



SEVEN SEEDS™

2021-2022

IMPACT REPORT

A CULMINATION OF OUR WORK IN TRANSPARENCY AND WASTE REDUCTION

“WE ARE INCREDIBLY PROUD TO SIT STRONG WITH OUR CORE VALUES AND PROVIDE OUR TRANSPARENT PATH FOR THE FUTURE OF COFFEE AND THE INDUSTRY WE LOVE.”

Bridget Amor

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WELCOME TO OUR FY 21-22 IMPACT REPORT



As we reflect on the curve balls our industry has endured over the last year, our 16-year commitment to quality and transparency feels more critical than ever.

Saying the 2021-22 years provided many challenges in the coffee supply chain is an understatement. The pandemic stretched into its second year with international border closures affecting coffee harvesting, processing and transportation, all of which were difficult if not impossible to contend with.

Shipping delays at the departure and arrival ports contributed to the already challenging environment for importers, with increased pricing and fees being passed on to Seven Seeds. We faced challenges with reluctance to unpack our coffee shipments due to the size of freight 'we are not touching those 60kg sacks without all our staff on deck'. We had not encountered these types of hurdles before.

Unfortunately, we experienced the highly invasive agricultural pest, Giant African Snail, in a shipment resulting in extreme time delays and heavily rising costs. As a result, we needed to buy spot coffee to infill these stretched timeframes.

While global warming continues, La Nina profoundly threatens crop numbers, and a shortage of fertilizers worsened by war in Ukraine are issues added to our precious industry.

Unfortunately, it's been another year of not visiting producers, instead connecting through emails, Zoom calls and WhatsApp messages. We are forever grateful for their brilliant work and for partnering with us to offer what we believe is world-class honest coffee. We look forward to seeing you in person this coming year.

Looking at the landscape a little closer to home, Australia's local coffee and hospitality trends have been intriguing over the last year. The keywords 'specialty', 'ethical' and 'sustainable' are thrown around without true meaning and potentially damaging the industry.

The emergence of many new trends and different approaches to running a hospitality business has been fast-tracked due to Covid19. Assisted brewing equipment is now an important feature in modern bar setups. Other new trends include a shift towards heavily processed or infusion coffee. As is always at the forefront of our minds and palates, '*can you taste the coffee?*'. The danger here is that this trend will put quality producers and their beautiful clean coffees in direct competition with flashy processing methods that take away from their terroir and authentic character. **#honestcoffee**

As a company, we maintain our commitment to publishing the price paid to our producers, blazing our trail and continuing on our path to a genuine, honest and transparent model that very few can follow.

We have always believed that pricing transparency is critical to a sustainable and successful global coffee industry. Our 2021-22 Impact Report celebrates our relationships with producers that ensure the coffee you're drinking is one of the very best coffees in the world.

Bridget and Mark.



ACKNOWLEDGMENT OF COUNTRY

Seven Seeds acknowledges the Traditional Owners and Elders past and present across Australia and stand together with Aboriginal and Torres Strait Island leaders of today and tomorrow.

With particular acknowledgment to the Wurundjeri people, the Traditional Owners of the Land and Waters where we work, learn and play.

WITH OUR DEEPEST THANKS

To our Seven Seeds team and family, for your unwavering dedication and determination to setting the benchmark for the industry. Being back together under the same roof is a crucial path to bringing back the lively culture and connection of Seven Seeds and we are truly grateful.

To our cherished customers. Wholesale, retail, in store, online, local, interstate and overseas for believing in our product and our mission. Our unwavering thanks for your support and words of encouragement. Some of your smallest gestures rang the loudest during the most challenging of times.

To our producing partners and export partners, new and old, your drive to produce the finest coffee under a constantly changing landscape never ceases to amaze us.

Muchas Gracias.





RETAIL TRADING

Restrictions, lock downs, masks, travel bans, lack of foot traffic, protests and government mandates have all challenged the retail environment. A summary of last year's trading would contain four letters. Retail trade is still not at pre-pandemic levels, but we are hopeful that this will change soon. Keeping staff at stable levels throughout so we can remain open consistently has been one of the biggest challenges.

