GENERAL IMPLEMENTATION PROTOCOL

3E SUSTAINABILITY SCHEME

ELEVATE
EMPOWER
EDUCATE

1. ABOUT THE 3E SUSTAINABILITY SCHEME

The 3E sustainability scheme is the voluntary sustainability scheme developed by RGC Coffee to ensure and promote a sustainable and prosperous coffee supply chain.

To ensure the integrity and quality of the mechanism, the 3E is aligned with the coffee industry's most recognized sustainability standards in relation to key practices in terms of social, environmental, economic, corporate governance and transparency.

This scheme contributes to the following Sustainable Development Goals:



1.1. THEORY OF CHANGE

The theory of change defines what RGC Coffee wants to achieve through the implementation of the 3E Sustainability scheme and how this will contribute positively to the livelihoods of coffee growing families that provide coffee aligned with this voluntary Sustainability scheme.

(See figure 1):

RGC COFFEE 3E SUSTAINABILITY VALIDATION ESCHEME - THEORY OF CHANGE 2020-2050						
	MAIN OBJECTIVES (3E PROGRAMS)	Strategies	METHODOLOGIES	Products	Outcomes	Impact
Fostering supply chains that enable people and the planet to prosper, by placing humanity at the forefront of RGC's operations.	PROSPERITY - LAS FLORES DEL CAFE PROMOTE PROSPERITY AND WELLBEING OF PRODUCERS USING FAMILY-CENTRIC APPROACH TO PROVIDE SCALABLE SOLUTIONS THAT WILL SUPPORT THE ASPIRATIONS, RIGHTS AND DIGNITY OF PEOPLE.	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.	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.	Target 2025: 40,000 families beneficiaries of RGC 3E sustainable coffee program. 30% of producer promoters are women. Target 2050 (New): 60,000 families beneficiaries of RGC 3E sustainable coffee program. 40% of producer promoters are women.	Target 2025: 40,000 families impacted from investments at the farm level Target 2050: 60,000 families impacted from investments at the farm level	60,000 families are thriving by producing coffee in RGC's supply chain while taking care of planet and communities.
	PEOPLE - LAS MANOS DEL CAFE FOSTERING FARMWORKERS WELLBEING AND DIGNITY IDENTIFYING ALTERNATIVES TO MAKE EMPLOYMENT WITHIN THE COFFEE INDUSTRY MORE SOCIALLY VIABLE.	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.		Target 2025: Las Manos del Cafe farmworkers program has 16,000 beneficiaries: 4,000 farmworkers and 12,000 family members. Target 2050: Las Manos del Cafe farmworkers program has 30,000 beneficiaries: 7,500 farmworkers and 22,500 family members.	target 2025: 4,000 farmworkers who benefit directly from efforts to close the gap on living wage while dignifying their work Target 2050: 7,500 farmworkers who benefit directly from efforts to close the gap on living wage while dignifying their work.	
	PLANET - TODOS AL AGUA SUPPORTING FARMERS TO RESTORE NATIVE ECOSYSTEMS, CONSERVE WATER AND MANAGE THEIR ENVIRONMENTAL FOOTPRINT.	1. Restoring and protecting water sources, while promoting and investing in water saving strategies. 2. Promoting reforestation, protecting natural ecosystems, and transitioning farms towards agroforestry. 3. Rebuilding and restoring soil health to foster regenerative agricultural practices. 4. Measuring and managing greenhouse gas emissions to promote climate-friendly supply chains.		Target 2025: Todos al Agua 3E program has 1,500 beneficiaries. Target 2050: Todos al Agua 3E program has 15,000 beneficiaries	By 2025 2,000 TonCO2 are estimated to be captured in RGC supply chains from conservation or restoration by 2025, 20 millions of liter of water saved per year by 2025, 200 hectares restored with increased tree cover or cover crops	

Figure 1: 3E theory of change.

2. OBJECTIVE

To offer our sustainability scheme that assures RGC Coffee and its stakeholders that the supply chain conducts its business in a manner that creates shared value for all stakeholders. The system measures supply chain performance to ensure that it meets minimum sustainability expectations while promoting continuous improvement practices. The basis of the scheme is to Raise the prosperity of coffee-growing families, empower individuals so that all are included and educate to promote regenerative agriculture practices focused on climate action.

3. MISION, VISION AND SCOPE

MISION

As specialists in the commercialization of green coffee, RGC Coffee strives to positively influence coffee growing communities around the world, using coffee commercialization as a vehicle for development, connecting the supply chain from the producer to the roaster to generate shared value.

VISION

RGC Coffee aims to make the 3E sustainability scheme a reliable mechanism that applies rigorous procedures to verify compliance with sustainability criteria and manage associated risks, generating a positive impact across its coffee supply chain. This is achieved by working hand in hand with its allied group managing entities so they can adopt best practices within their supply chains.

The 3E sustainability scheme seeks to serve as a guide so that, by 2025, 40,000 coffee farming families can prosper by producing coffee while caring for their communities and the planet, achieving sustained growth so that, by 2050, the 3E sustainable coffee supply chain reaches 60,000 families.

SCOPE

This document describes the general content of the 3E Sustainability Scheme, the requirements that an organization, farm, or group of farms must apply in order to achieve 3E Recognition. It also describes the general principles that form the basis of the scheme, referring to its internal structure, verification and scoring procedures, and other documentation related to the scheme.

With the objective of providing relevant information to those who wish to join the scheme, the functions and responsibilities of the participants that guarantee the quality of the scheme's implementation are described.

For the purposes of this protocol, the actor responsible for coordinating the implementation of the 3E scheme with producer groups shall be referred to as the group managing entity.Below, in Table 1, the normative documents that are part of the 3E scheme, the checklists, and other

templates required by the scheme are listed, in order to facilitate the verification process and the granting of a status.

Scheme Documents (for the verification)
3E Group managing entity Check list Contains the criteria and indicators that will be evaluated in coffee exporting organizations.
3E Farm Check list Contains the criteria and indicators that will be evaluated in the entities or farms that supply coffee through our group managing entity.
Indicators that require documentation This document complements the group managing entity checklist and the farm checklist. It specifies the examples of documents that can be developed and elaborated by group managing entity to comply with the indicators. It also provides guidance to the evaluators so that they are aware of the documents that can be used to comply with the indicators during an verification.
Templates
3E supply chain partner's template Tool to fill in the information of the list of producers that will be part of a 3E supply chain
Continuous improvement plan template Tool used by the 3E Committee to define and agree with the group managing entities on continuous improvement plans, aimed at addressing the non conformities identified during verification and strengthening performance against the criteria of the 3E scheme.
Voluntary participation commitment letter 3E It is the written agreement that producers fill out upon becoming part of a 3E program to commit to the voluntary requirements of the 3E scheme.
3E verification plan template It is a template that allows to visualize the schedule of farm visits for each evaluator. It contains the name of the supply chain, name of the producer and farm to be visited, the date on which the visit will take place and the name of the evaluator.
System´s documents
General protocol of the 3E Sustainability Scheme Corresponds to the document that describes the general content of the 3E Sustainability Scheme, the requirements to be applied by an organization, farm or group of farms to achieve a 3E status.

Table 1: Overview of the 3E sustainability scheme documents.

4. CONTENT OF THE SCHEME

The sustainability principles on which the 3E 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 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 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 verification 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 program, based on the same 9 basic criteria translated into 88 indicators, of which 12 are mandatory.

The criteria contained in each section of the outline are described below:

ELEVATE: THRIVING COMUNITIES

This section contains 4 criteria evaluated through a group of indicators, some of which correspond to continuous improvement and others to high importance. In this section organizations and farm groups are evaluated on how they address challenges related to access to health and welfare activities for workers and farmers that are part of a supply chain, as well as the practices implemented to ensure transparency and traceability of negotiations, activities to promote access to safe water and finally, the implementation of strategies to appropriate practices that improve productivity and profitability in crops.

EMPOWER: RESPECT FOR FUNDAMENTAL RIGHTS

This second section evaluates the practices implemented by group managing entity and farms to ensure respect for fundamental human rights, compliance with labor legislation in accordance with national policies and international treaties, as well as practices that promote environments for equity, where women have a voice and play a fundamental role in decision making, practices that promote safe workplaces, dignified and respectful treatment of workers are evaluated.

