



SUSTAINABILITY REPORT 2023

Humanity at the forefront of our operations





Our purpose:
To deliver innovative and scalable business solutions to foster a more resilient and sustainable coffee industry.



Ron Gabbay,
Founder and Chairman
of RGC Coffee



Dear Partners, Stakeholders, and Friends,

I am proud to present our 2023 Sustainability Report, which reflects the significant progress we have made toward creating a more sustainable and resilient coffee industry. Over the past year, we have made tremendous strides as we work toward our 2025 goals. We've positively impacted the lives of over 34,500 farming families and improved the working conditions of more than 3,000 rural workers, supporting farmworkers and their family members to live dignified lives, and through regenerative practices, we have successfully restored 1,590 hectares of coffee-growing land, continually pushing the boundaries of what can be achieved through sustainable agriculture. One of our most noteworthy accomplishments is the recognition of our 3E® by RGC Sustainability Validation Scheme by the Global Coffee Platform, aligning our work with the Coffee SR Code and further strengthening our position as a leader in sustainable coffee sourcing.

As we look to the future, our commitment to continuously evolve and improve remains steadfast. The future of the global coffee industry depends on all of us embracing a model that allows communities, ecosystems, and supply chains to thrive. Our 3E® by RGC Sustainability Validation Scheme serves as the gold standard for guiding our work. However, it is strength of our partnerships that truly drives our success. Our efforts and achievements would not have been possible without the support of our partners. Your dedication to advancing our shared mission has enabled us to scale innovative solutions that create long-lasting, meaningful impact. We are grateful for your support and look forward to continuing to advance our shared vision of securing prosperity for people and the planet, for generations to come.

Ron Gabbay

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We are a purpose-driven company, committed to promoting sustainable coffee production and responsible sourcing.

About Us

RGC Coffee is family-owned and operated full-service trading company, headquartered in Montreal, Canada with subsidiaries in Colombia and California. With over 50 years of experience in trading and over 20 years of experience designing and implementing responsible sourcing programs, we have become a trusted advisor and strategic sustainability partner to coffee suppliers, roasters, retailers, and brands, around the world.

About this Report

This report was compiled by RGC's Sustainability team and aims to summarize our 3E® by RGC Sustainability efforts, achievements, and challenges. Our goal in sharing this information is to provide a realistic outlook, concrete actions and future solutions regarding how we can better work together to secure a more sustainable future. Upon reading this Sustainability Report, if you have any questions, comments, suggestions, or ideas, we invite you to reach out to us at info@rgccoffee.com



ELEVATE EMPOWER EDUCATE

3E® by RGC is our sustainability program that defines and guides our corporate mission: to collaborate towards a better future.

3E® by RGC Sustainability Program was designed to guide and define our corporate commitments and approach to building and securing sustainable coffee supply chains. This framework **uses an evidence-based, results-driven approach to maximize investment and impact at origin.**

Our Program has been recognized by the **Global Coffee Platform (GCP) as equivalent to the Coffee Sustainability Reference Code (Coffee SR Code), 2nd party assurance**, demonstrating the drive for critical sector alignment needed for coffee sustainability.



OUR PRIORITIES

RGC has defined priorities at origin that can be categorized into three interdependent areas:



Elevate (Prosperity)

Creating thriving communities by improving access to healthcare, welfare activities, and safe water. We prioritize transparency and traceability and strive to enhance productivity and profitability.

Empower (People)

Prioritizing the respect for fundamental rights by complying with labor legislation and promoting equity. We focus on uplifting women, ensuring safe workplaces, dignified and respectful treatment for workers, and upholding national legislation and land tenure rights at the farm level.

Educate (Planet)

Promoting practices to reduce the environmental impact of operations, sustainable management of natural resources, and adoption of practices that contribute to mitigating and adapting to climate change informed by GHG emissions measurement.

Our priorities are aligned to contribute to the following Sustainable Development Goals:



OUR JOURNEY GOALS & PROGRESS

Sustainability is not a straightforward path; rather, it is a dynamic journey that requires continuous reflection and adjustments tailored to the unique needs of each community. Every year, we expand our reach, incorporating new communities, each with their own distinct context, culture, and challenges. This results in an annual reevaluation of our efforts and approach to ensure we continue to deliver real, meaningful solutions to coffee-growing communities.

In our 2022 Sustainability Report, we introduced our Theory of Change, which has since evolved. We have refined the practices of our *Educate Priority Pillar*, *Todos al Agua*, incorporating additional regenerative agricultural techniques. Furthermore, our carbon footprint goal has been updated and now aligns to RGC's Science-Based Targets initiative (SBTi) approved objectives.



3E® by RGC Theory of Change

Our Shared Value Path to ensure the prosperity of communities, ecosystems, and businesses.

3E® by RGC SUSTAINABILITY VALIDATION SCHEME - THEORY OF CHANGE 2020-2050

The "Theory of Change" is a comprehensive and systematic approach used in program evaluation and planning. It is a framework that outlines the necessary steps and conditions for a specific program or intervention to bring about desired outcomes or impact.

MAIN OBJECTIVES (3E PROGRAMS)	STRATEGIES	METHODOLOGIES	PRODUCTS	OUTCOMES	IMPACT
<p>PROSPERITY – LOS SUEÑOS DEL CAFÉ CREATING THRIVING COMMUNITIES USING A FAMILY-CENTRIC APPROACH TO PROVIDE SCALABLE SOLUTIONS THAT WILL ENHANCE PRODUCTIVITY, PROFITABILITY AND WELLBEING.</p> 	<ol style="list-style-type: none"> 1. Creating a new social narrative to bring value to the role of women in the household and community, protecting and caring for children, and generating awareness among men regarding gender roles. 2. Enabling women to be decision-makers through financial literacy training, access to financial capital (transparent, self-managed revolving credit funds), and entrepreneurship. 3. Providing training and support to women and their families in good agricultural practices and post-harvest processing techniques, ensuring access to technical assistance and resources for farming improvements. 		<p>Target 2025: 40,000 families beneficiaries of 3E® by RGC sustainable coffee program. 30% of producer promoters are women.</p> <p>Target 2050 (New): 60,000 families beneficiaries of 3E® by RGC sustainable coffee program. 40% of producer promoters are women.</p>	<p>Target 2025: 40,000 families impacted from investments at the farm level.</p> <p>Target 2050: 60,000 families impacted from investments at the farm level.</p>	<p>60,000 families are thriving by producing coffee in RGC's supply chain while taking care of planet and communities.</p>
<p>PEOPLE - LAS MANOS DEL CAFÉ FOSTERS FARMWORKERS WELLBEING AND DIGNITY, IDENTIFYING ALTERNATIVES TO MAKE EMPLOYMENT WITHIN THE COFFEE INDUSTRY MORE SOCIALLY</p> 	<ol style="list-style-type: none"> 1. Promotion of Decent and Productive Employment. 2. Ensuring the protection and safety for workers. 3. Promoting good and fair treatment for farmworkers. 4. Collaborative work among multiple agents in the coffee value chain to implement solutions to close the living wage gap. 	<ol style="list-style-type: none"> 1. Community work that includes family members and schools. With special emphasis on women as promoters of community change. 2. Work with producer promoters based on impact indicators. 3. Access to farm improvements and other benefits based on a win-win model (results-based agreements). 4. Tours to share with other communities related to the achievement of indicators. 5. Georeferencing of all interventions. 6. Collaborative work with other partners in the region to increase impact. 	<p>Target 2025: Las Manos del Cafe farmworkers program has 16,000 beneficiaries: 4,000 farmworkers and 12,000 family members.</p> <p>Target 2050: Las Manos del Cafe farmworkers program has 30,000 beneficiaries: 7,500 farmworkers and 22,500 family members.</p>	<p>Target 2025: 4,000 farmworkers who benefit directly from efforts to close the gap on living wage while dignifying their work.</p> <p>Target 2050: 7,500 farmworkers who benefit directly from efforts to close the gap on living wage while dignifying their work.</p>	
<p>PLANET - TODOS AL AGUA SUPPORTS FARMERS TO RESTORE NATIVE ECOSYSTEMS, CONSERVE WATER AND MANAGE THEIR ENVIRONMENTAL FOOTPRINT WHILE IMPROVING PRODUCTIVITY AND LOWERING COST OF</p> 	<ol style="list-style-type: none"> 1. Restoring and protecting water sources, while promoting and investing in water saving strategies. 2. Promoting diverse cropping systems, protecting natural ecosystems, and transitioning farms towards agroforestry. 3. Restoring soil health. 4. Protecting biodiversity by implementing landscape actions. 5. Measuring and managing greenhouse gas emissions to promote climate-friendly supply chains. 		<p>Target 2025: Todos al Agua 3E program has 1,500 beneficiaries.</p> <p>Target 2050: Todos al Agua 3E program has 15,000 beneficiaries.</p>	<p>By 2033 RGC reduce absolute scope 1 and scope 2 GHG emissions 42%, from a 2022 base year and measure and reduce its scope 3 emissions.</p> <p>By 2025, 20 millions of liters of water saved per year by 2025, 200 hectares restored with increased tree cover, cover crops or diverse crop systems.</p>	