Seven Seeds has needed to become a very efficient business, and thankfully our model has been mostly able to absorb higher green coffee and logistical costs. The established producer partner relationships we have built over many years have resulted in overall higher product integrity and quality.

Considering the post-pandemic landscape in Melbourne, it is no embellishment to say it has been an achievement in keeping the doors open and our business trading consistently without any closures.

Challenges aside, we are tremendously grateful for the team we have been able to build and retain over the last twelve months. The next generation of hospitality professionals have arrived and are ready. Staff engagement and optimism are back and are crucial to our retail success. This culture is driven by our leadership team working tirelessly to promote the Seven Seeds DNA throughout every aspect of the business.

We are thrilled to see what happens next in our great city of Melbourne and look forward to seeing what opportunities lie ahead as the city redefines its future and rediscovers its magic.

OUR VENUES

**SEVEN SEEDS COFFEE
ROASTERY & HEAD OFFICE**
7 Montefiore Street, Fairfield
Victoria 3078
Australia

SEVEN SEEDS COFFEE ROASTERS
114 Berkeley Street, Carlton,
Victoria 3053
Australia

BROTHER BABA BUDAN
359 Little Bourke Street, Melbourne
Victoria 3000
Australia

TRAVELLER COFFEE
2/14 Crossley Street, Melbourne
Victoria 3000
Australia





SOURCING & PURCHASING FY 21-22

This report includes all coffee purchased (as opposed to released) during the 2021-22 Financial Year. Figures are shown in \$US/LB, which is the global standard for trading coffee and allows for the comparison of prices against the International Coffee Exchange.

As we have since 2018, with every release of a coffee, including our house blends, we publish the price paid to producers.

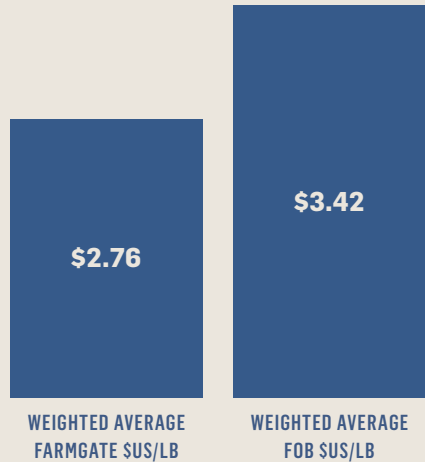
Over the past five years, we have been involved with the Specialty Coffee Transaction Guide based out of Emory University, Atlanta, as data donors and attending annual meetings. Seven Seeds also signed "The Pledge", a commitment to transparency in coffee trading, along with other roasters from around the world. www.transparency.coffee

Flip to the back page of this report for a handy glossary of terms used as we step through our sourcing origins, purchases and experiences over the past year.

WHAT SEVEN SEEDS PAID

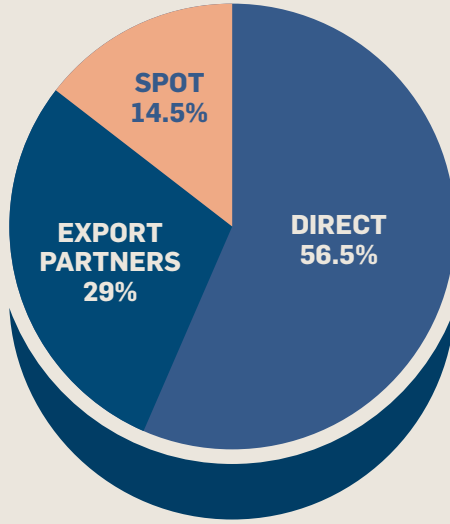
FOB refers to Freight On Board, or Free On Board.

This is the price we pay to the exporter for coffee that has been milled and taken to port for transport.