Finally, at the farm level, compliance with national legislation on land tenure and water use is evaluated. It contains 3 criteria that are assessed with indicators of improvement and high importance.

EDUCATE: REGENERATIVE AGRICULTURAL PRACTICES

This section focuses on evaluating actions to reduce the environmental impact of operations, sustainable management of water resources, soil protection and preservation of flora and fauna, as well as the adoption of practices that contribute to mitigating and adapting to climate change through strategies for measuring and reducing greenhouse gas emissions. It contains 2 criteria, with indicators for improvement and high importance.

SECTION	CRITERIA
ELEVATE Thriving Communities	1. Promotion and protection of health and wellbeing
	2. Transparency and traceability
	3. Access to drinkable (safe) water
	4. Productivity and profitability
EMPOWER Respect For Fundamental Rights	5. Human Rights
	6. Labor legislation
	7. Health and safety at workplace
EDUCATE Regenerative Agricultural Practices	8. Protection and conservation of natural resources (regenerative agriculture practices)
	9. Adaptation and mitigation to climate change

Table 2: Overview of the principles and criteria of the 3E scheme

Each criteria have a number of indicators associated that allow defining the respective performance of each criteria, whose compliance will be verified through field verification.

4.1. Continuous Improvement

To achieve the goal of positively impacting the lives of coffee-farming families, the 3E scheme is accessible to all actors who wish to participate. This is why the model on which it operates is based on the principle of continuous improvement of the practices of those involved. The scheme establishes that, at a minimum, a group managing entity must comply with 100% of the mandatory indicators and reach 40% compliance with the general indicators in order to obtain a basic 3E recognition as "Evaluated." However, actors are expected to commit to continuous improvement actions so that their performance improves in subsequent years of verification.

As part of the 3E scheme's continuous improvement approach, when coffee is traded under 3E recognition, a premium may be granted. This premium must be allocated to investments in projects that strengthen the weakest areas identified among coffee farmers.

4.2. Internal management system (IMS) and internal inspections procedure

Producer group managing entities must have an internal management system for the group in order to guarantee efficient group management and ensure that producers comply with the criteria established in the 3E scheme, which must contain as a minimum:

- List of producers that belong to the supply chain (Name, Gender, Total area, Area in coffee, Estimated coffee production per year, Location (Region, municipality, vereda, etc.), GPS points. (Farms larger than 4ha GPS points and polygons).
- Organizational chart with the people responsible for the IMS.
- Voluntary commitment participation of producers
- Develop a group management plan.
- System of permanence and withdrawals.

- Internal inspection procedure.
- Sanctions.
- Conflict of interest and conflict resolution declaration.
- Training plan.
- Group policies, activities, and declarations.

For the internal inspection process, the 3E scheme encourages companies implementing programs with producer groups to carry out internal inspections periodically, in order to ensure that producers understand and correctly implement the criteria and also to identify factors that jeopardize the correct implementation of the scheme. This procedure should be documented in the group's internal management system and its results should be presented to the second- or third-party verification team.

5. SCHEME OPERATION

RGC Coffee operates the functioning of the 3E Sustainability Scheme, conducts second party verification every two years with group managing entity and producer supply chains, monitors performance, and follows up on improvement plans to ensure quality and credibility.

In cases where it is considered necessary or due to an external requirement that may come from a client or another interested party, RGC Coffee may contract third party verification entities for this verification. The minimum requirement for an verificationing company is that it be accredited under ISO 17065 and have experience as an verificationor of other voluntary sustainability standards for the sector such as C.A.F.E. Practices, 4C, and Rainforest.

6. TRANSPARENCY

It is important for RGC Coffee to ensure that all parties interested in participating in the 3E scheme have adequate access to information related to the scheme. Everything related to the 3E scheme is available on the company's website https://www.rgccoffee.com

The following documents are publicly available:

- 3E Group managing entity check list
- 3E Farm check list
- Indicators that require documentation
- General protocol of the 3E Sustainability scheme

6.1. PARTICIPANTS

RGC Coffee wishes to promote the implementation of sustainable practices in all its supply chains, which is why the 3E scheme can be applied globally, to a group managing entity and group of producers who wish to be part of the scheme.

Relevant participants in the 3E scheme include:

- RGC Coffee Inc.
- Exporter group managing entity.
- Producer supply chains.
- Evaluators: Second and third party.
- Clients buyers of Coffee of RGC.
- Others RGC Sustainability partners.

6.2. 3E Committee

The 3E scheme is a sustainability assurance system of RGC Coffee and is therefore operated by the company itself. Several functions are delegated to the team called the 3E Committee (3E Committee hereafter) with the objective of ensuring the proper functioning of the scheme as follows:

- Operate the 3E scheme and ensure its credibility in the industry.
- Support stakeholders in obtaining recognition of the 3E scheme.
- Develop the scheme's documentation platform, development of criteria, elaboration of verification checklists and continuously review its improvement.
- Operate the quality and integrity management of the scheme.
- Review and monitor the quality of verification reports.
- Certify compliance with the indicators and issue the concept of 3E Recognition.
- Review and monitor compliance with non-conformities and the implementation of continuous improvement plans.
- Evaluate infractions and define sanctions of the 3E scheme.
- Conduct training to ensure the interpretation of the criteria evaluated by the scheme.
- Conduct training to ensure the interpretation of the criteria assessed by the scheme.
- Handle complaints and appeals related to the scheme.

The 3E Committee is made up of 4 people from RGC Coffee's sustainability team and a representative from the company's management.

6.3. DECLARATION OF CONFLICT OF INTEREST

In order to guarantee an objective and neutral recognition process, the declaration of conflict of interest is a fundamental and transversal part of the 3E scheme. Therefore, from the process of forming the producer supply chain, implementation of the internal management system, in-situ verification, to the recognition and continuous improvement process, all actors involved shall avoid and be obliged to declare any conflict of interest situation, thus avoiding that decision making is influenced by this type of situation.

Conflict of interest can be:

- Negotiating coffee from family producers or with some type of direct relationship.

- Carrying out an internal inspection or verification of the farm of a family member.
- Making a recognition decision on a family member's farm.

7. PROCEDURE FOR THE REVISION OF THE SUSTAINABILITY CRITERIA OF 3E

7.1. INDICATORS DEVELOPMENT

3E Sustainability Scheme includes a set of criteria and indicators focused on measuring the sustainability performance of RGC Coffee's supply chain, and based on this, guides group managing entity and producer supply chain to make improvement plans and positively impact communities.

The Scheme is based on RGC COFFEE's experience in implementing sustainability and on the fundamental principles of internationally recognized certification and verification standards in the coffee industry. In accordance with the recommendations given by the Equivalence Mechanism 2.0 of the Global Coffee Platform (GCP), the 3E meets principles of inclusiveness, transparency, credibility and continuous improvement, in order to be recognized as a new voluntary initiative in sustainability, contributing to alignment with other organizations to the development of the sector.

The sustainability criteria and indicators of the 3E scheme are developed by the RGC COFFEE Sustainability department, reviewed, and approved by the 3E Committee and then endorsed through stakeholders' consultation.

7.2. INDICATORS REVIEW

The procedure defined for the review of the criteria and indicators of the 3E scheme establishes that it will be reviewed every 4 years, considering that in sustainability, this is the minimum period to be able to work with a supply chain, achieve improvements, evaluate impacts, and define adjustments for the next phase of work.

The process of reviewing the sustainability criteria and indicators of the 3E program will be carried out as follows:

7.2.1 To define the review approach route, the results of the verifications that RGC Coffee carries out on group managing entity and producers in the supply chain will be taken as a starting point, where the criteria and indicators that may represent a challenge in their implementation, that require adjustments according to environmental, social and economic impacts and/or imply reputational risks will be analyzed.

7.2.2 The review will involve consultation with stakeholders in the countries with which RGC Coffee implements 3E programs, with representation from producers, representatives of coffee supply chain actors and external organizations.

7.2.3 Stakeholder consultation shall be carried out in person, virtually, through focus groups and/or interviews.

7.2.4 Once the information from the stakeholder consultation has been compiled, it will be reviewed, analyzed and approved under a unanimous decision by the 3E Committee, and the required changes will be made, if applicable.

