



TRIPLE Y REPORT 2022

Transparency - Inclusion & Diversity - Sustainability



“We are committed to making decisions that benefit both the people and the planet we depend on.”

At Caffenation, we strive to promote transparency in the specialty coffee industry. Additionally, we aim to create a happy workplace for our team and further enhance our sustainability efforts.

In today's world, we are fortunate to have access to a wide range of high-quality coffee. With numerous coffee options, varieties, and processing methods available, the possibilities seem endless. However, the future of specialty coffee, as we know it, and the foundations of our industry are currently at risk. Producers are being paid unsustainable prices, and we cannot overlook the devastating impact of climate change on coffee-producing regions.

This report has raised thought-provoking questions that have led us to self-reflection, and we are genuinely pleased about it. We acknowledge that there is still much work to be done, but we also take pride in the accomplishments we have achieved thus far.

“Allow us to present our second transparency report and our first-ever Triple Y report, which encompasses Transparency, Inclusion & Diversity and Sustainability.”



TRANSPARENCY



“Greater transparency around coffee prices is good for the entire industry.”

On a yearly basis, the global coffee market generates billions of USD, yet the majority of farmers and producers receive only a minuscule percentage of this revenue. This unfortunate reality is a result of the prevailing perception that coffee should be inexpensive. However, owning and operating a coffee farm is a costly endeavor fraught with risks. Consequently, many producers struggle to attain a sustainable income, leading an increasing number of them to opt for cultivating more profitable crops. In some cases, farmers are even forced to abandon their coffee farms altogether.

Most farmers rely on the prices set in the C Market, a global exchange where Arabica coffee is traded daily. The buying and selling activities on this market determine the fluctuating price of coffee, commonly referred to as the C-price. Remarkably, for the past fifty years, the price of coffee has largely remained within the range of \$0.50 to \$3.00 USD. However, when these prices are adjusted for inflation, a clear downward trend since the 1980s becomes apparent.

The C Market is heavily influenced by the principles of supply and demand. Given that Brazil is the world's largest producer of Arabica coffee, when they experience high productivity, the price of coffee on the C Market tends to decline. This market exhibits significant volatility, and there have been numerous instances when the price has dropped below \$1.00/lb, with the most recent occurrence being in June 2020. Selling coffee at such low prices does not cover the production costs for the majority of farms, particularly for smallholder farmers.

There have been notable improvements in the specialty coffee sector, where producers have the opportunity to earn premium prices for higher-quality coffee. Some buyers, such as Nordic Approach, even offer fixed-price contracts that guarantee farmers a set price based on an agreed-upon quality or cup score, irrespective of fluctuations in the C Market. These types of contracts can provide greater financial security for producers.

To establish a more equitable supply chain, it is crucial for everyone to be willing to pay higher prices for coffee. Producers worldwide are grappling with soaring production costs, and many are left to bear this financial burden alone. Significantly more funds need to reach the farm level, necessitating a transformation in how society values coffee.

At the point of sale, the payment to farmers is commonly referred to as the “farmgate” price, often concealed within the FOB* price.