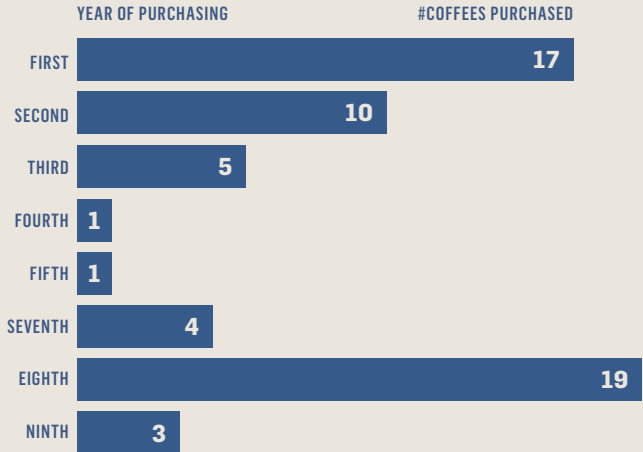
SOURCING METHOD

Note: When making spot purchases, Farmgate prices may not be available.



	NO. OF COFFEES	WEIGHTED AVERAGE FARMGATE \$US/LB	WEIGHTED AVERAGE FOB \$US/LB
DIRECT	39	\$3.31	\$3.75
EXPORT PARTNERS	20	\$1.86	\$2.92
SPOT	10	\$1.55	\$2.50

PURCHASES BY LENGTH OF RELATIONSHIP



BRAZIL

In July 2021, Brazil was hit with an unexpected frost event that overnight impacted the global coffee industry. The changing forecast of national coffee production volume in Brazil significantly affected coffee prices worldwide.

It was an uncertain time for producers, exporters, and importers like Seven Seeds. Our established relationships with long-term partners Silvio Leite and Luiz Paulo of Carmo Coffee guided our sourcing team in making the right purchasing decisions during such a challenging time.

Thankfully the 2022-23 harvest is looking positive, and we are excited to work with these great producers again.

LOTS PURCHASED IN FY 21-22

COFFEE	FARMGATE \$/LB	FOB \$/LB	SOURCING PARTNER	PURCHASING RELATIONSHIP	Q.SCORE
Jose Joaquim	\$2.06	\$3.20	Agricoffee	4th year	85.00
Ouro Verde	\$2.41	\$3.50	Agricoffee	7th year	86.25
Passagem de Pedra #7	\$2.41	\$3.50	Agricoffee	2nd year	86.50
Passagem de Pedra #11	\$2.41	\$3.90	Agricoffee	2nd year	87.00
Pedra Branca	\$2.12	\$2.77	Carmo Coffee	1st year	85.00
Irmas Pereira	\$3.30	\$3.95	Carmo Coffee	1st year	86.50
Fazenda IP	\$3.30	\$3.95	Carmo Coffee	2nd year	85.75
Sitio Santa Catarina	\$3.20	\$3.85	Carmo Coffee	1st year	86.75





PERU

Our 2022 Peru coffee sourcing at Seven Seeds coincided with yet another state-wide lock down. The world was rocked by soaring coffee prices and significant shipping delays, and market certainty was at an all-time low.

Our weekly roasting volume output fluctuated wildly and we were forced to proceed cautiously, opting to forward contract through our long-time friends and reliable export partners, Caravela Coffee.

In a time of uncertainty, this forward contract allowed us to secure a specific volume of coffee before the harvest, which increased security for all parties along the supply chain. Meticulous communication resulted in a successful arrival of this origin and our particular appreciation to Caravela for their commitment and understanding of our needs. We look forward to returning to Peru in the coming year.

LOTS PURCHASED IN FY 21-22

COFFEE	FARMGATE \$/LB	FOB \$/LB	SOURCING PARTNER	PURCHASING RELATIONSHIP	Q.SCORE
Ukuku	\$1.58	\$2.78	Caravela	1st year	85.00
El Conjuro	\$1.56	\$2.75	Caravela	1st year	86.00
Roger Quispe	\$1.60	\$3.02	Caravela	1st year	88.75
Alexander Ojeda Gonzales	\$1.75	\$2.81	Caravela	1st year	86.75



COLOMBIA

Colombian coffee has always made up a considerable amount of the Seven Seeds menu. We partner with Caravela and Azahar, who have been integral over the years and are also our well-respected and dear friends.