7.2.5 Changes made to the 3E scheme will be communicated to producers and group managing entity, virtually and/or in person, and they will have the opportunity to make their comments and suggestions.

7.2.6 For the implementation of new changes to the Scheme, the transition or immediate application periods shall be formally communicated, according to the relevance of the changes raised in the revision.

It is important to note that stakeholders are invited to provide input to the sustainability criteria at any time and their input will be considered in future reviews of the sustainability criteria, should they take place outside the periods defined for scheduled reviews.

7.3. PROCESSES TO MAKE IMMEDIATE CHANGES.

In case an immediate change of an indicator or sustainability criterion from general to critical level is required. The following process shall be followed:

7.3.1 Internal review through the 3E Committee, where the social, environmental, and economic impact of the criterion/indicator, the reputational risk for the supply chain and the implications for farmers and/or group managing entity of its implementation will be analyzed.

7.3.2 Modification of the criteria/indicator, including, if necessary, a guide for the implementation of the new criterion/indicator.

7.3.3 Stakeholder participation. The new criterion shall be shared with interested parties who, on a voluntary basis, wish to participate in the review of the proposed new criterion/indicator. A group of at least 5 stakeholder representatives representing all links in the supply chain should be formed to carry out this review. This will ensure the participation of producer organizations, coffee buying clients, exporting group managing entity, local partners and external organizations that are related to the coffee sector.

7.3.4 Once the information from the stakeholder consultation has been compiled, it will be reviewed, analyzed and approved under a unanimous decision by the 3E Committee, and the required changes will be made.

7.3.5 Changes made to the 3E scheme will be communicated to producers and group managing entity, virtually and/or in person.

7.3.6 The review period, from initiation to decision making, shall have a duration of 60 days.

8. HOW DOES THE 3E SUSTAINABILITY SCHEME WORK?

3E sustainability scheme is a voluntary scheme that promotes the implementation of sustainable practices in supply chains. The group managing entity wishing to be part of the scheme must have been approved by the RGC Managing team to supply coffee to RGC and its recognition is done through the second party verification methodology or third party if required.

The application process that a Producer Organization or producer supply chain must follow to become an 3E recognized can be done in 3 ways:

8.1. There is an interest on the part of an RGC group managing entity to participate in the scheme and obtain an 3E for itself and/or a chain of producers.

- The group managing entity wishing to participate in the 3E process shall express its intention to the company's presidency (nathalie@rgccoffee.com) with a copy to certifications@rgccoffee.com. The President evaluates the request and if approved the 3E Committee will notify the group managing entity.
- Through this email the 3E Committee will contact the group managing entity, welcoming them to the 3E scheme, providing them with the documentation related to the 3E Scheme and coordinating the date for the verification.
- The group managing entity shall sign the RGC Coffee code of conduct and ethics as part of its voluntary participation and to ensure its commitment to compliance and continuous improvement of the 3E scheme.
- The 3E Committee shall assign suitable personnel to carry out the verification, guaranteeing impartiality and the absence of conflict of interest. In case of conflict of interest, RGC reserves the right to suggest to the group managing entity the hiring of a third-party evaluator (see details in numeral 9.1.4.)
- The verification shall be carried out by applying and evaluating the indicators contained in the most recent version of the group managing entity checklist.
- If non-conformities are detected in mandatory indicators during the verification, the group managing entity shall submit a corrective action and continuous improvement plan within 10 working days after the verification, following the indications in section 9 on non-conformities.
- The corrective action plan will be initially reviewed by the verifier and subsequently submitted to the 3E Committee for approval or request for adjustments. If modifications are required, the 3E Committee will communicate the corresponding observations to the group managing entity so that it can submit an adjusted version of the plan.
- If during the verification process there were non-conformities in mandatory indicators, the RGC evaluator shall issue a concept based on the results of the checklist.

- Within 30 working days after the verification, the 3E Committee will communicate the results of its verification, granting the 3E recognition valid for 2 years, as indicated in numeral 9.2.
- The 3E Committee will communicate the 3E validity of the new group managing entity to RGC's commercial area.
- • As part of the continuous improvement process, the 3E Committee will develop the continuous improvement plan based on the verification results and share it with the group managing entity as guidance for implementing the required actions.
  Once the group managing entity receives the continuous improvement plan defined by the 3E Committee, it must implement the established actions and submit the corresponding evidence within the defined timelines.

8.2. RGC Coffee contacts its group managing entity directly to inform them of its intention to include them in the 3E group managing entity verification.

- Every two years, the 3E Committee shall notify group managing entity by e-mail inviting them to participate in the 3E group managing entity verification, indicating a tentative date for the verification to be carried out, with a maximum interval of 2 weeks. In case of complaints with serious allegations on critical actions related to sustainability indicators, the verification could be carried out without prior notice.
  Note: The selection of the sample of group managing entity to be evaluated is related to the volume that each year the company provides to RGC and/or the existence of projects.
- The group managing entity confirms its participation with date and time.
- The 3E Committee shall assign suitable personnel to carry out the verification, guaranteeing impartiality and the absence of conflict of interest. In case of conflict of interest, RGC reserves the right to suggest to the group managing entity the hiring of a third-party evaluator (see details in numeral 9.1.4.)
- The evaluator confirms the participation in the process and sends the documentation related to the verification to the group managing entity. The checklist and the document of documentary requirements per indicator must be attached.
  Note: In case of previous processes, the evaluator must review the results of the previous year's verification.
- The evaluator shall apply and complete checklist 3E, asking the pertinent questions and/or observations, requesting documentary evidence and filling in all the spaces that require information.
- Once the verification process has been completed, and depending on the NCs identified, the verifier will request corrective measures from the group managing entity to establish compliance with the indicators. If the non conformities relate to mandatory compliance indicators, the procedure described in section 9.3.2 must be

followed. In the case of non compliance with general indicators, the 3E Committee will prepare the corresponding improvement plan within 30 business days following the verification, defining the actions, responsible parties, and implementation timelines under the responsibility of the group managing entity.

- The results will be analyzed by the 3E Committee and, depending on the performance achieved during the verification, the recognition will be issued, as indicated in section 9.2.

  Once the group managing entity is informed of its performance results and receives the continuous improvement plan defined by the 3E Committee, it must implement the established actions and submit the evidence of compliance within the defined timelines.

8.3. RGC Coffee applies the 3E assessment in producers supply chains where it implements the 3E Program.

This process consists of evaluating a producer group supply chain to verify its compliance with the criteria required by the 3E scheme.

- The 3E Committee plans the field verification and communicates to the evaluators the start of the 3E verifications, indicating the date of the process.

  Note: Second party verifications should always be carried out by qualified personnel following the next requirements:

  - Hold a professional degree and two years' experience.
  - Have successfully participated in 3E internal training that covers all the scheme content as described in numeral 9.10.
  - Demonstrate experience in agriculture certification/verification schemes.
  - Demonstrate experience with coffee production.

  In case a third-party verification is required see details in numeral 9.1.

- The group managing entity provides the list of producers, based on the *Supply Chain Information Form 3E* .
- The group managing entity provides the list of producers, based on the 3E Supply Chain Information Form.
- The Group managing entity conducts internal inspections with the group of producers to assess their level of compliance with the 3E scheme and provides the report of results to the 3E Committee.
- The 3E Committee approves the random sample selected by the certification body, which corresponds to the square root of the total number of producers participating in the project.
- RGC, through the technical verification team, communicates to the producers selected in the sample, informing them of the date of the visit for the 3E verification.

- In-situ verification is initiated at the producer's farm.
- The 3E - Farms for Producers checklist is applied by evaluating the criteria contained in 3E against the field practices, facilities and by interviewing workers.
  Note 1: One evaluator may visit a maximum of 4 farms per day. Time to ensure that the verification is fully implemented, and quality results are obtained.
  Note 2: If there are workers, the square root of them should be interviewed, ensuring an equal selection of men and women, and considering the representation of vulnerable groups (indigenous population, migrants, temporary, permanent, piecework, among others).
- Once the checklist is filled out, the closing meeting shall be held to socialize the results of the verification with the producer. Initially highlighting the positive aspects and ending with those practices that need to be improved.
- The evaluator shall systematize the information of the verifications performed, using the *Format to consolidate the results of the 3E in farm v 1.2.*
- The evaluator sends the completed results form to the 3E Committee to analyze the results and obtain the scoring results.
- The 3E Committee will review the consolidated results, issue the recognition decision based on the provisions of section 9.2, and share the results with the group managing entity in order to prepare and communicate the continuous improvement plan and the corresponding corrections for non conformities to be implemented.

