### Trabocca 2021 CSR Report

"Trabocca has over 22 years of intensive experience and knowledge at origin. We feel a responsibility to continue improving and adding value to our supply chains in the broadest way."

Menno Simons, Trabocca's founder & Managing Director Trabocca's origin's

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### **Trabocca's origins**

Captivated by the new coffee flavors he experienced in Ethiopia, Menno Simons founded Trabocca: a coffee bean importer with a strong focus on Ethiopian specialty coffee. Trabocca's foundation was built upon the exploration of flavor, quality, and fair products that benefit all actors in the supply chain. Trabocca introduced the first organic certification for Ethiopian Coffees back in 2000. And the introduction of Eco-pulpers and wetmills soon followed suit.



### Purpose, vision, and mission

Discover, develop and efficiently deliver the coffee roasters need. To work together with farmers, cooperatives and exporters to provide high quality coffee to roasters world wide. We are dedicated to improving the whole supply chain, by facilitating functional relationships between farmers and roasters, and by contributing to a thriving coffee community.

To do this we build our overall strategy on five main objectives:

- Discover and expand by increasing our knowledge and involvement in producing countries, consuming countries and social and organic certifications.
- 2. Develop our supply chain relationships by building and maintaining longterm reliable relationships with our coffee and service suppliers.
- 3. Deliver to our customers by building and maintaining longterm reliable relationships with our customers.
- 4. Develop our team, by creating and maintaining a knowledgeable, motivated and diverse team, handing them the tools and agency to thrive.
- 5. Develop, discover and deliver on the Sustainable Development Goals, by not just focusing on our SDG policies, but also by facilitating our suppliers and customers to reach their SDGs.

### Trabocca's social responsibility

As a trader, Trabocca plays a connecting role in the supply chain. In our road to sustainable growth, we focus not only on our business, but also the people that work for us and with us.

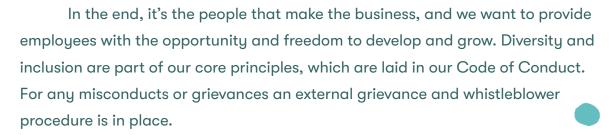
Our sustainability frameworks and guidelines are based on the United Nation's Sustainable Development Goals (SDGs), and is divided into;

- Being a good employer
- Reducing our environmental footprint
- Creating sustainable supply chains
- Delivering safe and healthy products

Our report over 2021 serves as a baseline measurement. As a part of Acomo, part of our impact and performance are part of the Acomo annual reports, which are based on the internationally recognized GRI (Global Reporting Initiative) Standards, available on their website.



# Employer: happy people



Trabocca has 3 offices, one in Amsterdam, one in Addis Ababa and one in Minneapolis. Our total team consists of 29 employees.

Indicator	Definition	SDG	2021 baseline
Performance review	The percentage of employees receiving annual performance and career development reviews	3 – good health and wellbeing 8 – decent work and economic growth	100%
Male to female ratio	The total number of employees, m/f/x in FTE and headcount	5 – gender equality	29 permanent M: 19/18.8 FTE F: 10/9.7 FTE X: 0
Temporary worker ratio	The total headcount held by non-permanent workers	8 – decent work and economic growth	29 permanent Zero temporary
Employee turnover	The total number and rate of new employee hires, and employee turnover	8 – decent work and economic growth	New hires: 3 Leavers: 2 Hiring rate: 10.3% Turnover rate: 6.89%
Age structure	The age structure of employees, number of employees per age group	10 – reduced inequalities	Under 30: 7 30-39: 11 40-49: 5 50+: 7
Nationalities	The number of different nationalities	10 – reduced inequalities	Dutch, British, Belgian, Ethiopian, US

### Highlight:

Training and education are important. It motivates, and ensures our people have the right knowledgebase to assist where needed. Whether that is within the company or sharing knowledge outside of the company with suppliers and customers.

### In 2021:

24 people received technical trainings, such as Food Safety trainings. To ensure every employee knows the food safety procedures, so we can deliver a safe and in spec product.

16 people followed educational programs, such as language courses, training on coffee production and fermentation, or a sales and design master class.

In addition 6 more followed other trainings, such as trainings on certification standards, and coffee product risks. Two of our quality team passed their Q grading certificate, extending their certificate for 3 years.



### 2

Reducing our environmental footprint

The direct environmental footprint of Trabocca is relatively small. We do not produce any products. We move most coffees per sea freight, which has a much lower impact compared to air freight.