3E® by RGC COMMUNITY IMPACT PROGRAMS

A unique and meaningful way RGC Coffee delivers measurable impact is through our 3E® by RGC Community Impact Programs: Todos al Agua, Los Sueños del Café, and Las Manos del Café. We work collaboratively to design, implement, manage, monitor, and scale real solutions that deliver real results.

To ensure our programs deliver measurable impact, we collect and monitor Key Performance Indicators (KPIs) each year to guide our ongoing efforts. **Our program is data-driven and continuously evolving to ensure our** efforts are achieving meaningful progress toward our shared goals. The data presented highlights our annual achievements and reflects our commitment to supporting communities and the planet. Each milestone marks a new chapter in our journey, and while the data isn't cumulative, it demonstrates the ongoing efforts that propel our sustainability forward year after year.



**LOS SUEÑOS
DEL CAFÉ**

UPLIFTING FAMILIES



**LAS MANOS
DEL CAFÉ**

SUPPORTING FARMWORKERS



**TODOS
AL AGUA**

REGENERATING ECOSYSTEMS



ELEVATE - PROSPERITY

LOS SUEÑOS DEL CAFÉ



Creating thriving communities using a family-centric approach to enhance productivity, profitability and wellbeing.

Year	Goal	2020 Actual	2021 actual	2022 actual	2023 actual
2025	40,000 families impacted from investments at the farm level.	20,594	28,455	32,244	34,582
2050	60,000 families impacted from investments at the farm level.				

EMPOWER – PEOPLE

LAS MANOS DEL CAFÉ



Fosters farmworkers wellbeing and dignity, identifying alternatives to make employment within the coffee industry more socially viable.

Year	Goal	2020 Actual	2021 actual	2022 actual	2023 actual
2025	4,000 farmworkers who benefit directly from efforts to close the gap on living wage while dignifying their work.	2,422	2,895	2,924	3,026
2050	7,500 farmworkers who benefit directly from efforts to close the gap on living wage while dignifying their work.				

EDUCATE – PLANET TODOS AL AGUA



Supports farmers to restore native ecosystems, conserve water and manage their environmental footprint while improving productivity and lowering cost of production.

Year	Goal	2020 Actual	2021 actual	2022 actual	2023 actual
2033	reduce absolute scope 1 and scope 2 GHG emissions 42%, from a 2022 base year and measure and reduce its scope 3 emissions.	NA	na	46.44t CO2e	28.26t CO2e
2025	20 millions of liters of water saved per year.	15.58	16.8	17.8	34.12
2025	200 hectares restored with increased tree cover, cover crops or diverse crop systems.	25	126	307	1590



3E® by RGC

KPI PROGRESS



	2020	2021	2022	2023
Beneficiaries	20,594	28,455	32,244	34,582
Investments	2M	2.1 M	2.6 M	3,146
# Women involved in projects	5,429	5,600	7,625	11,538
# Women trained on topics related to social topics and rights (gender equity)	1,041	1,107	1,285	2113
# Women Trained in financial literacy	355	771	558	344
\$ Money available on credits for women	\$ 64,200	\$ 118,753	\$ 114,000	\$ 118,505
\$ Cash premium paid to women (USD)	\$ 28,666	\$ 26,795	\$ 73,477	\$ 137,251
# of farm infrastructure improvement done at farm level (related to all improvements or new installation of: wet mills, sun dryers, hoppers, green filters, wastewater systems, fermentation tanks, composting pits, kitchens, floors, bathrooms, cable cars and other tools to make work easier)	1,187	729	886	1,834
Investments in activities at farm level to promote worker rights and well-being (USD)	\$ 179,500	\$ 331,802	\$ 303,679	\$ 354,072

3E® by RGC KPI PROGRESS



	2020	2021	2022	2023
# of coffee farm workers impacted from investments at the farm level	2,422	2,895	2,924	3,026
# People impacted for farmworkers well being services	12,360	14,160	14,620	15,130
# of coffee farm workers who are provided training on topics related to workers right, wellbeing, security and safety at workplaces	660	1,443	2,161	1,034
# of farms implementing smart agricultural practices through Todos al Agua project	8,168	8,603	11,751	12,179
Lts. Of water saving on farm processing	15.58 M	16.80 M	17.90 M	34.12 m
# of trees planted for reforestation	181,310	101,000	24,913	123,431
# of hectares reforested and protected	181	101	25	1,283.6
# of farms with third-party verification	3,469	3,706	6,217	9,234
# of coffee seedling delivered for renovation	422,000	332,000	757,900	1,080,150
tCO2e sequestration potential due to new native trees planted (accumulated)	2,123	3,306	3,598	4,651
tCO2e avoided due to adequate pulp composting (accumulated)	3,935	6,252	10,470	15,636