** FOB = Free On Board, Price paid for export*

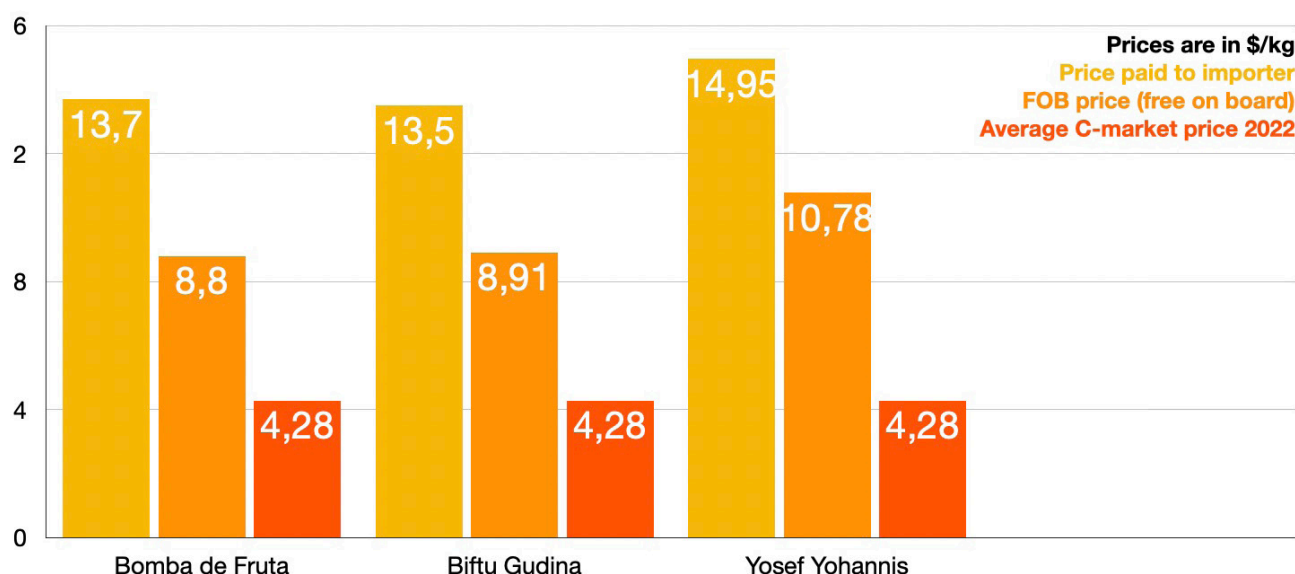
The farmgate price refers to the amount that farmers are paid for their coffee. Transparency and fairness are crucial considerations in the coffee industry. Consequently, the disparities between the FOB* price and the actual value received by producers have motivated roasters to incorporate the “farmgate” price as an additional metric.

Regrettably, uncovering farmgate prices is not a simple task. As coffee changes hands multiple times throughout the supply chain, tracing it back to the farm can present challenges. Various actors in the supply chain, including exporters, importers, millers, and cooperatives, would need to provide pricing information. However, some businesses may perceive disclosing such information as too risky.



** FOB = Free On Board, Price paid for export*

OUR COFFEES OF 2022



Total coffees :	39
Total bags :	699
Total countries :	10
Average cupscore :	86,5
Percentage of transparent lots in relation to the total volume of coffee :	95%

SOURCING TRIP TO KENYA



Another means by which we promote transparency in our search for green coffee is through our annual trip to the origin country of Kenya. Each year, a few members of our team have the opportunity to visit Kenya, where they source and purchase the majority of our Kenyan coffees for the upcoming year. This direct sourcing approach, local procurement, and interaction with producers allow our company to obtain a significant quantity of higher-quality coffee while enhancing transparency simultaneously.



SOURCING TRIP TO OSLO



Since it is not always feasible for us to visit the coffee origin directly, we have discovered an excellent alternative to source coffee in a transparent manner. Each year, a group of our team members travels to Oslo to participate in the Spring and/or Autumn Cupping sessions at Nordic Approach. By engaging with Nordic Approach, who openly share pricing information and provide insights into the situations at the coffee origins, we establish a stronger connection and gain greater transparency regarding the coffees we purchase. This approach allows us to maintain our commitment to transparency even when we cannot physically visit the origin.



GOALS 2023/24

We actively collaborate with the Specialty Coffee Transaction Guide (SCTG), a project that compiles data from over 100 coffee-buying companies who have published their contracts. The purpose of this project is to conduct a study on market prices outside of the conventional C-market system.

By utilizing this guide, we gain access to information regarding the average price paid for specialty coffee. At Caffenation, our goal is to examine this market reference in order to ensure that we are offering a fair price to coffee producers. This is an area where we still aim to enhance our understanding, and once we delve deeper, we aspire to implement these findings within our company.

In 2023 we already made trips to Ethiopia and Kenya, who knows when time and money allows us to make trips to Peru and/or Colombia.

“We travel to coffee origins to learn about farm practices, washing stations, and farmer treatment, fostering stronger relationships and aligning with our values.”