However, to keep our long-term relationships strong as well as performing quality checks, our team does travel. And improvements, even in sea freight, can always be made.

Trabocca is still developing a policy to reduce our environmental footprint, and we are currently working on what indicators we want to monitor and measuring our baseline.

	Indicator	Definition	SDG	2021 baseline
	Business travel and employee commuting	The total number of flight KMs & The total number of commute KMs	12 – sustainable cities and communities	Business travel flight: 280.447KM
			13 - climate action	Commute:
				Car/motor: 73.474KM (27.5%)
				Public transport: 176.181KM
>				(66%)
	~~~			Bicycle/other: 17.262KM
				(6.5%)

### Highlight:

Many of our employees worked at home for a large part of the year, due to the pandemic. However, there were always people who came to the office, in order to keep everything running. From forwarding important logistical documents, to ensuring all incoming samples were evaluated and passed on to customers. It was all done. We appreciate the huge effort these people made and are still making.

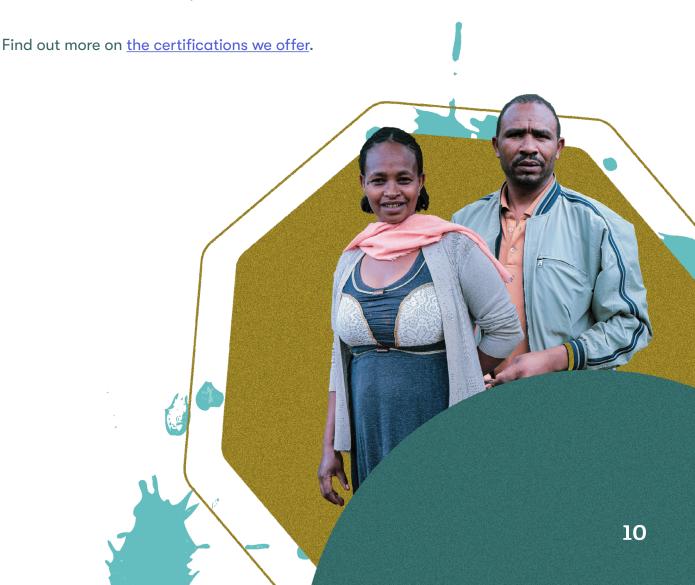
The Dutch office encourages the use of public transport for regional business travel, as well as for the daily commute. However, the use of a personal car was advised during lockdowns, in order to better ensure social distancing.

# 3 Responsible sourcing

Trabocca sources coffee from all over the world. In 2021 we sourced from 55 different producers in 13 different countries. This brings various challenges and opportunities regarding social and environmental issues in different areas. Our Code of Conduct outlines our shared ethical standards for conducting business, and considers ethics, labor, social and environmental aspects when sourcing coffee and services.

All our coffee and service suppliers are asked to sign our code of conduct. In this we state our expectations regarding business integrity, labor practices, human rights, health and safety, and environmental management. It is referenced to the OECD Guidelines.

Beyond our code of conduct, a large share of our products are certified, either organic, to a specific social standard, or in many cases, both. Certifications have the benefit that there are checks and balances in place, that are being audited by a third party, the certifying body. Every year we try to boost our Fairtrade and Fair for Life portfolio.



Indicator	Definition	SDG	2021 baseline
Suppliers that signed the Code of Conduct	The percentage of suppliers that have signed the Code of Conduct	12 – responsible production and consumption	99%
Social certification, Either a companywide social certificate such as BRC, or Rainforest Alliance, Fairtrade, Fair- trade USA, Fair for Life certification	The percentage of suppliers from whom we have purchased coffee with a social certificate linked  &  The percentage of total batches purchased that have s social certificate linked	12 – responsible production and consumption	34.5% of the suppliers have a social certificate  25.7% of the total batches Trabocca bought have a social certificate (2.327.292 KG)
Purchased volume of sustainable products (certified organic, Rainforest Alliance, Fairtrade, Fairtrade USA, Fair for Life)	The percentage of certified products purchased	12 – responsible production and consumption	42.5% of purchased products
SDG related projects	Number of SDG related projects	Multiple	7 projects total  See our chapter on projects below
Industry innovation and infrastructure	The number of customers that we facilitate payments to World Coffee Research for &  Total volume in KG over which a WCR premium is paid	9 – industry, innovation, infrastructure 17 – partnership for the goals	19 customers pay a premium, either per KG or per lbs on their purchases from Trabocca.  576.612KG total