3E® by RGC

KPI PROGRESS



	2020	2021	2022	2023
# Sustainability awards received for projects	SCA sustainability award for Las manos del café	Global compact award SDG # 5 for Las Flores del Café	Global compact award SDG # 13 for Todos al Agua	0
# of metric tons of green coffee sourced via recognized voluntary sustainability standards (VSS)	5,650	4,638	6,039	9,792
# of hectares implementing soil conservation	N/A	135	235	4,491
# of people trained on Todos al Agua Topics (Soil care, water conservation and saving, productivity, fertilization, food production)	7,312	8,886	10,500	9,621
\$ funding invested on Todos al Agua activities (USD)	\$ 1,782,344	\$ 1,228,867	\$ 1,615,621.86	\$ 1,726,140.72
# Families with safe water access	278	477	515	425
# families producing food to improve household incomes	253	284	493	716
# farms fertilizing based on soil analysis	627	597	725	1,387
# people participating in Biodiversity activities	N/A	N/A	N/A	96
# schools participating in project activities	N/A	N/A	N/A	21
# people benefited for aqueduct improvements	N/A	N/A	N/A	400

3E® by RGC KPI PROGRESS



	2020	2021	2022	2023
# Producers receiving payments for carbon removal credits	N/A	N/A	N/A	1,769
\$ carbon removal units paid to producers	N/A	N/A	N/A	\$ 287,741.94
# producers 3E® by RGC Verified (2nd and 3rd party verified)	N/A	N/A	N/A	1,012
# female producers 3E® by RGC Verified (2nd and 3rd party verified)	N/A	N/A	N/A	257
# of hectares covered by 3E® by RGC Verification (2nd and 3rd party verified)	N/A	N/A	N/A	1,854.09
# of bags (60 kg) of green coffee produced under 3E	N/A	N/A	N/A	36,200

3E® by RGC SUSTAINABLE COFFEE SUPPLY CHAINS



Nueva Segovia, Nicaragua

Jinotega, Nicaragua

Ocatepeque,
Honduras



Copan, Honduras



Lempira, Honduras



Amazonas, Peru



Antioquia, Colombia



Risaralda, Colombia



Caldas, Colombia



Huila, Colombia



Cauca, Colombia



Minas Gerais, Brazil



3E® by RGC 2023 IMPACT



PEOPLE
PLANET
PROSPERITY

137M LBS PRODUCED ANNUALLY BY 3E PARTNERS

- PERU
- NICARAGUA
- HONDURAS
- COLOMBIA
- BRAZIL
- BURUNDI

28M LBS PURCHASED BY RGC IN 2023

\$3.1M Invested in Community Projects in 2023

34,582 COMMUNITY COFFEE PARTNERS

11,510 Women Project Participants

15,130 People Participating in our Farmworker's Program, Las Manos del Café

102 BOOTS ON THE GROUND SUSTAINABILITY TEAM
Implementing 3E® by RGC Community Impact Programs in 2023

8 Professionals in our Global team at origin

94 Technicians in the field



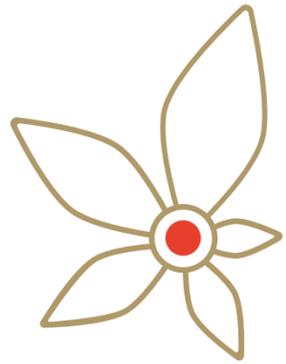


LOS SUEÑOS DEL CAFÉ

A family-centric approach for prosperity that uplifts women in coffee growing communities

Small farmers and women in coffee-growing communities face significant challenges such as limited access to credit, training, and recognition, as well as lack of savings and reinvestment capacity. Los Sueños del Café addresses these issues by focusing on three key areas of impact: Living in Harmony (social recognition), The Power of Choice (economic empowerment and diversification), and Giving the Best to the World (quality and productivity improvements). This program supports 11 communities and 5,511 people across Colombia, Peru, and Honduras, helping families increase their income and resilience.

The initiative also includes Merque en su Finca ("Buy Groceries at Your Farm"), a food security program empowering families to grow their own food, ensuring food security, and enabling savings that can be reinvested in farm renovations. By reducing reliance on a single crop, this methodology helps farmers close the living income and wage gap, promoting sustainable growth and prosperity for coffee-growing communities.



Los Sueños Del Café Supply Chains

Los Sueños Del Café is supporting 11 communities and 4,444 people to improve family wellbeing and increase household income.

Uplifting Women to Benefit Families and Communities

RGC Coffee works with 7 women-led producer groups plus an additional 3,760 women in Tolima, Colombia, Caldas, Colombia; Ocotepeque, Honduras; and Amazonas, Peru, who participate in other 3E® by RGC Community Impact Programs.



Las Rosas
Colombia

1 groups with 432 women coffee farmers and their family members, participate in Las Rosas in La Plata, Huila, Colombia



HIBISCUS
Honduras

1 group with 150 women from the western region of Ocotepeque, Honduras who exported their first container of coffee in 2023.



ROTHECA
Burundi

1 group with 752 women farmers



CANTUTA
Peru

3 groups with 303 women participated in Las Cantutas throughout the Amazonas region of Northern Peru



PLUMERIA
Brazil

1 group with 114 women farmers who are also members of a cooperative

PROJECT MILESTONES - 2023



Export of the first container of coffee produced by women in Honduras under our **Hibiscus** program. This marks a significant milestone, as the groups in Honduras were initially hesitant when they began. After several training sessions aimed at raising awareness, we finally achieved the goal of sourcing coffee solely from women.

Las Rosas established its first coffee quality lab with support from RGCC Coffee and several roaster and retail partners. This lab will enable them to enhance their coffee control by assessing its quality and recognizing its potential for added value.

Committed to promoting women's inclusion, RGC has set internal targets to increase the **participation of women** across all our projects. 2023 saw exceptional progress, with women's involvement in our initiatives rising by 51%.

Cash premiums paid to women growers grew 86% year over year as part of our commitment to support economic empowerment.