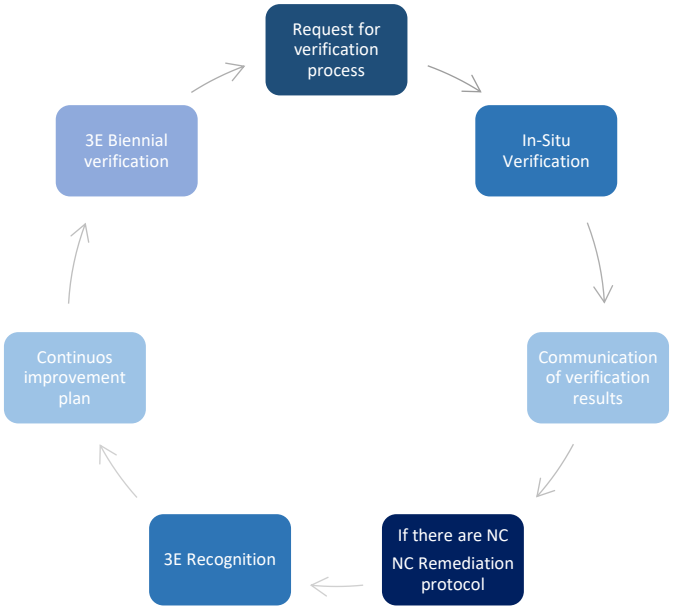


Figure 2: 3E Process Flowchart

9. VERIFICATION METHODOLOGY

The verification of Group managing entity and Productive Supply Chains under the 3E scheme will be carried out through a second party verification or by third parties if required by a client or another partner. Verification checklists will essentially be applied in order to guarantee the complete verification of compliance with the criteria and to ensure a consistent and objective verification process.

On the other hand, to verify the quality of the data obtained during the evaluations, the scheme contemplates verifications of the information reported by the evaluators, which can be carried out by verifying the consistency of the data reported in the physical verification checklist and those reported in the results forms.

The evaluations carried out are compiled in an Excel database in which an analysis is conducted of the criteria that share or complement practices, and if an inconsistency is detected, it is reviewed with the evaluator. An inconsistency may lead to an additional on site review that must be carried out by the evaluator to ensure the quality of the process.

In general, the indicators that make up the criteria complement each other, which facilitates the cross checking of evidence to ensure data quality. This review is carried out by the 3E Committee, which monitors the consistency and quality of the verifications.

Any irregularities detected will be documented and included as part of the training of the verification team to prevent the situation from recurring.

Verification reports and complaints regarding verifiers are reviewed by the 3E Committee. If it is found that verifiers are not performing their duties in accordance with the requirements, the 3E Committee will define the corresponding measures in line with the scheme.

To ensure that second and third party evaluators correctly apply the verification criteria and perform adequately in the verification process, the RGC sustainability team will conduct random shadow verifications at least once every three years for each verification company.

9.1. TYPES OF VERIFICATION

The 3E scheme provides for transparent, constant, consistent and reliable verifications:

9.1.1. IN SITU VERIFICATION

This verification is carried out at the group managing entity's facilities or on the farm selected in the sample for verification. During this verification, the most recent version of the checklist must be used, and all applicable criteria must be evaluated.

In the case of group managing entity, the in-situ verification must be carried out at least once every four years depending on the level of qualification obtained.

In the case of farms, it is a requirement that the verification is carried out in-situ and during the harvesting season, so that during the verification the common operation of the coffee farm can be evidenced.

9.1.1.1 PROCEDURE IN CASE OF DENIAL OF ACCESS OR OBSTRUCTION OF THE ON-FARM VERIFICATION

In alignment with the principles of transparency, integrity, and credibility of the 3E sustainability scheme, full access to the farm's facilities and to the workers is a fundamental requirement for conducting the on-site verification.

When, during an on-site verification, exceptional situations arise that make it impossible to carry out the verification adequately, the following procedure shall be followed:

- Definition of exceptional situations:
  The following will be considered exceptional situations:
  - Total or partial refusal by the producer or the person responsible for the farm to allow the evaluator to enter relevant areas (crops, camps, housing, processing facilities, water sources, or any other spaces required to verify the 3E criteria).
  - Unjustified restrictions on conducting interviews with workers and/or family members present on the farm.
  - Any action that has the effect of preventing or obstructing the objective verification of the 3E criteria (for example, requiring the evaluator to remain only in a limited area without justified cause, or preventing access to the camps where workers sleep).
- Attempt to resolve the situation in the field:
  The evaluator shall explain to the producer or the person responsible for the farm:
  - The objective of the 3E verification.
  - The necessity of having sufficient access to verify the criteria, especially those related to human rights, working conditions, and well-being.
  - The possible consequences that a continued denial of access may have on the farm's 3E status.
  - When there is a justified reason (for example, an imminent safety situation or a force majeure event), the evaluator, in coordination with the implementing organization and the 3E Committee, may decide the appropriate course of action according to the case, such as rescheduling the visit or replacing the farm within the sampling, among other options.
- Documentation of the incident:
  If the denial of access or obstruction persists, the evaluator must:
  - Suspend the on-farm verification.

- Record in the checklist and/or in a brief report the date, time, place, people present, areas to which access was denied, and an objective description of what occurred.
- Request the signature of the producer or person responsible for the farm on the incident record; if they refuse to sign, the evaluator must document the refusal in writing.
- Inform the 3E Committee and the implementing organization of the program in writing, within 3 working days following the visit.

- Decision of the 3E Committee:
  Once the information is received, the 3E Committee shall:
  - Review the evaluator's report and any additional supporting documentation.
  - Determine whether the situation constitutes an unjustified denial of access or obstruction of the verification, in accordance with this protocol.
  - In the case of unjustified denial, the farm will be considered "not verified" and will be excluded from the 3E sustainability scheme until a complete and satisfactory verification is carried out.
  - When objective elements demonstrate a force majeure situation, the Committee may authorize a new scheduling of the verification, ensuring full traceability of the decision.
- Relationship with non-conformities and infringements:
  - An unjustified denial of access or obstruction of the on-farm verification will be considered a high-risk situation for the credibility of the 3E sustainability scheme and may be treated as a critical infringement, in accordance with section 9.4 (Infringements and sanctions).
  - The implementing organization of the program must notify the 3E Committee so that the list of producers is updated, reflecting the exclusion of the farm from the 3E sustainability scheme until a valid verification takes place. The updated information must also be communicated to the verification entity and to the evaluated group managing entity, to ensure that all parties are aware.
- Traceability in verification reports:
  Evaluating entities must describe in their final reports:
  - The application of this procedure.
  - The situation that occurred on the farm.
  - The decision adopted by the 3E Committee, in order to demonstrate that the determinations made are based on this protocol and not on discretionary criteria.

9.1.2. SELF-VERIFICATION

Any actor in the supply chain interested in applying to the 3E scheme process may perform self-assessments by implementing the checklist defined for each case (group managing entity/supply

chain). The self-assessment must be completed by assessing all the criteria applicable to each organization.

It is important to clarify that this process is not binding to obtain a 3E recognition, since it will only serve as an orientation for the group managing entity to know its level of compliance prior to the official verification process, which is carried out in coordination with RGC, whether second or third party.

9.1.3. REMOTE VERIFICATION

This type of verification only applies to group managing entity. Farms must always receive an in-situ verification, unless the 3E Committee defines an exception that indicates that a farm can receive a remote verification due to an exceptional situation such as extreme weather calamities, road situations or security situations.

Remote assessments are coordinated virtually with participating group managing entity and are conducted with the same rigor as an On-Site verification. The group managing entity must provide all documentation required by the criteria.