La Niña weather events significantly impacted the Colombian coffee industry in 2021-22. Externally the Brazil frost event pushed up the global c-market price, while internally, the above-average

rainfall affected the volume of coffee production and quality. These pressures led to a rapid price increase in Colombian coffees. Together with local lock downs and erratic sales, the Seven Seeds sourcing team relied on spot purchases with our import partners.

As circumstances look to improve, we will prioritise our direct purchase connections with this beautiful origin.

LOTS PURCHASED IN FY 21-22

Coffee	Farmgate \$US/LB	FOB \$US/LB	Sourcing Partner	Purchasing Relationship	Q.Score
La Serranía Decaf	\$1.88	\$3.23	Caravela	9th year	85.50
Andino	\$1.70	\$2.30	Caravela	9th year	85.50
Los Monjes	\$1.77	\$2.37	Caravela	3rd year	85.75
Altos de Maria AA	\$2.05	\$2.65	Caravela	1st Year	86.00
Matambo	\$1.66	\$2.26	Caravela	5th Year	84.00
San Fermin	\$1.67	\$2.27	Caravela	2nd Year	84.00
San Sebastian	\$2.28	\$3.15	Caravela	3rd Year	85.00
La Serranía Decaf	\$1.90	\$3.30	Caravela	9th Year	85.75

ETHIOPIA

The internal civil unrest in Ethiopia, the international prices influenced by the Brazil harvest, and the lingering effects of COVID-19 have led to a significant increase in the local price of coffee cherry.

In some instances, FOB prices increased by approximately 4.00 \$US/LB.

During this uncertain time, our relationship with the Co Qua trading team allowed us to purchase 3 out of 5 coffees from the same producers as the year before. In the upcoming Ethiopia harvest, we will continue to work with these producers and aim to reestablish relationships from 2020.

LOTS PURCHASED IN FY 21-22

COFFEE	FARMGATE \$US/LB	FOB \$US/LB	SOURCING PARTNER	PURCHASING RELATIONSHIP	Q.SCORE
Mustefa Abalulessa	\$3.20	\$3.70	Co Qua	2nd year	86.25
Kefyalew Deresa Tulu	\$3.40	\$3.70	Co Qua	1st year	86.75
Basha Bekele	\$4.50	\$4.50	Co Qua	2nd year	86.50
Bekele Belaycho	\$4.50	\$4.50	Co Qua	2nd year	86.25

Co Qua Lab is an initiative co-funded by Seven Seeds many years ago based in Addis Ababa, Ethiopia. Coffee pros Ansha Yassin and Moata Raya previously worked for a non-profit; they now source and export, helping local producers connect with buyers. This partnership shows how Seven Seeds can assist in growing relationships and contribute positively to the environment where these beautiful coffees are grown.



GUATEMALA

Our container shipment in 2021 faced several difficulties that resulted in an extra transit time of around 21 weeks. For the first time and hopefully the last in Seven Seeds' sourcing history, a container was detained in Bio-security for traces of Giant African Snail. This detention and subsequent cost of fumigation for the container made Guatemala our most expensive origin in 2022.

We were faced with a tough decision of whether Seven Seeds could afford to purchase from this

origin in the future. However, Bridget and Mark had an unwavering commitment to continuing one of our longest-standing sourcing origins and producer relationships.

Our 2022-23 shipment is in transit and we're excited to share this season's harvest. We look forward to celebrating ten years of sourcing with the Morales and Villatoro families and hope to return to Guatemala next year to thank these amazing producers in person.