Sustainable Development Goals

SDG1 – No Poverty

SDG5 – Gender Equality

SDG8 – Decent Work and Economic Growth

SDG10 – Reduced Inequalities

Awards and Recognitions

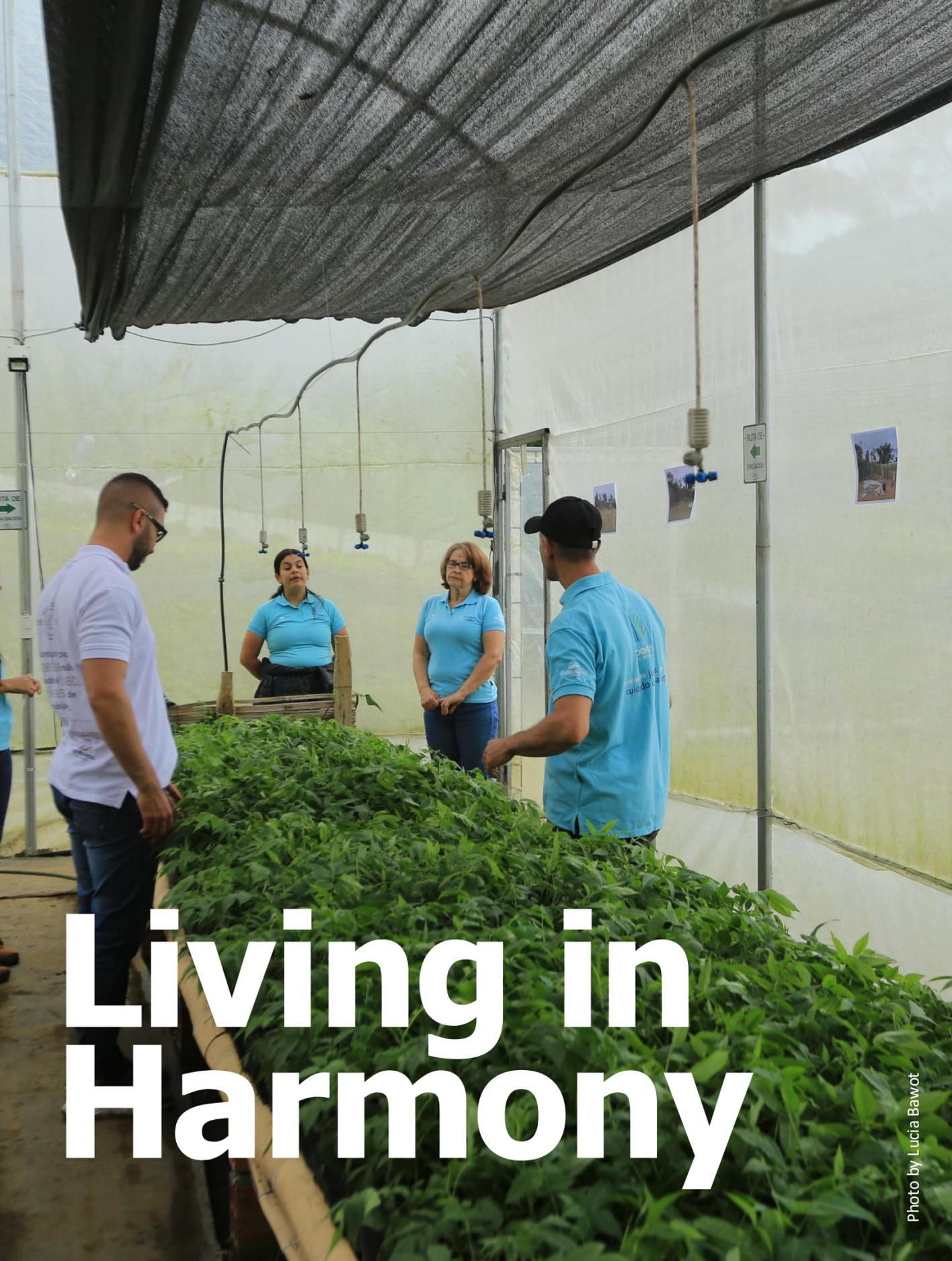


FINALIST

Las Flores del Café was selected as a finalist for the Specialty Coffee Association's annual Sustainability Awards.



The Colombia Chapter of Las Flores del Café, Las Rosas, was awarded The Global Compact Colombia Recognition 2021 for its contribution to United Nations SDG #5 in the category of women's rural entrepreneurship. The award was presented to Las Rosas as part of the UN's annual recognition of Good Practices in Sustainable Development.



Living in Harmony

Photo by Lucia Bawot



LOS SUEÑOS DEL CAFÉ

Social Recognition – Project updates

3E by RGC projects place special emphasis on the recognition of women, so each technician has a goal to include at least 30% women in their training activities and program benefits. This has allowed us to advance our women's inclusion agenda in an accelerated manner.

2,113 women trained on topics related to social rights and gender equity

11 communities engaged in three countries.

344 women trained in financial literacy.

360 women trained in income diversification, food security and productivity.



The Power of Choice



LOS SUEÑOS DEL CAFÉ

Economic Empowerment – Project Updates

The economic empowerment of women coffee growers is based on the production of coffee, which is why RGC focuses on promoting the purchase of coffee produced by women with an additional cash premium that allows them to increase their income. RGC also supports diverse strategies focused on increasing productivity, decreasing costs and diversifying income, so that the farms can grow into businesses.

\$118,505 available for credits for women, workers and youth entrepreneurship.

\$23,000 distributed as fertilizer support to increase farm productivity

\$137,251 paid as cash premiums to women coffee farmers.

Las Rosas now own their own quality lab.

136 infrastructure improvements made in women's farms



LOS SUEÑOS DEL CAFÉ

Quality and Productivity – Project Updates

USD \$23,000 was distributed as fertilizer support for new coffee plantations to increase farm productivity.

We supported the renovation of coffee plantations with **564,000 seedlings**, equivalent to approximately 113 new hectares of coffee, contributing to increased family incomes.

17,700 native trees were planted to enhance climate resilience in farms.

2 new eco wet mill systems installed to improve quality while reducing 324,000 liters of water per year.

430 farms were 3E® by RGC verified as model of good practices aligned with RGC'S sustainability methodology.



**Working to close
the living wage
gap in Colombia**

Inspired by the desire to solve the issue of labor scarcity and to bring visibility to the lives of farmworkers, Las Manos del Cafe has proven its ability to improve access and retention of laborers while closing the living wage gap. The average year round wage for coffee workers is approximately 20% below the living wage. (Anker, 2022). For the past eight years, we have been working in partnership with workers, cooperatives, roasters, and NGOs to create the most innovative solutions to address farmworkers' challenges.

Win. Win Win.

Through LMDC, farmworkers and their families receive \$99.40 worth of services for a cost of only \$9.30 per worker. Workers gain access to services that they are unable to afford on their own, which are included in the definition of a living wage: i.e. health, education, retirement savings, other essential needs (recreation), nutritious food and coverage for unexpected events.

The Business case

The average year-round wage for coffee workers is approximately 20% below the living wage (per Anker, 2022). Remarkably, LMDC services represent 20% of the living wage definition, thereby closing the living wage gap in these communities for less than it would cost workers or farmers on their own



Las Manos del Café Supply Chains

Las Manos del Café works with four coffee cooperatives in Colombia, offering wellbeing services to 15,130 people. It is the only coffee program in the world to invest 100% of its resources towards improving the lives of farmworkers.



The program strategically focuses on delivering services to those who are not producing coffee but picking the coffee.

In 2022, Las Manos del Café (LMDC) methodology was used as a living wage and living income case study by Verite. The results showed LMDC to be an effective model to improve workers wellbeing. LMDC is ready to be scaled across all of 3E® by RGC supply chains, globally. With roasters purchases we can amplify the impact. For only 10 cts/lb, 189 people are able to receive 1 year of 16 services that align to the International Labor Organization's Four Pillars of Decent Working Conditions.



PROJECT MILESTONES - 2023



15,130 people are benefiting from wellbeing services which include medical, dental and vision service, prescription medication subsidy, funeral aid, recreation activities and school kits for children.

3,026 workers covered by a calamity fund (accidents, medical incapacity and others).

1,034 workers who were trained on topics related to workers rights, health and safety at the workplace.

4 Cooperatives investing in workers wellbeing and his general assemblies authorizing every year the use of coffee premiums in their workers.

1,946 farmworkers are saving money for their retirement through BEPs (Colombian Government public retirement program) and are covered with life insurance service.

Sustainable Development Goals

SDG1 – No Poverty

SDG3 – Good Health and Wellbeing

SDG8 – Decent Work and Economic Growth

SDG10 – Reduced Inequalities

Awards and Recognitions



WINNER

Las Manos del Café was honored as the recipient of the **2020 Specialty Coffee Association's Project Award**, acknowledging the project's exceptional contributions to sustainability.