9.1.4. THIRD PARTY VERIFICATION

If RGC Coffee is requested to evaluate a supply chain under the 3E sustainability scheme with a third-party verification company, the 3E committee will be in charge of liaising with the verification entity and the group managing entity to ensure that the verification activities and the flow of information is carried out correctly.

The complete process of a third-party assessment is carried out in 7 steps described below:

- Preparation of the information of the group of producers to be evaluated in the 3E scheme: The group managing entity requests to the 3E committee the documents and formats in the latest versions of the scheme to complete the requirements, which includes the information of the farms participating in the supply chain and sends the completed documents to the Committee.

- Prior to the On-Site verification request, the management company must implement the principles of the 3E scheme in the supply chain and have carried out the internal inspection of the producers.

- Verification request with the Verification Entity: an verification entity is chosen that meets the requirements mentioned in section 5 (Scheme Operation), the verification contract is signed, the application forms are filled out and the format with the producers' information is provided.

Note: It is important that the Verification Entity guarantees the impartiality and integrity of the Evaluators selected for the process, ruling out the existence of existing conflicts of interest with the stakeholders of the 3E verification process.

- Then the Verification Entity validates that the information is correctly filled out, corroborating that the information in the application documents coincides with the information in the format of the list of producers. Once the information is approved, the Verification Entity notifies the 3E Committee and coordinates the date for the field verification. The Verification Entity selects the sample, ensuring that it is randomly selected and corresponds to the square root of the number of producers presented in the application form. Once the sample is selected, it fills out the form for the 3E verification plan and three days before the verification date, communicates the plan with the group managing entity so that the selected farms receive the visit on their farm.

  Note 1: About sample selection

  1. Farms should be classified according to the area of coffee grown by producers and not the total area.
  2. Farms should be segmented into small farms (< 10 hectares of coffee planted) and medium/large farms (=> 10 hectares of coffee).
  3. The sample to ensure a representative distribution among small farms (<10 hectares) and medium/large farms (>10 hectares) will be taken to estimate the farms to be visited, the sample will be taken on the square root of the total number of farms listed on the group and should be distributed in percentage according to the number of producers classified per each size (small/medium/large), municipality and or village.
  4. As part of the group of farms to be visited, the total number of farms that were found to be non-compliant with any of the mandatory 3E indicator in a verification prior to the program should be considered.

- Start of the On-Site verification: During the on-site verification, the evaluator must apply the 3E - checklist for producers, verifying the alignment of the criteria contained in the 3E Scheme, with respect to the practices found on the farm. During the verification, the facilities, crops and points of high importance (such as rivers, springs, protection areas) must be visited, documentary records must be evaluated and interviews with workers must be carried out, if applicable.

  Note 1: An evaluator may visit a maximum of 4 farms per day. Time that guarantees that the verification is fully implemented and quality results are obtained.

  Note 2: If there are workers, the square root of them must be interviewed, ensuring an equal selection of men and women, and taking into account the representation of vulnerable groups (indigenous population, migrants, temporary, permanent, piecework, among others).

- Once the Evaluating Entity has completely filled out the checklist, the closing meeting will be held to socialize the results of the verification with the producer.
  Note: In case of finding non-conformities on mandatory 3E indicators, an early notification will be communicated during the closing meeting of the verification, 3E Committee and group managing entity are informed on the initial findings and encouraged to start addressing the remediation immediately. Then, an official notification (Early notification: finding non-conformities on mandatory 3E indicators) will be sent, via email, by the verification entity, to the group managing entity. This notification details the evidence of the found. The group managing entity will need to review and accept, or appeal, the findings within 3 business days, otherwise the non-conformities on mandatory 3E indicators are accepted.
- The evaluator shall systematize the information of the verifications performed, using the Format to consolidate the results of the 3E in farm v 1.2 and then send the completed results format and its recommendation on the concept of recognition to the 3E Committee for the results to be evaluated.
- In case of finding non-conformities on mandatory 3E indicators: in case of finding non-conformities on mandatory indicators, the recognition concept cannot be issued and the group managing entity shall implement the actions defined in numeral 9.3.2. to close the non-conformities.
- The 3E Committee will evaluate the results presented by the Verification Entity: Once the documentary package is received from the Verification Entity, the committee will convene a meeting to evaluate the quality of the data and the verification report sent, in order to validate the recommendation for recognition and request any clarifications that may be necessary.
- The 3E Committee issues recognition concept: Once the on-site verification is completed and the report has been evaluated with a positive concept, the recognition decision will be formally issued, based on the indications in numeral 9.2, and the results will be shared with the group managing entity. The recognition will be effective immediately and will be valid for the next two years.
- Continuous improvement plan: To comply with the continuous improvement principle of 3E, the 3E Committee will prepare the continuous improvement plan for the group verified and recognized as 3E, and will share it with the group managing entity for implementation. The group managing entity must submit evidence of progress and compliance within the established timelines.

9.1.5. RECONGNITION OF OTHER VOLUNTARY SUSTAINABILITY STANDARD

Those group managing entity that have their own voluntary sustainability schemes must also have their verification process by RGC, providing information on the operation of their scheme and comparing that their criteria are aligned with the 3E criteria.

RGC Coffee will verify that 100% of the mandatory indicators are also evaluated by the group managing entity's standard and as for the general indicators, there must be a 70% homologation.

RGC Coffee reserves the right to recognize the group managing entity's scheme or not to validate it for supply chain purposes.

9.1.6 SCOPE EXTENSIONS OF 3E RECOGNITION

The following rules are established for cases in which a recognized group managing entity or a supply chain needs to modify or expand the scope of its recognition. To ensure the credibility of the scheme and the traceability of 3E traded coffee, such modifications must comply with the following provisions:

- Notification of relevant changes:

  If, during the validity period of the 3E recognition, changes occur in the organization or in the scope that may affect compliance with the scheme criteria, the participating organization must formally inform the 3E Committee in writing.

  Relevant changes include, among others, modifications to the ownership or management structure, changes in key personnel responsible for the internal management system, significant variations in the sites or areas of operation or in the traceability mechanisms used, as well as any increase in the number of farms, producers, volume, or area under 3E recognition that exceeds 10% of the initially approved scope. Such changes must be formally notified to the 3E Committee and will be subject to prior verification and approval before they can be incorporated into the current scope of recognition.

- Expansion of the scope during the validity period of the recognition:

  When the change involves an increase in the scope of 3E recognition, for example, the inclusion of new activities, new facilities, incorporation of new farms, or expansion of the declared traceability level, it must be verified through a scope extension process.

  The 3E Committee will define the type of verification required, whether remote or on site, second or third party, as well as the applicable requirements, based on the type of expansion requested, the level of risk associated with the change, and the scheme criteria and indicators affected.

  To preserve the integrity of the scheme, the scope expansion may not exceed 10% of the total number of producers approved under the current recognition.

  When the expansion request exceeds this percentage, a new full verification of the group or an extraordinary verification will be required, including a recalculated sample based on the updated total number of producers.

Under no circumstances may a scope expansion be used to incorporate new producers on a large scale without them having been included in the internal management system, internally inspected, and verified under the corresponding sampling scheme.

- Prerequisites for the extension:

Before authorizing any expansion, the organization must demonstrate that:

  - The new farms or producers have been formally included in the internal management system.
  - Documented internal inspections have been carried out under the 3E criteria.
  - The corresponding voluntary participation letters have been signed.
  - The traceability system allows coffee from the new scope to be clearly identified without risk of improper mixing.
  - The farms have undergone the respective deforestation and legal compliance analysis, present no type of risk, and have been approved.
  - It has been verified that the producers are not part of another 3E supply chain.

The 3E Committee may reject expansion requests when there are open non conformities in mandatory indicators or pending non compliances in improvement plans.

- Validity of recognition in relation to expansions:

No scope expansion shall be considered covered by 3E recognition until the extension process has been satisfactorily completed and formal confirmation has been issued by the 3E Committee.

Until that moment, coffee from the new activities, sites, or farms may not be marketed as 3E recognized coffee.

The original recognition shall not be understood as automatically extended to the new scope until the 3E Committee issues a formal written communication approving the change.