LOTS PURCHASED IN FY 21-22

COFFEE	FARMGATE \$/LB	FOB \$/LB	SOURCING PARTNER	PURCHASING RELATIONSHIP	Q.SCORE
Aguacatones Fully Washed	\$7.00	\$7.00	Fredy Morales & Family	8th Year	86.38
Aguacatones Natural	\$7.00	\$7.00	Fredy Morales & Family	8th Year	86.50
Rosma 01	\$3.50	\$3.50	Fredy Morales & Family	8th Year	85.75
Rosma 02	\$3.50	\$3.50	Fredy Morales & Family	8th Year	86.00
Rosma 03	\$3.50	\$3.50	Fredy Morales & Family	8th Year	86.13
Rosma 04	\$3.50	\$3.50	Fredy Morales & Family	8th Year	86.00
Rosma 05	\$3.75	\$3.75	Fredy Morales & Family	8th Year	85.88
Rosma 06	\$3.75	\$3.75	Fredy Morales & Family	8th Year	85.63
Rosma 07	\$3.75	\$3.75	Fredy Morales & Family	8th Year	85.75
Rosmarago	\$7.00	\$7.00	Fredy Morales & Family	8th Year	86.63
Campamento Alto 02	\$3.75	\$3.75	Aurelio Villatoro	8th Year	85.50
Campamento Alto 04	\$3.75	\$3.75	Aurelio Villatoro	8th Year	86.38
Esperanza 01	\$3.75	\$3.75	Aurelio Villatoro	8th Year	85.75
Esperanza 03	\$3.75	\$3.75	Aurelio Villatoro	8th Year	86.25
Esperanza 06	\$4.00	\$4.00	Aurelio Villatoro	8th Year	86.00
Esperanza Pacamara	\$7.00	\$7.00	Aurelio Villatoro	8th Year	86.00
Guayabales 01	\$3.75	\$3.75	Pedro Villatoro	8th Year	86.00
Guayabales 02	\$3.75	\$3.75	Pedro Villatoro	8th Year	86.00
La Esperanza Anaerobico	\$7.00	\$7.00	Rodin Villatoro	8th Year	86.50
La Danta	N/A	\$2.75	LCM	1st Year	85.25
Los Ancestros	\$1.75	\$2.36	Caravela	1st Year	85.25

HONDURAS

Honduras is a relatively new origin for Seven Seeds. We have worked directly with Benjamin Paz and the Mierisch family for the last three years. Honduras is also home to Mark's co-owned farm, Finca Santa Lucia, where we sourced this year's first Seven Seeds micro-lot release Gesha.

The harvest in Honduras has been impacted by La Niña, with production drastically reduced in some regions. 2022 will be our largest Honduras shipment, and the third year we have purchased

from the same producers. In some instances, we have purchased these producers' total output.

A true representation of the quality of coffee in this region, Benjamin Paz was awarded this year's winner at The Cup of Excellence Competition. Honduran coffees can be absolutely stunning when sourced with the right producers, and from our experience at Seven Seeds, each year only continues to improve on the last.

LOTS PURCHASED IN FY 21-22

COFFEE	FARMGATE \$/LB	FOB \$/LB	SOURCING PARTNER	PURCHASING RELATIONSHIP	Q.SCORE
Franklin Madrid	\$3.51	\$4.25	San Vicente / LCM	2nd Year	86.50
Maria Reyes	\$3.10	\$3.75	San Vicente / LCM	2nd Year	87.65
Evin Moreno	\$3.31	\$4.00	San Vicente / LCM	2nd Year	86.88
Santa Lucia Gesha	\$20.00	\$20.00	Santa Lucia / LCM	3rd Year	89.50
Santa Lucia Ethiosar	\$4.00	\$4.00	Santa Lucia / LCM	3rd Year	87.50



BOLIVIA

We celebrated seven years of direct trade with our friends at Finca Takesi in 2022. Every year we adore the Takesi x Seven Seeds coffee releases as they are some of the world's most outstanding examples of how truly great coffee can be. The Takesi Java was available to us for the first time this year, making this launch particularly special. The cup quality from Takesi has always exceeded our expectations, and this year was no different.

Working with Mariana Iturralde has always been a pleasure as we share many similar values. We love learning and working with the Finca Takesi team and are extremely proud to be the only coffee roaster in Australia presenting this spectacular producer.