International
Labour
Organization

Since 2021, RGC continued its partnership with the International Labour Organization (ILO), implementing Las Manos to support their Decent Work Agenda in coffee supply chains.



TODOS AL AGUA

Restoring and protecting coffee ecosystems while managing the carbon footprint

Traditional coffee farms are resource negative systems due to higher water usage, soil depletion and carbon emissions. This, coupled with low productivity and profitability is resulting in insufficient family income for coffee growing communities. By supporting farmers to adopt and practice regenerative agriculture, soil health and biodiversity will improve, and will in turn, lead to increased productivity, profitability and wellbeing for coffee families.

By engaging directly with communities in topics related to diversification of crops, water and forest protection, soil replenishment and carbon footprint management, everything under the lens of improving productivity and profitability, Todos al Agua offers communities real solutions to achieve long-term prosperity, where taking care of the planet generates positive results on household economy.

Todos al agua is a transversal strategy for all our interventions in field as the future of coffee depends on the positive impact that coffee growing has on the planet and the communities.



Todos Al Agua Supply Chains

Todos al Agua is supporting 14,556 families across 5 countries. The program works by partnering with producers to transform their farms into resources positive ecosystems. Our focus is to increase productivity by applying regenerative agricultural practices informed by carbon footprint measurements. Each community has developed their own customized intervention strategy, to ensure their community's needs are met.



Colombia

10,203 families



Nicaragua

531 families
2 supply chains



Brazil

123 producers
1 supply chains



Honduras

2439 families
7 supply chains



Peru

1,260 families





TODOS AL AGUA

Todos al Agua allows coffee families to mitigate and adapt to climate change while improving their quality of life and management of natural resources. The project's core strategy is community engagement. Every activity developed under the project's four main pillars of water, forest, soil, and carbon, is developed and implemented together with producers and their family members.



Water

Restoring and protecting water sources, while promoting and investing in water saving strategies.

Biodiversity and landscape management

Fostering biodiversity through diverse actions: diversification, limiting use of agrochemicals, biological corridors when it is possible, and creating awareness on communities about biodiversity care.

Soil

Improving soil health to enhance its capacity to nourish plants, foster biodiversity and avoiding soil lost.

Carbon footprint

Measuring and managing greenhouse gas emissions to promote climate-friendly supply chains. Fostering reforestation and agroforestry is a key action we implement.

Productivity

Increasing farm productivity to improve Farmer income while lowering the pressure over ecosystems and lowering the carbon footprint per kilogram of green Coffee.

PROJECT MILESTONES - 2023



The first productivity program focused on coffee renovation was introduced in Honduras, starting with training technicians and communities in establishing coffee nurseries. This was a new approach, as most farmers traditionally renewed their plantations by replacing only visibly damaged trees and using seeds from their own fields.

The “Merque en su Finca” program also launched in Honduras and was met with high community acceptance. By the end of the year, participating communities were harvesting vegetables from their own farms, showcasing the program’s success in fostering food security and self-sufficiency.

Additionally, the first agronomy training for Honduran technicians was held in Colombia to demonstrate best practices in productivity, which are now being successfully implemented in Honduras.

Our initial biodiversity management plan was introduced in Mistrató, Colombia. Lessons learned from this implementation will further enhance the Todos al Agua methodology, allowing it to be scaled across other supply chains.

One of the most significant achievements is the growing recognition of our TODOS AL AGUA program within the communities. Both cooperatives and producers now acknowledge the program, take pride in being part of it, and can confidently articulate the sustainable practices it promotes.



Sustainable Development Goals

SDG6 – Clean Water and Sanitation

SDG13 – Climate Action

SDG15 – Life on Land

Awards and Recognitions



Coffee, Forest & Climate Agreement, an alliance between public and private actors to promote climate initiatives in Colombian value chains.



Carbon Neutrality Alliance – RGC, along with 100 first-mover companies, signed an agreement with the Colombian Government in 2021 to support the country achieve a carbon neutral economy.



The Colombia Chapter Todos al Agua, was awarded **The Global Compact Colombia Recognition 2022** for its contribution to United Nations SDG #13 for its Good Practices in Sustainable Development.

Impact and Achievements - 2023

34 Millions of liters of water were saved on wet milling thanks to the wet milling improvements RGC has been doing

1,834 farms improvements made based on TODOS AL AGUA strategy.

123,431 native trees planted fostering reforestation.

1,283 hectares reforested.

15,636 Tons of CO2 equivalent avoided due to adequate pulp composting.

USD 287,741 paid to producers based on carbon removal units through SOLIDARIDAD- ASOMBRATE project which is recognizing farmers for its ecosystem services.

A total of **9,621 individuals**, participated in training sessions on TODOS AL AGUA practices.

6,977 farms are third-party verified for adherence to sustainability standards.





Colombia – Honduras – Peru Supply Chains

Our Carbon Footprint Journey

Todos al Agua's implementation is informed by ongoing carbon footprint measurements. The results of these assessments guide the adjustment of field investments to continue the path toward lowering carbon emissions.

In 2023, RGC conducted its first measurement for the main supply chain in the Amazonas department. The results revealed a carbon footprint of 0.33 kg of CO₂ equivalent per kg of parchment coffee, the lowest recorded among RGC's supply chains, when compared to Colombia and Honduras.

With this positive result, RGC is planning to establish its first carbon-neutral supply chain in Peru by 2024. Efforts will be focused on enhancing productivity while minimizing emissions from waste management practices.



Management of shade in Honduras, enhancing the renovation of coffee trees with resistant varieties is our focus in Honduras to increase productivity and lower the carbon footprint.



In order to lower the carbon footprint in Colombia, efforts are being focused on waste management (pulp) and reduction of water consumption in wet milling.



Improve coffee growing nutrition management and diversification of crops is key to enhance productivity, lowering cost while reducing footprint in Peru, Colombia and Honduras..