- Extension request:

The participating organization must submit the expansion request to the 3E Committee in writing, attaching the updated scope information.

The request must include: current number of recognized producers, number of producers to be included, technical justification for the expansion, updated georeferenced list, and evidence of internal inspections carried out.

For recognized group managing entities that are approaching their biennial verification, these requests must be submitted sufficiently in advance so that the expansion can be included in the corresponding verification cycle.

- Extension outcome:

An approved extension grants the organization the right to market as 3E only the volume associated with the newly approved scope, from the confirmation date issued by the 3E Committee and until the expiration of the current recognition.

The approved expansion does not modify the expiration date of the original recognition.

If improper use of 3E recognition is detected for coffee from producers that have not been formally approved, this situation will be considered a serious or critical infringement in accordance with section 9.4 of this protocol.

9.2. VERIFICATION OUTCOMES AND 3E CATEGORIES

The scheme contemplates the most relevant aspects and indicators that support RGC Coffee's commitment to shared value, framed in the 3E's strategy. ELEVATE - EMPOWER - EDUCATE.

A total of 9 criteria, 45 verification indicators for group managing entity and 86 for farms have been defined.

The indicators are segmented into general indicators and mandatory indicators, the latter must ensure full compliance, and the general indicators are part of the continuous improvement process.

- For Group managing entity

3E	Verification approach	Total number of indicators	Mandatory indicators
ELEVATE	Thriving communities	19	7
EMPOWER	Individual prosperity	13	9
EDUCATE	Regenerative Agricultural Practices	13	4

Table 3: Summary of indicators and criteria evaluated on group managing entity.

- For Farms

3E	Verification approach	Total number of indicators	Mandatory indicators
ELEVATE	Thriving communities	27	5
EMPOWER	Individual prosperity	34	6
EDUCATE	Regenerative Agricultural Practices	25	2

Table 4: Summary of indicators and criteria evaluated on producers.

To determine the level of progress and compliance with the indicators defined in the 3E verification scheme, the following measurement scale has been defined.

Result range	Mandatory Indicators accomplishment	General Indicators Accomplishment	Organization or group of farms category
86% - 100%	100%	80%	3E – Strategic
80% - 85%	100%	70%	3E – Essential
70% - 79%	100%	40%	3E – Evaluated

Table 5: Summary of 3E *results and categories.*

The category obtained in the verification will allow RGC Coffee to define business development and sustainability opportunities for participating in the group managing entity.

All group managing entities and farms must participate in the second party verification. For group managing entities, verification will be carried out every two years, and the on site verification will be scheduled according to this periodicity and the performance category obtained.

1. A random sample will be taken from the total number of group managing entity in category 3E strategic, and one organization will be selected to perform the on-site verification.

2. Of the total number of group managing entities in category 3E essential, a random sample will be taken, and 2 organizations will be chosen to perform the on-site verification.

3. Of the total number of group managing entities in category 3E validated, a random sample will be taken, and 3 organizations will be selected for on-site verification.

9.3. REMEDIATION PROTOCOL FOR NON-CONFORMITIES

Understanding the impacts of a non-conformity (NC) on the mandatory and general indicators, any NC identified during the verification process must be reported during the verification process to RGC, with a description of the non-compliance identified.

The 3E Committee must define the improvement plan to correct the Non Conformity, identifying short and long term actions as applicable, and will communicate it to the group managing entity for implementation.

In the case of NC in general indicators, an improvement plan focused on continuous improvement will be submitted to RGC.

The process to be followed for each case is described below:

9.3.1. IDENTIFICATION OF NON-CONFORMITIES IN GENERAL INDICATORS

General indicators are those that refer to continuous improvement in the implementation of sustainability practices by a group managing entity or a group of farms.

Within 30 business days following the verification, the 3E Committee must communicate the corresponding improvement plan to the group managing entity. The group managing entity must implement the defined actions and submit the evidence of compliance in accordance with the established timelines.

This plan must be endorsed by the 3E Committee, and its proper implementation will be verified during the verification of the period following the verification in which these were identified. This indicates that the group managing entity will have a maximum period of 2 years to implement improvement actions. However, RGC always encourages these NCs to be corrected as soon as possible.

Although this type of NC does not represent a critical risk to the sustainability of the supply chain, the group managing entity must demonstrate commitment to achieving compliance. RGC will issue 3E recognition as long as the group managing entity reaches the minimum score required to obtain a category, as indicated in section 9.2.

9.3.2. IDENTIFICATION OF NON-CONFORMITIES IN MANDATORY INDICATORS

Non-conformities identified on mandatory indicators refer to the violation of critical sustainability criteria considered by the 3E scheme.

Depending on the situation, degree, and type of non-compliant indicator, these NCs may be classified as moderate, serious, or critical and will have different sanctions as described in numeral 9.4.

The closure of these nonconformities will have a maximum period of 30 calendar days to submit the evidence to the 3E Committee, however, it is commercially sanctioned until the NC is lifted, either the group managing entity or the group of farms.

The evidence should be sent by email to certifications@rgccoffee.com. If required, RGC reserves the right to request a second- or third-party on-site verification based on the initial assessment.

Through this assessment, the 3E Committee will define whether the evidence is valid to demonstrate compliance with the criterion. If the evidence is deemed insufficient, RGC may declare a negative assessment decision and will not issue 3E recognition to the group managing entity.

9.3.3. EXCEPTIONS

RGC COFFEE strives to ensure that all stakeholders interested in implementing the 3E scheme comply with the established requirements. However, being aware of the reality and circumstances of some regions, there may be factors that do not facilitate full compliance with these indicators, making it necessary to apply possible exceptions.

Within the checklist for on-farm verifications, several indicators are not applicable, which is why RGC exempts these actors from complying with all requirements.

In cases of "force majeure", there may be situations that prevent on-site verifications from being carried out, in which case remote verifications shall be carried out as described in 9.1.3.

Exceptions must be requested to the 3E Committee at certifications@rgccoffee.com, in the request the group managing entity must state the force majeure situation and the Committee will validate if the exception is granted.

9.4. INFRINGEMENTS AND PENALTIES OF THE 3E SCHEME

The scheme contemplates a classification of infractions with their respective penalties associated with the performance of the group managing entity applying for 3E recognition, these are classified as moderate, serious, and critical.

This applies to compliance with remediation or improvement plans or for complaints (see numeral 10.5). When a situation is detected that puts the sustainability of the supply chain at risk, the group managing entity or group of farms will receive a sanction as described below:

Infringement	Description	Situation	Penalty
Moderate	Does not violate mandatory 3E requirements and does not generate an adverse effect on supply chain actors	The Group managing entity does not have a written policy, although compliance with the criterion is evidenced through other strategies it implements.	A warning and a maximum term of 30 days to comply.
Serious	It violates mandatory requirements and generates an adverse or serious effect on the supply chain and its effects are prolonged over time.	1. Refusing to participate in the 3E verification process required by RGC Coffee without justification. 2. Failure to submit the requested evidence during the verification time. 3. Failure to comply with the call for attention and repeat the non-compliance, since it	Suspension, with commercial restriction from 3 to 6 months. And no 3E recognition until the situation is rectified.

		refers to a systematic infraction. 4. Not having a traceability protocol. 5. Submitting documents that do not correspond to the reality of the practices implemented by the organization. 6. Using the 3E logo without authorization. 7. Failure to implement the proposed actions to eliminate a mandatory indicator NC. 8. Include additional farms or producers within the recognized scope without formal written approval from the 3E Committee, or market coffee from farms or producers that are not included in the approved scope as 3E. 9. Carry out a scope extension that exceeds the permitted percentage without completing the additional verification defined by the 3E Committee.	
Critical	These are actions executed with fraudulent intent or that generate negative	1. Actions related to human rights violations or unethical business practices.	Commercial cancellation. No recognition 3E .

	and irreversible effects on the supply chain.	2. Deforestation. 3. Refusing to allow the evaluator access to the farm, camps, housing, or other areas relevant to the 3E verification, or unjustifiably restricting the conducting of interviews with workers. 4. Presence of child labor, forced labor practices, discrimination, harassment, or labor abuse. 5. Exercising inappropriate influence intended to alter or manipulate the verification results. 6. Intentionally declare, document, trace, or market as 3E coffee from farms or producers not approved within the recognized scope, or use the scope extension to incorporate unverified producers on a large scale, affecting the credibility of the scheme.	If there is coffee in stock or transit from this supply chain the coffee will be blocked by RGC to avoid any delivery to a customer, and a claim and rejection will be sent to the group managing entity as the coffee cannot be commercialized as 3E .