LOTS PURCHASED IN FY 21-22

COFFEE	FARMGATE \$/LB	FOB \$/LB	SOURCING PARTNER	PURCHASING RELATIONSHIP	Q.SCORE
Cafe Takesi Red Catuai	\$14.00	\$14.00	Direct	7th Year	88.00
Cafe Takesi Java	\$15.00	\$15.00	Direct	7th Year	90.00
Cafe Takesi Geisha	\$40.00	\$40.00	Direct	7th Year	91.00



KENYA

The coffees we source from Kenya represent a small percentage of our total annual purchasing volume. Last year, in particular, we only made one single spot-coffee purchase. With this in mind, it is still arguably the most exciting time of the year when Kenya coffees arrive at Seven Seeds.

Seven Seeds has chosen a slightly different path for Kenya coffee sourcing in FY 2022-23. Adjusting our strategy to take advantage of recent changes to export legislation allows us to purchase with a never before seen focus on single estates.

We partner with the exporters KenyaCof, who recently have financially invested in new local infrastructure. Producers now have access to pre-

financing for upgrading equipment and agronomy assistance. A newly established dry mill in the region also allows micro-lots to be processed separately from other bulk regional products.

This financial innovation has opened up new avenues for hard-working producers seeking access to the specialty market where previously this was impossible.

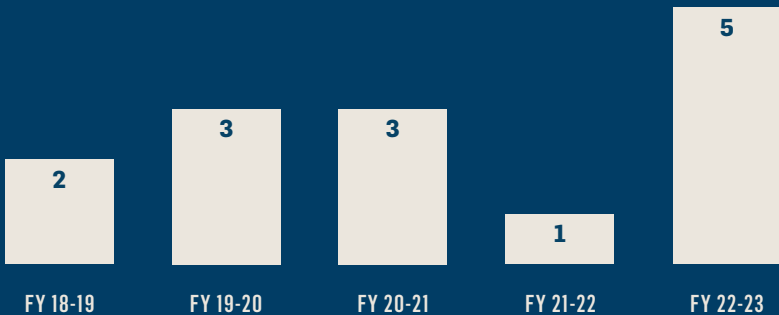
Seven Seeds' goal for the 2022-23 season is to form new and exciting relationships with single estates in Kenya, thanks to the KenyaCof initiative.

Real traceability and outstanding coffee quality are important to our customers and us.

LOTS PURCHASED IN FY 21-22

COFFEE	FARMGATE \$US/LB	FOB \$US/LB	SOURCING PARTNER	PURCHASING RELATIONSHIP	Q.SCORE
Gathaiti	N/A	\$4.40	Dormans	3rd Year	85.00

NO. OF COFFEES PURCHASED



BURUNDI

The Seven Seeds sourcing team found maintaining a consistent presence in this origin challenging. This year, however, we purchased a fantastic lot from the Izuba washing station. Izuba Ishurwe was grown by an all-female producer group, with our purchase facilitated by Raw Material.

Raw Material is a social enterprise that works in several different origins and shares similar values with Seven Seeds regarding transparency and honesty. We look forward to further developing our relationship with Matt Graylee and the Raw Material team in the coming years.

LOTS PURCHASED IN FY 21-22

COFFEE	FARMGATE SUS/LB	FOB SUS/LB	SOURCING PARTNER	PURCHASING RELATIONSHIP	Q.SCORE
Izuba Ishurwe	N/A	\$2.38	Raw Material	1st Year	87.25



MEXICO & EL SALVADOR

Our Seven Seeds sourcing team are always looking for emerging coffee origins and new supply partners to build relationships with. As market conditions change so too must our buying strategies.

In 2023 we look forward with optimism and hope to expand the Seven Seeds sourcing presence in more producing countries.