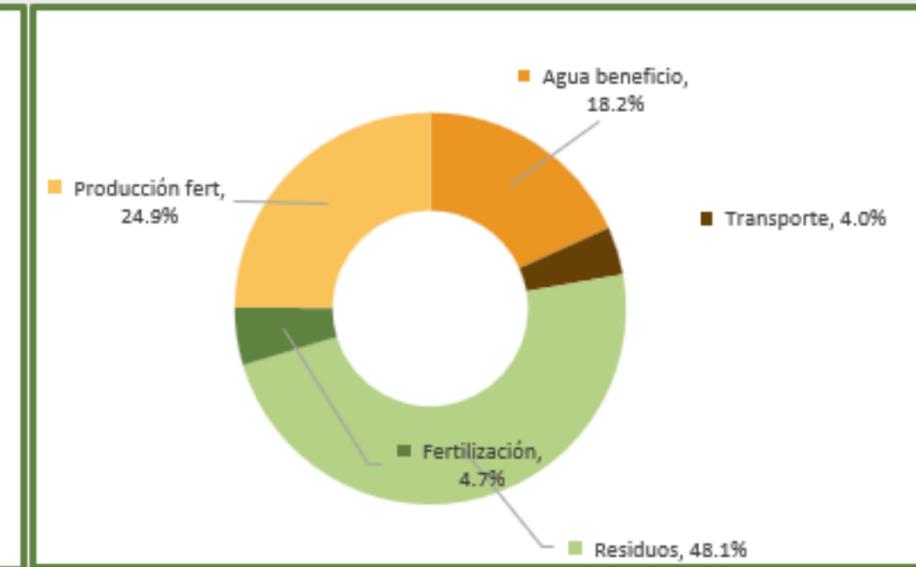
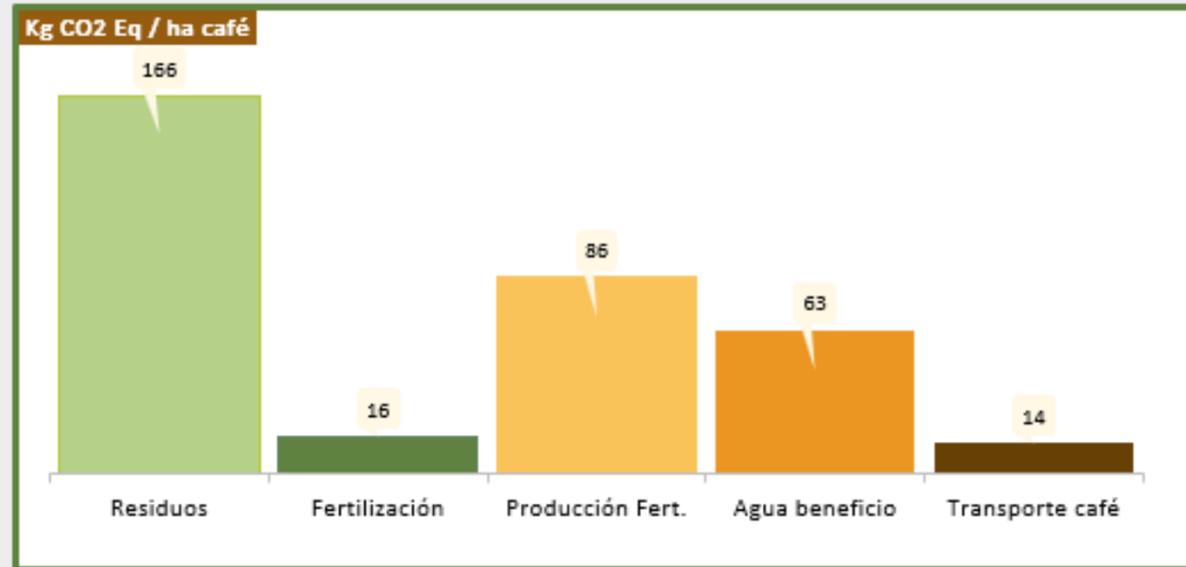


TODOS AL AGUA

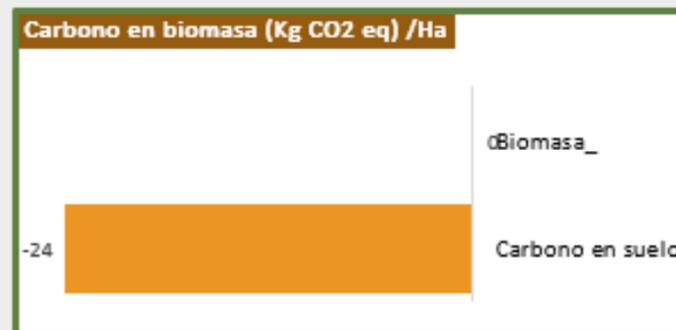
AMAZONAS, PERU SUPPLY CHAIN



Kg CO2 Eq / ha café	
Residuos	166
Fertilización	16
Producción Fert.	86
Agua beneficio	63
Transporte café	14
Total	346



Reservas de Carbono (Kg CO2 eq / ha)	
Carbono en suelo	-24
Biomasa_	0





TODOS AL AGUA

OUR CORPORATE CARBON FOOTPRINT JOURNEY

RGC’s commitment to climate change mitigation began in 2022 with our first corporate carbon measurement, setting the foundation for our sustainability journey. Utilizing the GHG Protocol, our emissions inventory for Scope 1, 2, and 3—along with Carbon Neutrality—was verified by INCONTEC for the 2022 base year.

In 2023, we advanced on two strategic fronts:

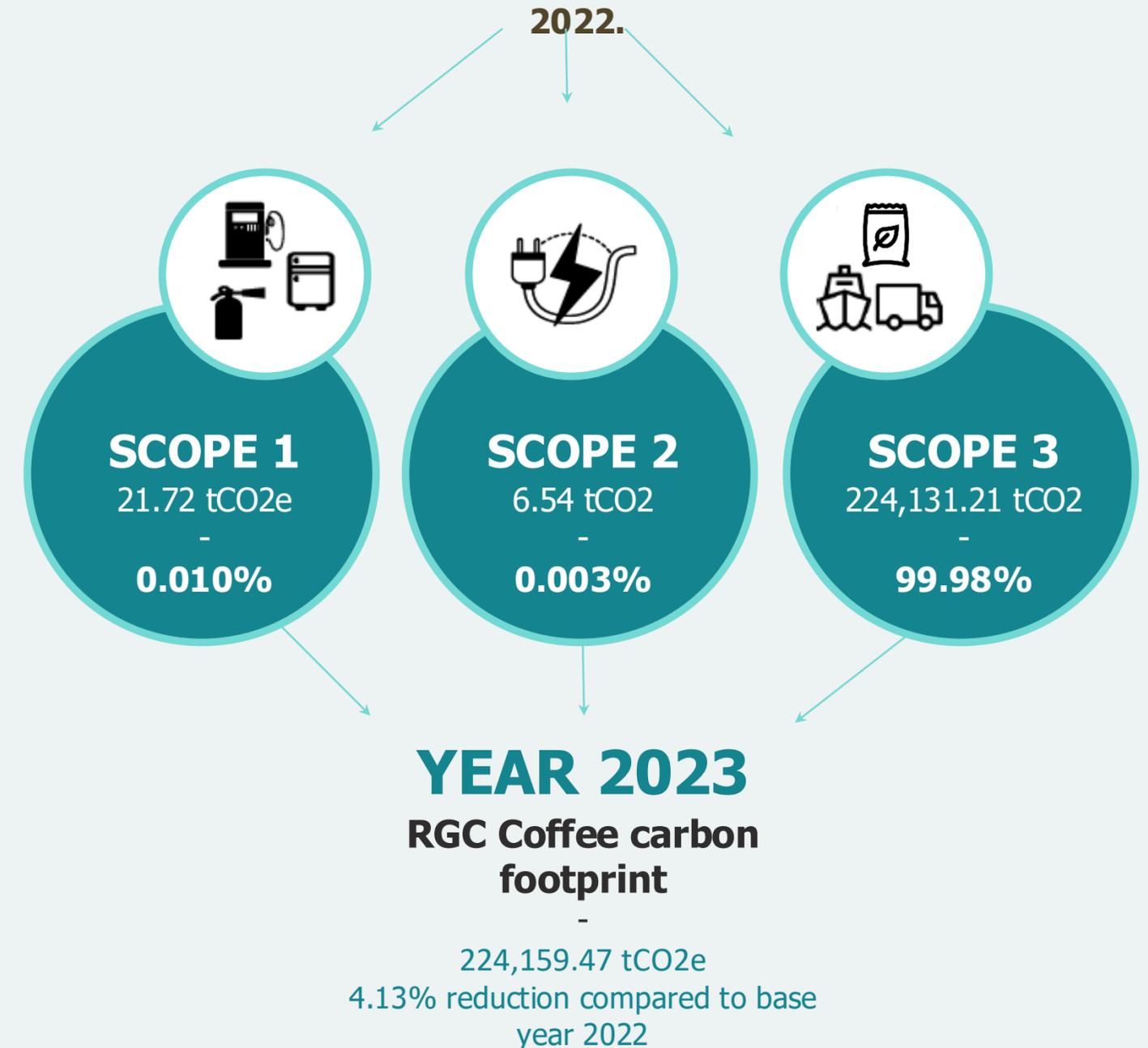
1. Establishing our Science-Based Target, which now guides our climate action strategy.
2. Initiating a decarbonization process to achieve our SBTi target.