Table 6: Summary of Infringements and penalties of the 3E Sustainability Scheme

Exceptions: The group managing entity communicates in a timely manner about non-compliance with some criterion, this is evaluated by the 3E Committee, and a correction plan can be designed to avoid a sanction.

9.5. COMPLAINTS AND APPEALS

The complaints and appeals procedure of the 3E scheme is available to any actor in the supply chain that is actively participating in the 3E scheme recognition process, or to any actor in the supply chain that wishes to file a complaint against a participating actor in the scheme, whether a producer, exporter, or verifier in the process.

Complaints must be strictly related to the performance of the 3E scheme, regarding the implementation of the scheme on farms or by exporters, details of the verification process carried out by internal or external verifiers, treatment during the verification process, conflicts of interest, or concerns about the confidentiality of the process. Likewise, this mechanism may also be used to report identified cases of corruption and bribery.

Appeals may be submitted when the participating actor disagrees with a compliance decision regarding the scheme, including the final decision of recognition or non recognition, suspension, or cancellation of a participating actor, including a farm, group managing entity, collector, or exporter, or with specific scores assigned to the scheme indicators.

9.5.1. PROCEDURE TO REGISTER A COMPLAINT OR APPEAL.

All complaints and appeals related to 3E Sustainability scheme must be submitted by email or formal letter, providing all elements related to the complaint, mentioning the details and origin of the situation to be complained about, a reasonable justification and supporting evidence. It must be mentioned if the complaint has been previously tried to be solved through a direct channel or the reasons why this step could not be carried out.

Also, when submitting the request, the matter should state whether it is a complaint or appeal about 3E sustainability scheme, listing the name of the complainant, their organization and whether they intend to remain anonymous.

Complaints can be submitted in English or Spanish, using the form (annex 1) defined at the end of this document and attaching it to the email certifications@rgccoffee.com or sending it by physical mail to the offices in Bogota-Colombia, at Calle 72 # 7-64 office 702 or to the offices in Montreal-Canada, at 1330 Greene Ave, Westmount, Quebec H3Z 2B1, Canada.

9.5.2. RESOLUTION PROCESS

Once the complaint or appeal is received, the 3E Committee will oversee and reviewing that the content of the request, which must comply with the parameters mentioned in the "Procedure for registering a complaint or appeal", is compliant or else, the complaint or appeal will not be processed.

Complaints and appeals will not be processed if it meets one or more of the following criteria:

- The form and content are unclear.

- No objective evidence or proof is attached.

- The request is based on unsubstantiated hearsay.

- The complaint or appeal is intended to modify the sanctions or cancellations imposed for a violation of the requirements defined by the 3E sustainability scheme.

- The complaint or appeal is not related to the 3E sustainability scheme.

Within 10 working days of receipt of the request, the complainant of the complaint or appeal will be informed of the receipt of the request and whether it is accepted to proceed with the investigation as described in this document.

Complaints and appeals will be processed by the 3E Committee, which will open the investigation of the case, provided there is no conflict of interest. In the event of a conflict of interest with any of the parties, the member of the Committee who has a conflict of interest shall declare that he/she is not allowed to proceed with the investigation and shall be removed from the case.

The 3E Committee will proceed by contacting the people involved and affected, to request evidence and statements that support the understanding of the situation, allowing a solution to the requirement. The subject(s) of the complaint will also have 10 working days to provide any additional evidence required in the case. Likewise, the Coordination or the 3E Committee will be free to assign personnel in case field visits are required to expand the investigation.

Considering that the purpose of the procedure is to resolve the request as soon as possible, if it becomes evident that the process will take longer than stipulated, the Coordination or the 3E Committee reserves the right to extend the period for decision making and this will be duly communicated to the complainant and other interested parties.

The 3E Committee will have 30 working days after the receipt of evidence to fully analyze the case and decide on the resolution of the requirement, trying first to generate a mutually agreed solution between the parties or otherwise unilaterally decide a solution, which will be informed in writing, including the reasons, to the interested parties. These requirements will be filed and reviewed once a year to consider improvements in the 3E.

Any of the parties involved in the complaint will also have the right to appeal the decision within 30 working days following the decision communicated by the Coordination.

9.5.3. ROLES OF THE 3E COMMITTEE IN RESOLVING GRIEVANCES AND APPEALS

Position	Responsibility

3E Corporative Compliance coordinator	- Respond to the acknowledgement of receipt of complaints and appeals that are received at certifications@rgccoffee.com and/or physical mail. - Ensure that the complaint/appeal form is properly completed and verify whether the appeal is approved or not. - Initiate the necessary investigations to resolve complaints and communicate the results of these investigations. - Ensure that the steps outlined in this procedure are followed. - Review the annual complaint log and recommend necessary improvements. - Meet with the 3E Committee to improve the actions of this procedure and the 3E scheme in general.
3E Committee (Comprised by Management Representative: Jonathan Gabbay, Director of Global Sustainability and Corporate Compliance: Angela Maria Pelaez, Agronomist Leader: Andres Acevedo, Sustainability Analyst: Maria Paula Calvo and 3E Corporate Compliance Officer: Lina Lozano	- Reviewing the results of the investigation and making decisions on appeals filed. - Acting on behalf of the corporate affairs coordination in case of conflict of interest. - Attend meetings convened and contribute improvements to this process.

Table 7: Appeals and grievances: Roles of the 3E Committee.

9.6. COST

RGC Coffee does not charge for access to the scheme's documentation or for second-party verifications; however, logistical costs associated with verifications are a shared responsibility with participants, recognizing their active role in the success of the program.

Second-party verifications are conducted by RGC's sustainability team and may be carried out either remotely or in person, depending on the case, as indicated in section 10.1 of this document.

If a third-party verification is required, RGC will cover the costs associated with hiring an independent verificationing company.

RGC covers the cost of the verification itself, as we consider this process an investment in the sustainability performance of our supply chain. At the same time, logistical costs, such as verificationors' travel expenses, are considered a contribution from the partner, given that their active involvement is key to the successful implementation of the program. These logistical costs

may either be paid (by covering the amount specified in the quotation) or assumed (by organizing and directly paying for the agreed logistical expenses).

9.7. MANAGEMENT OF INFORMATION, DATA AND THEIR DISCLOSURE

The 3E scheme includes the compliance verification against the criteria by the information provided by the actor participating in the process to the evaluator assigned to the process. In other words, all information must necessarily be disclosed in a transparent, truthful, consistent, and complete manner. Organizations are expected to maintain a backup of the information they provide during the assessment and store it for a minimum period of 5 years.

In this same sense, RGC Coffee and its team, is committed to maintaining the confidentiality and data protection of the verification process and the information provided by group managing entity, i.e., documents provided, interviews conducted, details of field observation, among others.

To ensure the proper use of information internally, RGC's staff is obliged to comply with the criteria of confidentiality of information within their work contract. All 3E information is stored on the RGC server to ensure its security.

In reference to the handling and confidentiality of the information shared with third parties, RGC signs a confidentiality agreement for the use of the information that includes the responsibility for the use of the information as well as the storage and custody time.

In turn, digital or physical copies of the checklists implemented during the verifications will be stored for a period of 5 years.

Regarding data management, group managing entity authorize RGC Coffee to use and manage the recorded data, to collect, store and analyze them for the purpose of:

- Evaluate the group managing entity's Sustainability actions according to the 3E criteria.
- Identify improvement actions in which RGC can collaborate with the group managing entity to improve the sustainability performance of its supply chain. Collect and analyze social, environmental and economic information for RGC's annual Sustainability report.

Data collection is made using physical paper and then all the documents are scanned and saved in RGC central server, which is controlled by the IT team in Canada, following the safety protocols of the Company. All 3E documentation including field check lists, final assessment, verificationors information and all related to the scheme is kept in custody under RGC central server.