MEXICO

LOTS PURCHASED IN FY 21-22

COFFEE	FARMGATE \$US/LB	FOB \$US/LB	SOURCING PARTNER	PURCHASING RELATIONSHIP	Q.SCORE
Isabel Lopez	\$1.75	\$2.30	Caravela	1st Year	85.88
San Mateo	\$2.95	\$3.70	Raw Material / Red Beetle	1st year	85.63

EL SALVADOR

LOTS PURCHASED IN FY 21-22

COFFEE	FARMGATE \$US/LB	FOB \$US/LB	SOURCING PARTNER	PURCHASING RELATIONSHIP	Q.SCORE
El Mural	\$1.70	\$2.25	Caravela	1st Year	85.25

WHAT WE ARE WORKING ON

We have been working hard on designing our **new retail coffee bags**. We are excited to unveil our latest iteration of the Seven Seeds brand later this year, aligning with our core values of sustainability and transparency.

Along with our updated coffee packaging, we are changing to **fully compostable takeaway cups and lids** for all our hospitality venues, which we feel is another step in the right direction for waste reduction.

In 2022-23 we are looking forward to relaunching the **'tip the farmer'** initiative, which has unfortunately been on hold since the beginning of the pandemic. This is an important initiative in Seven Seeds cafes to provide our customers with direct access to coffee producers who want to support the future of coffee financially.

Seven Seeds is at the beginning of building an **emissions reduction plan**. We are working hard to acknowledge and reduce our carbon footprint as a business and will pursue this carbon-neutral project in line with our transparent and honest business model, aiming to become Climate Active certified in the next six months.

In the coming 12 months, Seven Seeds is working on launching a new initiative in offering free bi-monthly **professional barista classes for local youth communities**. We want to provide the skills and experience that may lead to a career pathway for those interested in coffee who might not have access to this sort of professional training.

Finally, and perhaps most importantly, a regroup of our team. A return to team sessions for palate training, producer and sourcing information nights and social events. Sharing our core values from producer to consumer so that we all understand the drive of our company. We are always open to improving. We enjoy a sense of humour.

"A company is only as good as the people it keeps."

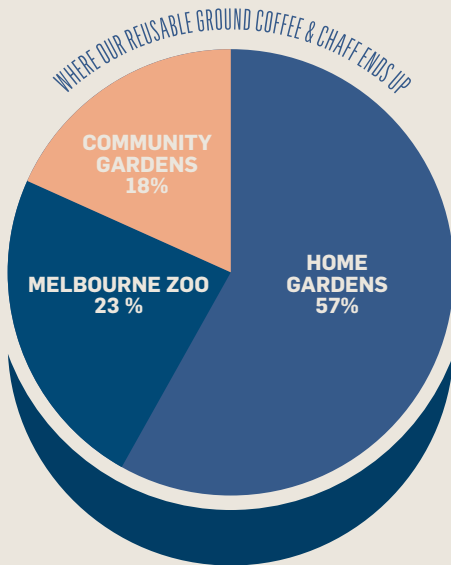
ENVIRONMENTAL IMPACT

12,860 KG

GROUND COFFEE KEPT OUT OF LANDFILL



EACH CUP REPRESENTS 10,000 LATTES,
FOR A TOTAL OF 357,222 LATTES WORTH
OF GROUND COFFEE SAVED FROM LANDFILL.



Seven Seeds has partnered with Reground for six years and were an early adopter of the circular system driven to reduce and reuse waste. We are committed to this initiative in all Seven Seeds locations.

615 KG

CHAFF BEING PUT TO GOOD USE



Chaff is the outer layer of a coffee bean which is removed during the roasting process. It's great for composting, and we hear chickens love it as well!

808 KG

SOFT PLASTIC RECYCLED & REUSED



Our soft plastics are recycled and turned into innovative new products, such as building film.

GLOSSARY

Direct

Coffee purchased directly from the producer, without an exporter or sourcing partner involved in the transaction.

Export Partners

Partners we work with to source from producers who do not have the scale or resources to trade directly.

Local Exporters are often producers whose farms have become large enough to have their own mill and export license. Some local exporters will work as an agent for smaller producers in the region.

Multinational Exporters operate in multiple countries, with teams in each country working with local producers. These multinational exporters often run programs to support producers with agronomic practices and can offer pre-finance to producers.

Farmgate

The price a producer receives for their green coffee beans.

FOB

Freight On Board, or Free On Board. The price we pay to the exporter for coffee that has been milled and taken to port for transport.