Our Science-Based Targets initiative (SBTi) target was assessed and approved, committing RGC to reduce absolute Scope 1 and Scope 2 GHG emissions by 42% by 2033, from a 2022 baseline, and to measure and reduce Scope 3 emissions (currently undergoing verification).

Additionally, RGC reports its climate progress through the Carbon Disclosure Project (CDP), with annual reporting since 2021.



The **2023** measurement reflected a reduction due to the management of fire extinguishers and the decrease in electricity consumption for Scopes 1 and 2, resulting in a reduction of **39.14%** compared to the base year





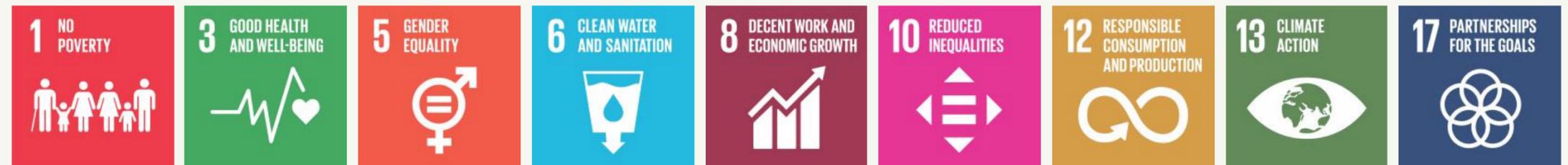
3E® by RGC Sustainability Verification Scheme

Impact, Information Hub, Risk Assessment, and Continuous Improvement

3E® by RGC Sustainability Validation Scheme is the methodology used to guide and define our corporate commitments and approach to sustainable sourcing. This framework **uses an evidence-based, results-driven approach to maximize investment and impact at origin.**

Our Validation Scheme was recognized by the Global Coffee Platform (GCP) in 2023 as equivalent to the Coffee Sustainability Reference Code (Coffee SR Code), 2nd party assurance, demonstrating the drive for critical sector alignment needed for coffee sustainability. **3E® coffee is eligible for GCP Collective Reporting on Sustainable Coffee Purchases by roasters and retailers.**

Enhancing the transparency and accountability of the sustainability practices in our supply chains while contributing to 9 SDGs:



3E® by RGC

The Core of the Sustainability Validation Scheme

The sustainability principles on which the 3E® by RGC scheme is based are framed in three sections called Elevate, Empower and Educate, equivalent to the 3 axes of Economic, Social and Environmental sustainability. The 3E® by RGC scheme seeks to promote sustainable coffee production through the application of good agricultural practices that allow producing families to positively impact their productivity and profitability, while protecting the forests, soil, and water health, and promoting respect for community, human and labor rights.

The 3E® by RGC scheme is aimed at two levels of the supply chain, the first is at the level of the trading companies that supply coffee to RGC, its evaluation is made up of 9 criteria that are evaluated through 45 indicators, of which 20 are mandatory indicators due to the level of risk that they represent for all those involved in the supply chain.

The second level focuses on groups of farms that belong to a supply chain that participates in a 3E® by RGC program, based on the same 9 basic criteria translated into 86 indicators, of which 12 are mandatory.

Elevate

PROSPERITY
Thriving communities

Empower

PEOPLE
Respect for fundamental rights

Educate

PLANET
Regenerative agricultural practices



Promotion and protection of health and wellbeing



Transparency and traceability



Access to Drinking Water



Productivity and profitability



Human rights



Labor legislation



Health and safety at workplace



Protection and conservation of natural resources



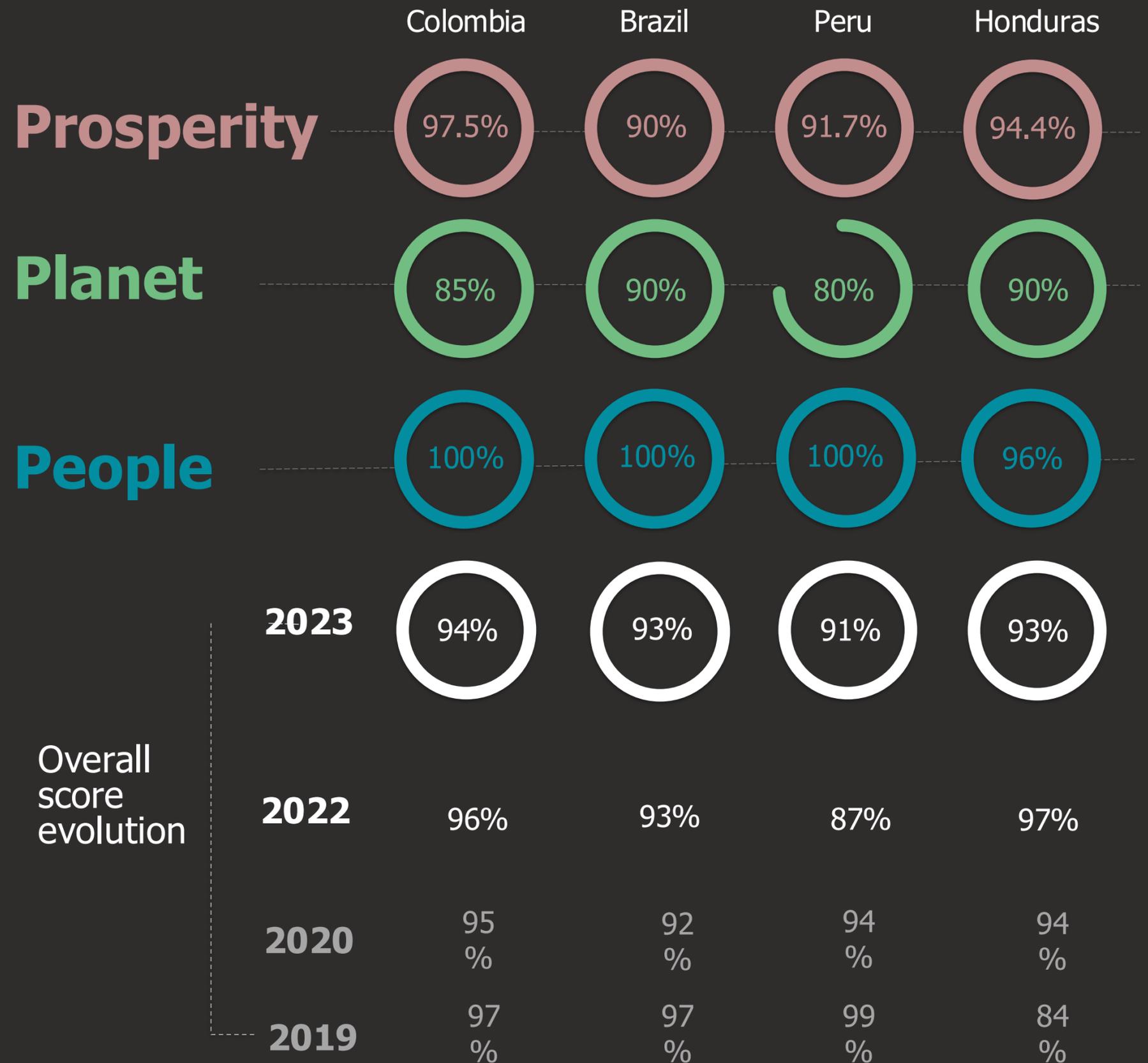
Adaptation and mitigation to climate change