### Highlight:

As a trader, we are a facilitator within the supply chain. As such, we try to facilitate our customers with their sustainability goals. World Coffee Research (WCR) is an industry-driven organization that is driving agricultural innovation for coffee. Their mission is to grow, protect and enhance supplies of quality coffee, while improving the livelihoods of the families who produce it. And they do so by focusing on research to improve productivity, quality, climate resilience and farmer livelihoods.

As a roaster, you can support them, by paying a premium on the coffee you purchase. This premium is forwarded to WCR.



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# Delivering safe and healthy products

Ensuring everybody can enjoy a cup of coffee, also means ensuring the coffees we purchase and sell adhere to food safety regulations and fall within the certification standards that are linked to specific batches.

To ensure this Trabocca has a solid Food Safety Management system in place, that is reviewed and improved every year. Read more on our system <u>here</u>.

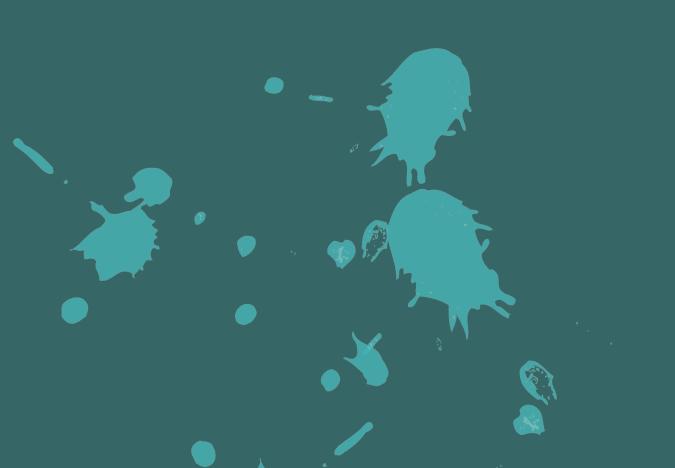
We also register all issues and complaints. Based on trend analyses, performed every quarter, we create corrective actions. All our coffee and service suppliers go through an approval before we work with them and go through a yearly performance assessment.

Indicator	Definition	SDG	2021 baseline
Third party production facilities certified according to food safety standards	The percentage of third-party production facilities contracted by Trabocca that are certified according to a food safety standard  - FSSC22000 - IFS Standards - BRC - SQF	3	100%
Recall	The number of food safety-related recalls issues	3	zero



## Projects

supporting farmers in the field



Of course there is much more that can be done than just certifications or a good price. Trabocca has multiple projects we are working on. In 2021 we have also provided prepayments to suppliers, we have invested in shade nets and other tools, to name a few. But there are several longer-term projects that we would like to highlight:

### 1. Organic Vanilla Production in Ethiopia

Organic vanilla is a very valuable product. We want to bring this valuable commodity to Ethiopia. Together with Nati Farm we have set up a vanilla farm. Providing training and seedlings.

Partners: Nati Farm

<u>SDG:</u> 8 – decent work and economic growth

<u>Impact:</u> This project has been running since 2018. Due to conflict in the area development of the project is slow. But in 2021 we have seen our first small harvest!



### 2. Kenya WUR fermentation

We have been running multiple experimental trials in the last few years. But we still do not understand why one batch scores above 90, while others barely reach 85. Together with our partners in Kenya and the University of Wageningen we will start a fermentation trial in 2022 on the fly crop in Kenya. The aim is to understand the chemical processes that take place during fermentation, and their influence on the sensory profile. With this understanding we hope to create fermentation knowledge and protocols, to be freely shared with producers worldwide to increase their coffee quality and worth.

<u>Partners:</u> University of Wageningen, University of Embu, Kambarare Estate, Rockbern, and Bocca Coffee Roasters

<u>SDG:</u> 1 – end poverty, 3 – good health and wellbeing, 8 – decent work and economic growth, 9 – industry, innovation, and infrastructure, 10 – reduced inequalities

<u>Impact:</u> We have received Seed Money to start this project in 2022, working with Kambarare Estate. We hope to extend in 2023.



### 3. School project

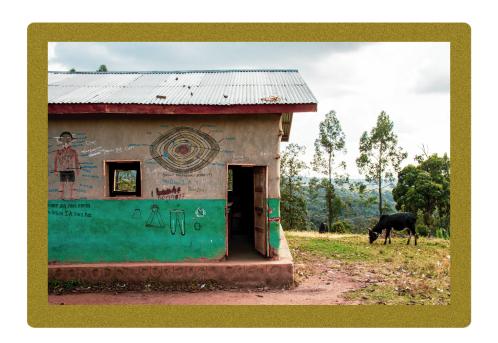
Our supplier Tade GG contacted us to see if we would want to cooperate in creating better education conditions at 2 schools (900+ students at Kumure school, and 900+ students at Suke Quto school) surrounding Suke Quto Ethiopia. Coffee roasters donated and paid premiums on their Suke Quto purchases to help realize this project.

Partners: participating roasters, Tade GG

<u>SDG:</u> 4 – quality education

