>261</b>
<b>ELECTRICITY USAGE INTENSITY (MMBTU PER MILLION REVENUE)</b>	<b>256</b>	<b>205</b>	<b>202</b>

<b>Total Energy Use by Region</b> in MMBtu			
UNITED STATES	254,055	245,578	211,799
INTERNATIONAL	95,821	102,250	100,357
<b>Electricity Use By Region (MMBtu)</b>			
UNITED STATES	201,075	188,430	168,007
INTERNATIONAL	71,790	70,383	73,863
<b>Non-Renewable Fuel Use By Region (MMBtu)</b>			
UNITED STATES	52,980	57,149	43,792
INTERNATIONAL	20,976	28,746	23,337

<b>Total GHG Emissions</b> in metric tonnes CO <sub>2</sub> e except intensity data	
SCOPE 1 GHG EMISSIONS	4,297
SCOPE 2 GHG EMISSIONS	9,714
<b>GHG Emissions by Region</b>	
<b>UNITED STATES</b>	
SCOPE 1 GHG EMISSIONS	2,674
SCOPE 2 GHG EMISSIONS	9,474
<b>INTERNATIONAL</b>	
SCOPE 1 GHG EMISSIONS	1,623
SCOPE 2 GHG EMISSIONS	240
<b>GHG Intensity (Scope 1 &amp; 2) metric tonnes CO<sub>2</sub>e per million revenue</b>	<b>11.70</b>

*This data represents the majority of our largest operating facilities. Our data has not been verified by a third party.*



Out in the world, we  
extend our positive impact  
through our products, and  
our contributions to the  
communities around us.

# SOCIAL

JBT has a long tradition and culture of doing what is right, partnering with our customers, and giving back.

We have employees located throughout the world. At the end of 2020, we had approximately 6,200 employees worldwide, with approximately 3,400 located in the United States. We operate sales, service, manufacturing and sourcing operations in more than 25 countries. Our strong employee base, along with their commitment to

our uncompromising values of integrity, accountability, continuous improvement, teamwork, and customer focus, provide the foundation of our company's success.

Our core values provide a solid foundation for long-term sustainable and successful business.

**NOTHING HAPPENS  
WITHOUT THE  
COMMITMENT OF  
OUR PEOPLE TO:**



**DIVERSITY, EQUITY AND  
INCLUSION**

**TALENT ATTRACTION AND  
DEVELOPMENT**

**EMPLOYEE HEALTH AND  
SAFETY**

# Diversity, Equity & Inclusion

JBT embraces diversity, equity and inclusion (DEI), and we believe a diverse workforce fosters innovation and cultivates an environment filled with unique perspectives. We are committed to creating an inclusive culture where employees can bring their whole selves to work and strive to use our resources to support causes that help to create a respectful and accepting global community.

As part of JBT's commitment to DEI, a global DEI Council was established at our global headquarters and has partnered with the executive team to develop and deploy programs, processes, and communications to further our DEI objectives. The mission of the council is to increase diversity at all levels amongst the JBT community by ensuring there is an inclusive, equitable and welcoming culture for all to thrive and grow at JBT.

Specifically, we have partnered with an industry leader in DEI to develop and launch the JBT Inclusive Leadership Series (ILS). The ILS is a 6-session program that focuses on providing a series of structured and interactive leadership training sessions to leaders across the organization, with the primary objective to help JBT leaders incorporate inclusive practices into the way they manage their teams.

**SOME OF  
THE TOPICS  
DISCUSSED  
INCLUDE:**



**GENERATIONAL GAPS**

**GENDER EQUALITY**

**GENDER IDENTITY, SEXUAL ORIENTATION  
& GENDER EXPRESSION**

**RACIAL, ETHNICITY, NATIONALITY,  
OR TRIBE CONSIDERATIONS**

**DISABILITIES, INCLUDING  
PHYSICAL**

We are also focused on recruitment of diverse candidates as well as on internal talent development of our diverse leaders so that they can advance their careers and move into leadership positions within the company.