3E® by RGC Four Years of Evaluations Four Years of Continuous Improvement

With four years of evaluations completed alongside our partners, we continue to identify key areas for improvement and deepen our understanding of the sustainability challenges and opportunities in coffee production. These insights allow us to consistently drive positive and impactful changes throughout our operations.

In 2023, our 3E® by RGC general protocol and indicators were updated to align with the GCP guidelines, achieving recognition as equivalent to the Coffee Sustainability Reference Code under a 2nd party assurance framework. The 3E® by RGC program now reflects the coffee industry's most recognized sustainability standards, encompassing best practices across social, environmental, economic, corporate governance, and transparency domains. By addressing these critical areas, we are actively working toward a more sustainable future for coffee production.

Additionally, the 3E® by RGC program is now designed to undergo both second and third-party verification, adding an extra layer of accountability and ensuring confidence in our commitment to sustainability.



Sustainability Strengths

All suppliers in Colombia, stand out for their commitment to compliance with national regulations, providing full compliance with practices related to traceability, transparency, labor conditions and wellbeing for producers.



Identifying the Gaps in Sustainability

Suppliers in Colombia have made efforts in providing a pull of services to producers for wellbeing and productivity increase, however, there is also an opportunity to keep their documentation systems up to date to evidence their performance in the field and the effectiveness of their due diligence practices.

Suppliers in Honduras have taken important steps to improve their labor practices, offering fair wages and safe working conditions. The implementation of certifications that promote traceability and transparency have help to suppliers implement procedures and systems that allows them to track back coffee purchases up to producer's level. Carbon Management is an additional topic to highlight, they now have carbon measurements and management plans defined.



In Honduras, productivity criteria remains the most important issue to be addressed, alongside with other related aspects such as fertilization, pest management, income and cost records of the farms, as this has a direct impact on the prosperity of families.

Suppliers in Peru have a great strength in terms of associativity, their power of teamwork has allowed them to grow commercially, benefiting the producers in their supply chains.



Health and safety at work and climate change mitigation issues continue to be challenges for which industry support is required.

The high levels of productivity in Brazil are a success factor that has led producers to be very resilient and this, coupled with the implementation of multiple voluntary sustainability standards, is a great strength of our suppliers.



Occupational health and safety is a key topic in Brazil, training programs to create awareness among workers on the right use of PPE is important.

Strategic + Collaborative Partnerships

COLLABORATION IS KEY TO ACHIEVING REAL IMPACT

We want to also thank all of our partners who share our values and continue to support our efforts. Together, we are fostering long-term sustainable change.

Solidaridad



A Shared Vision of Sustainability

To ensure our efforts contribute towards a more sustainable future, we joined the Sustainable Coffee Challenge (SCC), a cross-sector collaborative initiative developed to support our industry accelerate progress towards sustainability.

To further ensure our business is creating a positive impact in the world, we then aligned our commitments to the United Nation's Sustainable Development Goals (SDGs).

Sustainability Commitment	SDG	2025 Targets	Cumulative Target Progress (2023)	Progress %
Fostering prosperity and wellbeing of producers using a family-centric approach to provide scalable solutions that will support the aspirations, rights and dignity of people.		40,000 coffee farmers and workers impacted from investments at the farm level	34,582	86.46%
Promoting farmworkers wellbeing and dignity and identifying alternatives to make employment within the coffee industry more socially viable.		16,000 coffee farmworkers and family members impacted from investments at the farm level	15,130	95%
		16,000 coffee farmworkers and family members who are provided training on topics related to worker right and wellbeing	5,298	33%
		16,000 farmworkers and family members who benefit directly from efforts to close the gap on living wage / income	15,130	94.56%
Supporting farmers to restore native ecosystems, conserve water and manage their environmental footprint.		200 of hectares restored	4,491	2,246%
		2,000 tCO2 removed (i.e. sequestration)	4,651	233%
		3,000 tCO2 emissions avoided	15,636	521%
		15,000 coffee farmworkers impacted from investments at the farm level	12,422	82.81%
		20 million liters of water saved per year by 2025	34.12 MM	89.50%
200,000 of trees (i.e. non-coffee) distributed to increase tree cover on farms	430,654	215.33%		



Salgar Antioquia

Photo taken in their first trip out of their region

“

“Las Manos del Café has meaning for us dignification and visibility, all of us have a story behind and this program has help us to turn it in a positive way, showing us that a better future is possible for us and our families.”



The main challenge in Honduras is to increase productivity so producer families can improve their family income. This year the partnership between Cafe Ventura, 15 producer organizations and RGC has allowed us to implement the first wide strategy for coffee planting renovation. We are learning new practices for coffee nurseries which will support 1,300 producers with the goal of reaching at least 1,300,000 trees renovated with resistant varieties in the next 4 years. We have a common dream with RGC: Family prosperity and planet regeneration”

Lurvin Ventura. General Manager of Café Ventura



**Ocotepeque,
Honduras**



TODOS AL AGUA



Anserma, Caldas

“

Women are the backbone of families around the world, coffee communities will thrive only if projects include the entire family as part of the implementation. RGC's strategy is based on working with and offering training to all family members so the family unit can thrive.”



LOS SUEÑOS DEL CAFÉ



RGC is regenerating the coffee landscape with Todos al Agua regenerative methodology, farms are being transformed in sustainable plots where coffee is combined with fruits, vegetables, corn, plantain to enhance family income, regenerate the soil and make biodiversity blossom."



TODOS AL AGUA

RGC COFFEE



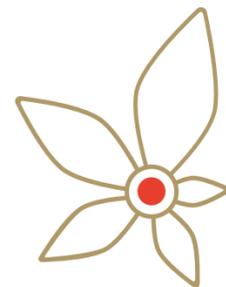
ELEVATE

EMPOWER

EDUCATE



**LAS MANOS
DEL CAFÉ**



**LOS SUEÑOS
DEL CAFÉ**



**TODOS
AL AGUA**