Impact: This project has been running since 2016. At Kumure School a new 4 room block has been built, as well as a toilet, and a surrounding tin wall with a gate for security. 300 desks were purchased. At Suke Quto School a cement floor was put in, 2 new blocks were built, as well as a toilet.

Read more here.



### 4. Health Clinic

Our supplier Ibrahim Hussien contacted us to see if we would want to cooperate to build a health clinic at Ibrahim Hussien washingstation in Ethiopia. Coffee roasters donated and paid premiums on their Ibrahim Hussien purchases to help realize this project.

<u>Partners:</u> participating roasters, Ibrahim Hussien

SDG: 3 – good health and wellbeing

Impact: This project has been running since 2019. The clinic building has been finished. Toilets and a compound fence still need to be built. In addition medical equipment will still be necessary when the construction is done. Due to conflict in the area progress is moving slower than anticipated.



#### 5. Aces stoves

Many smallholders cook on fires, and indoor smoke is a major health threat. African Clean Energy provides clean cloves. Smallholders were able to buy these clean stoves at a 50% discount, due to participating roasters donating to pay the other half.

Partners: African Clean Energy, Thiriku Cooperative, participating roasters

SDG: 7 – affordable and clean energy

Impact: We delivered 386 stoves, of which 100 have been sold to smallholders. The rest of the stoves are being sold at the cooperatives, where smallholders deliver their coffees to them.

Read more here.

### 6. Blockchain project

All people working in the coffee industry should make a living income at minimum. Unfortunately, there is still a lack of information on what a living income is, and what smallholders receive for their coffee. We want to create transparent supply chains, using blockchain with the TRACE platform. The first supply chain on TRACE is Tade GG, with the Suke Quto smallholders. In next steps we want to work on improving the existing blockchain traceability and adding more supply chains to the TRACE network.

Partners: TRACE by Fairfood, Tade GG

<u>SDG:</u> 8 – decent work and economic growth, 9 – industry, innovation, and infrastructure, 10 – reduce inequalities

Impact: Currently 278 Suke Quto smallholders are linked in TRACE

Read more here.

### 7. Living Income project

We want to ensure that all people working in the coffee industry make a living income. However, it is difficult to know what a living income is. With the Living Income Project we are measuring cost of production and cost of living for smallholder farmers in Guji in Ethiopia. With this input, we will create programs to close the living income gap.

<u>Partners:</u> Simon Levelt, Fairfood, TRACE by Fairfood, Moredocofe, and Tade GG

<u>SDG:</u> 1 - no poverty, 2 - zero hunger, 8 - decent work and economic growth, 10 - reduced inequalities

Impact: this project has been running in since 2021. During the 2021/2022 harvest period we are measuring cost of production and cost of living. With this report we plan to create programs to close the living income gap for 379 smallholder farmers initially. We hope to expand the farmer group to 600+ before the planned end of the project in 2025.



### The future

reporting to goals

Sustainable projects and trying to make specialty coffee a viable business for all involved in the supply chain has been part of the Trabocca DNA from the beginning. That does not mean there is no room for improvement.

Our 2021 sustainability and corporate social responsibility report is just the beginning. This year we wanted to measure some baselines. The next step is setting targets. As well as expand on our existing indicators.

A few things we are looking into is measuring our environmental footprint in the supply chain and seeing how we can reduce this. We have set up a cooperation with Carble to see how we can offer roasters to offset part of their emissions by linking them to smallholder producers, diversifying and increasing their income.

It's promising to be an exciting year.

Thank you for letting us be part of your coffee journey.



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