To promote awareness and provide guidance for future DEI programs, JBT's senior management hosted a series of listening sessions which provided employees

the opportunity to share their experiences as diverse persons within JBT.

Finally, we have partnered with three organizations whose missions focus on addressing inequality, fostering diverse and inclusive organizations and societies, and serving under-resourced communities. This includes investments of our employee's time as well as JBT resources.

# Talent Attraction and Development

## ➤ EMPLOYEE RESOURCE GROUPS

Employee Resource Groups (ERGs) build high-trust relationships that help companies flourish. The groups foster a sense of belonging and inspire conversation, bring new ways to look at issues and drive innovation. In 2021, we plan to introduce two employee resource groups.

## ➤ EMPLOYEE ENGAGEMENT SURVEY

In an ever-growing competition for the best employees, companies need to provide a good working environment. Moreover, job satisfaction increases productivity and generates better employee performance. Specifically, it is an organization's ability to energize the discretionary efforts of its employees that enable better performance and more engaged employees. We have conducted engagement surveys across JBT in different forms, and plan to deploy our first organization-wide employee survey in 2021.

## ➤ DEVELOPMENT OF OUR EMPLOYEES

We invest in programs and processes that develop our employee's capability to ensure that we have the talent we need to execute our strategic plan.

Our executive Performance Management Program ensures that all leaders have clear priorities, and that their performance relative to these priorities are linked to their total rewards package.

Our annual Leadership Development Process includes a full-day talent discussion in each of our businesses and culminates in a talent review with the executive leadership team and the Compensation Committee of the Board of Directors. The result is a specific and actionable talent plan in every business that ensures the execution of the important priorities set for each business.

Our Leadership Excellence Program provides an overview of the 13 competencies that have been identified in successful JBT leaders and deploys a formal framework through which these traits can be assessed and developed. This ensures a fair, accurate and consistent approach in the development and assessment of leaders and potential leaders.

## EMPLOYEE HEALTH & SAFETY

Employee safety is of paramount importance to JBT. We understand risk is a part of doing business but make managing this risk a priority to all our employees. We give employees the proper tools through risk management techniques, training and empowering employees to stop work if they encounter a risk they perceive as too great. These tools, along with the management belief that all injuries can be prevented drive our Employee Health and Safety (EH&S) program.

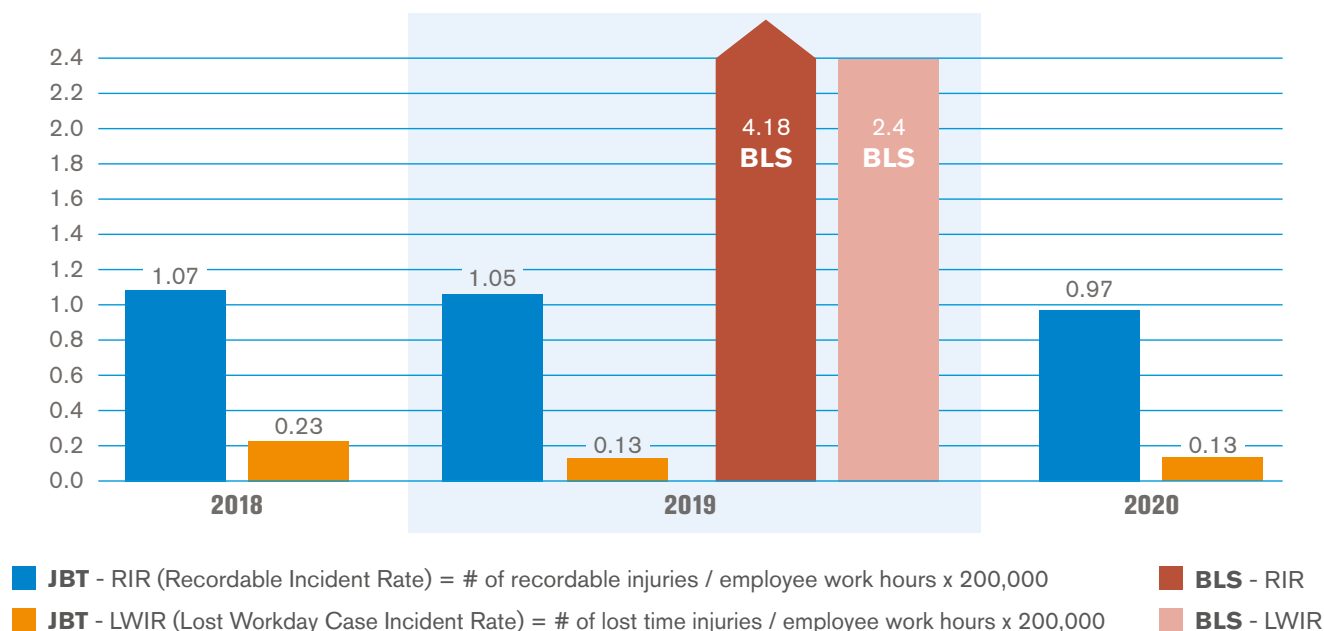
We have a corporate objective of Target Zero, "We're committed to Zero Incidents, Worldwide, Every day." These programs, and others, are the highlights of a foundational commitment to