Forward Contracting

A purchase agreement with export partners that facilitates a relationship and commitment between coffee producers and roasters.

Spot

A purchase of coffee already here in Australia, sourced and brought in by a local importer. Small and medium roasters need this purchasing method to help with year-round supply.

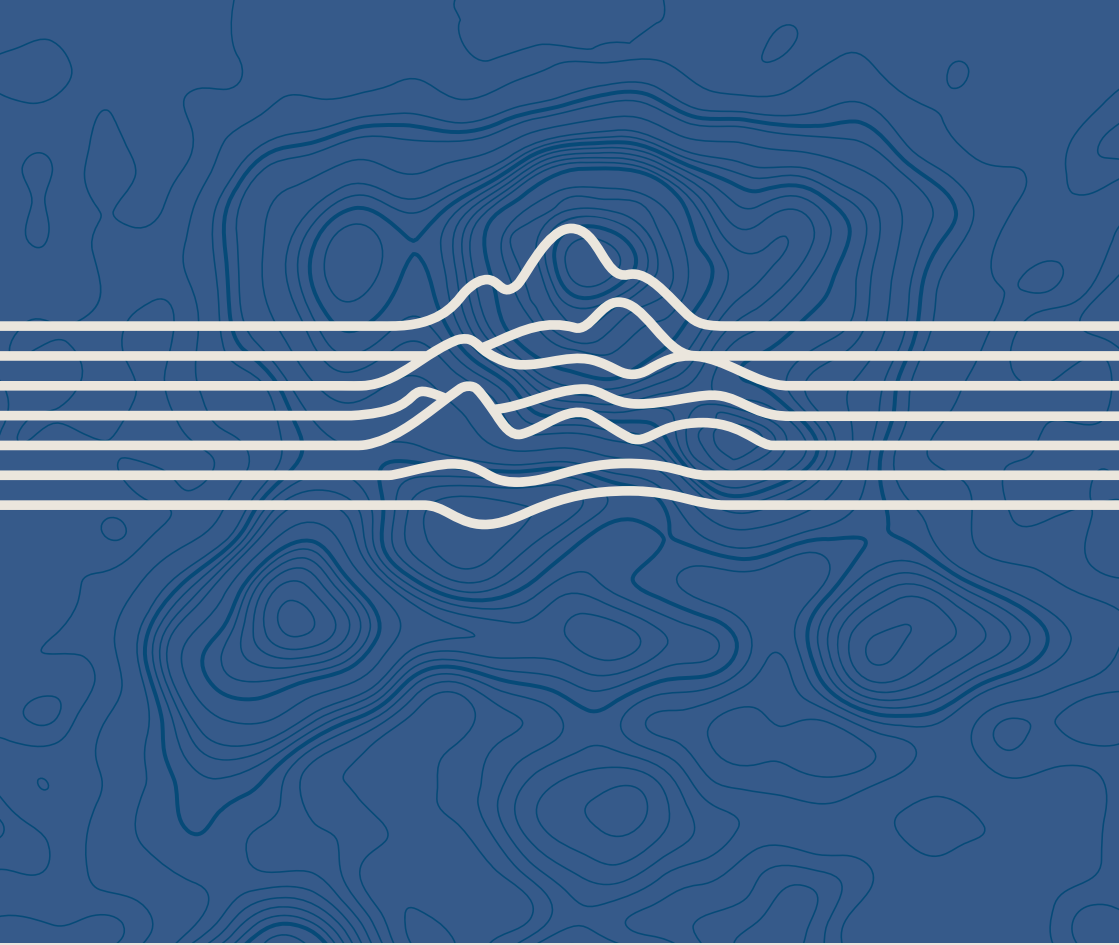
\$/US/LB

Coffee is traded in \$US/per pound. We report using these figures for ease of comparison across the industry internationally.

Weighted Averages

Pricing averaged over all coffee lots purchased in the financial year so that expensive coffees do not distort the average.





SCAN HERE FOR A DIGITAL VERSION OF OUR IMPACT REPORT



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