9.8. PERFORMANCE REPORTS

Each year RGC compiles sustainability information in its annual sustainability report, which includes a summary of its group managing entity' performance based on the 3E criteria. This report is published for the purpose of accountability to all stakeholders.

As a member of the Sustainable Coffee Challenge (SCC), RGC also reports annually on the progress of its Theory of Change according to the indicators agreed with the SCC.

9.9. MONITORING SYSTEM TO EVALUATE THE IMPACT AND CONTINUOUS IMPROVEMENT OF THE SCHEME.

To monitor the impact of the results of the 3E scheme and the effects generated by its implementation in the supply chains, RGC uses the verification results and the improvement plans defined by the 3E Committee for each group managing entity or supply chain, continuously monitoring their implementation based on the evidence submitted by the group managing entities.

The results of the verifications are shared with the group managing entity, and in the case of farm groups they are also shared with the technical team that serves the producers so that they can adjust their service models to improve their performance and therefore have a better expected result for the next verification period.

The impact generated by the application of the 3E scheme will be published by RGC Coffee in its sustainability report, which includes information on progress and lessons learned.

RGC expects supply chains to improve their performance year by year. It is expected that the producers' response to the program's intervention will translate into changes in behavior and adoption of practices in the short and medium term. For this reason, all the information obtained in the field is systematized in an Excel database, which makes it possible to observe changes in the level of performance indicator by indicator. This is compiled at the end of the year to be officially published in the sustainability report.

Methodology: The verification of the program is based on a quantitative approach using the data from the 3E checklists applied by the verificationor on each of the farms and at the group managing entity. This approach is combined with qualitative techniques, such as focus groups with producers and producer-promoters and interviews with technicians and agents of the coffee growers' cooperatives and sustainability managers of group managing entity, which allows us to have a broader verification approach to make annual decisions to adjust the field accompaniments to achieve the objectives of continuous improvement.

Then information is compiled by country and by 3E section, to make it public in the sustainability report, added by an analysis of sustainability strengths and sustainability gaps to inform stakeholders about progress and challenges without exposing confidential data of our group managing entity. The summarized data includes the overall performance per country from the year of the report and the previous two years in order to observe tendencies in the performance.

When producers in 3E supply chains are beneficiaries of 3E programs – LOS SUEÑOS DEL CAFE, LAS MANOS DEL CAFE, TODOS AL AGUA – the information of the implementation is classified according to the type of intervention as defined by the Theory of change strategies. Investments

in the field like infrastructure improvement, support to improve productivity, specific trainings, access to credit, access to wellbeing services, among others, are systematized in an excel file including the activity implemented, the result and the impact. Year by year this information is kept in the same format to make it comparable.

The next list of KPIs is compiled year by year to analyze progress:

Dimension	Variable	Indicator name	Indicator description
Climate Practices	Climate change adaptation and mitigation	Regenerative agriculture practices	Percentage of farms implementing regenerative agriculture practices: meet criterion 9.1.1. Does your farm implement actions to address climate change?
		Coffee plot renovation	Percentage of compliance with the annual coffee plot renovation target defined in the work plans of income-increase programs.
		Reduction of carbon emissions in coffee production	Annual percentage reduction of carbon emissions per kilogram of coffee produced.
Social Equity	Inclusion	Women's empowerment and youth inclusion	Percentage of women beneficiaries of 3E income-increase programs.
			Annual percentage of women beneficiaries receiving training in coffee-related skills.
			Annual percentage of young people participating in income-increase projects.
	Improvement of producers' income	Improvement of productive infrastructure	Annual percentage of farms receiving productive infrastructure improvements.
		Income increase	Percentage of beneficiaries across all supply chains that are part of income-increase programs.
		Food security	Percentage of farms implementing the "Merque en su finca" package within income-increase projects.
		Income diversification	Percentage of compliance with the annual crop diversification target set in

			the work plans of income-increase programs.
		Access to social protection services	Percentage of workers in the “Las Manos del Café” program who save in BEPS.
			Percentage of rural worker families benefiting from the “Las Manos del Café” program who have access to services that improve their wellbeing and protect their income.
Nature Positive	Water	Water saving in coffee processing	Annual percentage increase in liters of water saved in coffee processing compared to the previous year.
	Forest	Protection and conservation	Annual percentage increase in the number of hectares reforested.
	Soil	Soil conservation	Percentage of producers implementing actions to protect soil quality. Indicator 3E 9.3.1.
	Biodiversity	Farm conservation and protection status	Percentage of biodiversity conservation on coffee farms.

9.10. TRAININGS

In order to ensure proper interpretation of the criteria evaluated by the scheme and close barriers to achieve proper implementation of practices, the 3E scheme facilitates access to training for producers, group managing entity, implementers and evaluators on the different topics addressed by the 3E sustainability scheme:

- Fundamental rights: focus on forced labor, child labor and due diligence.
- Workers' rights and good treatment
- Gender equity
- Ethical conduct
- Traceability
- Regenerative agriculture
- Conservation and protection of natural resources
- Coffee quality and its parameters
- Agrochemicals: Safe handling, use of PPE, disposal of empty containers.
- Prohibited agrochemicals.
- Occupational health and safety

- Good agricultural practices, post- harvest and handling practices and quality practices (This training must meet applicable national standards).

Activities will be coordinated with each actor according to their specific needs: producers, group managing entities, exporters, and technical team.

For the 3E implementation team, these trainings will be carried out at least once a year.

The group managing entity must ensure that periodic trainings are conducted for producers, workers, and other actors involved in the implementation of 3E. These trainings must cover, at a minimum, the content of the 3E sustainability scheme, the 3E programs implemented at origin, and topics related to its criteria, requirements, continuous improvement approach, and other applicable technical, social, environmental, and compliance aspects.

10. CHAIN OF CUSTODY AND DECLARATIONS 3E

Supply chains with 3E recognition must demonstrate that they are able to identify and trace the coffee produced and traded throughout the supply chain.

The system must allow the origin of the traded coffee to be traced, making it possible to address issues related to quality claims, compliance requirements for sustainability practices and human rights, or complaints from interested parties. Likewise, the traceability system must make it possible to identify the origin of the coffee associated with a 3E supply chain and demonstrate its link to producers or farms verified under the scheme.

All businesses related to 3E coffee must present a traceability report that includes the information of the organizations that are part of the supply chain or in the case of coffee certified as Fair Trade, Rainforest, 4C, their commercialization certificates are verified.

10.1. USE OF 3E LOGO

Stakeholders with valid recognition under the 3E scheme may request the use of the 3E logo on products and communication materials, provided that such use has verifiable traceability, truthfully reflects the 3E coffee content, and has been previously approved in writing by the 3E Committee. The 3E logo is a registered trademark owned by RGC Coffee, and its use shall be subject to the conditions, restrictions, authorized claims, and other requirements established in the annex Guidelines for the Use of the 3E Logo On Product and Off Product. The use of the logo or claims related to 3E in a misleading, ambiguous, non verifiable manner, or outside the scope approved by the scheme, is not permitted. Requests for use must be submitted through certifications@rgccoffee.com, attaching the information and supporting documents required for review. In all cases, the 3E Committee shall be the body responsible for approving the use of the logo and any public claim associated with 3E.

ANNEX 1: FORMAT FOR THE PRESENTATION OF COMPLAINTS AND GRIEVANCES

In order to facilitate the submission of formal complaints and grievances in 3E sustainability scheme, you must complete the form below:

- The form must be completed in English.

- All fields must be completed.

- The appeal must be accompanied by objective evidence.

- Once the form is completed, it must be sent by e-mail to certificaciones@rgccoffee.com or by physical mail to either of these two addresses:

1- To RGC Americas at Calle 72 # 7-64 office 702, Bogotá Colombia.

2- To RGC Coffee at 1330 Greene Ave, Westmount, Quebec H3Z 2B1, Montreal Canada.

Date of submission of the request:

Full name:

Identification:

Contact Phone:

Company:

anonymous statement: (Yes/No)

Type of request: (indicate if it is a complaint or appeal)

Detail the origin of the complaint/appeal:

Detailed description of the complaint/appeal:

Statement of potential risks identified in making this complaint:

List of attachments.