safety that shows in our recordable and lost-time rates below. In 2020, our Recordable Incident Rate (RIR) was 0.97, which is better than the 2019 Bureau of Labor Statistics (BLS) average of 4.18 for the industries we operate in. Our Lost Workday Care Incident Rate of 0.13 was also better than the 2019 BLS average of 2.4.





## OCCUPATIONAL HEALTH & SAFETY PERFORMANCE



Metrics include full-time and contract\* employees.

Specifically, we have deployed a global Near Miss reporting program, under which potential unsafe conditions or behaviors are proactively reported and corrected before they become an injury. We require our employees to report near miss incidents when they occur. This gives us an opportunity to prevent future incidents because by collecting this data we help create a culture that seeks to identify and control hazards, which will reduce risks and the potential for harm.

In 2020, more than 13,000 near miss incidents were reported by our employees, for an average of 2.15 incidents reported per employee. Our goal was for each employee to report at least 1.50 each.

### COVID-19 Response

We have taken significant actions to keep our employees safe throughout the COVID-19 Pandemic. In March 2020, we formed the COVID-19 Crisis Response Team, comprised of senior leaders across JBT, to develop and deploy policies, programs, and protocols that ensure the effective management of pandemic-related risks to JBT employees. This included, but is not limited to, global travel guidelines, personal protective equipment (PPE) and social distancing requirements, required location protocols, testing and return-to-work policies.

\*Contract labor includes either contractors or temporary labor under our direct supervision. It does not include general or independent contractors.

# GOVERNANCE



Implicit in this philosophy is the importance of sound corporate governance. It is the duty of the Board of Directors to serve as a prudent fiduciary for shareholders and to oversee the management of the Company's business.

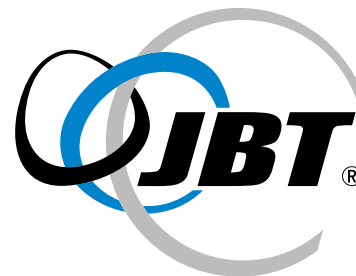
To fulfill its responsibilities and to discharge its duty,

the Board of Directors follows the procedures and standards that are set forth in these guidelines. These guidelines are subject to modification from time to time as the Board of Directors deems appropriate in the best interests of the Company or as required by applicable laws and regulations.

**IT IS THE DUTY OF THE BOARD OF DIRECTORS TO SERVE AS A PRUDENT FIDUCIARY FOR SHAREHOLDERS AND TO OVERSEE THE MANAGEMENT OF THE COMPANY'S BUSINESS.**



The Board of Directors of JBT Corporation (the “Company”) sets high standards for the Company’s employees, officers and directors.



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**WHAT'S GOOD FOR YOU IS ALSO  
GOOD FOR THE ENVIRONMENT.**

Subject to change without notice. 02-21 A20004-EN