OVERVIEW COFFEES 2022



COFFEE	REGION	COUNTRY	PRODUCER	IMPORTER	VARIETY/PROCESS	BAGS BOUGHT	CUP SCORE	\$/kg FOB	PRICE PAID TO PRODUCER
Cascavel Vermelha	Sul de Minas	Brazil	Cascavel	Sucafina Specialty	Natural	180	85	4,7	-
Ignacio Rodriguez	Caldas	Colombia	La Palmera	Sucafina Specialty	Natural	5	87	n/a	-
La Claudina	Anitoquia	Colombia	Juan Saldarriaga	Nordic Approach	TABII/ Anaerobic natural	5	86,5	9,25	USD 4,00/lb green exportable coffee
Tumbaga Decaf	Different area's	Colombia		Sucafina Specialty	Washed	20	85	7,2	
Finca La Ilusion	Mountains near Santa Ana	El Salvador	Jose Antonio Salaverria	Nordic Approach	Honey processing	4	86	8,25	-
Kebede Maro	Gedeb Yirgacheffe	Ethiopia	Kebede Maro	Exporter Tropiq & Nordic Approach	Natural	5	88	11,11	-
Genji Challa #3	Echo Anderacha Gera	Ethiopia	Mika Mamo/Tellia	Osito Coffee	Washed	30	86	7,94	-
Nano Challa	Agaro - Jimma	Ethiopia	-	Nordic Approach	Organic washed	6	86	8,91	ETB 39,5/kg cherry
Biftu Gudina	Agaro - Limu	Ethiopia	-	Nordic Approach	Washed	8	89	8,91	ETB 39,5/kg cherry
Almaz Sahille	Yirgacheffe	Ethiopia	Almaz Sahille Horo/ Co-op Yirgacheffe coop union	Nordic Approach	Natural/unwashed	5	88	11,11	-
Worika	Gedeb Yirgacheffe	Ethiopia	Snap	Nordic Approach	Washed	60	88	8,02	ETB 39,5/kg cherry
Hambela Cardamom	Guji	Ethiopia	-	Nordic Approach	Spicy washed	5	86	12,21	ETB 50/kg cherry
Dimtu	Guji	Ethiopia	Sakicha/Gosaye Tilahun	Nordic Approach	Pile up	5	86	12,21	ETB 50/kg cherry
Deretu	Deretu	Ethiopia	Gedeb Yirgacheffe	Sucafina Specialty	Washed	53	85,5	8,65	-
Yosef Yohannis	Tullisie Yirgacheffe	Ethiopia	Yosef Yohannis	Nordic Approach	Natural	8	88	10,78	-
Haro Sorsa	Guji	Ethiopia	Smallholder farmers	Nordic Approach	Washed	5	86	9,58	24 Birr/kg
Wosasa	Guji, Raro Nensebo Kebele	Ethiopia	Ture Wajji	Falcon Coffees	Natural	15	87	8,58	-
Raro	Guji, Raro, Kelloo, Urago	Ethiopia	Assefa Negusse	Nordic Approach	Washed	40	86,5	9,08	ETB 46/kg cherry
Huehuetenango	Huehuetenango	Guatemala	-	Sucafina Specialty	Washed	60	85	6,27	-
Red de Mujeres	Huehuetenango	Guatemala	group of female coffee producers	Falcon Coffees	Washed Organic	10	85	8,25	-
Finca Canalaj de Medina	Chimaltenango	Guatemala	Tony Medina	Primavera	Washed Organic	8	86	n/a	-
Rosy Gabriel Amaya	Copan	Honduras	Rosy Gabriel Amaya	Sucafina Specialty	Washed Organic	13	85,5	8,8	-
Finca La Pedro	Marcala	Honduras	Marysabel Caballero & Moises Herrera	Nordic Approach	Anaerobic Natural	4	87	9,79	-
Bomba de Fruta	Marcala	Honduras	Marysabel Caballero & Moises Herrera	Nordic Approach	Natural	4	86	8,8	-
Cervando Ramirez	Cedros	Honduras	Cervando Ramirez / El Cedro	Nordic Approach	Washed	25	85,5	7,49	HNL 5670/Quintal (101lb) green exportable coffee
Friinsa Edun	Java	Indonesia	Friinsa	Nordic Approach	Anaerobic Natural	8	87	6	IDR 10150/kg
Giakanja AA	Nyeri	Kenya	Giakanja	Sucafina Specialty	Washed	10	89	11	-
Kiganda AA	Kirinyaga	Kenya	-	Sucafina Specialty	Washed	10	88	10,16	-
Kaiguri AA	Nyeri	Kenya	Small Producers in Nyeri County	Sucafina Specialty	Washed	10	88,5	9,8	-
Kiangundo AB		Kenya	-	Sucafina Specialty	Washed	10	86,5	10	-
Kiangundo PB	Nyeri & Kirinyaga	Kenya	-	Sucafina Specialty	Washed	3	87,5	10	-
Ichuga AB	Nyeri	Kenya	Kiama	Sucafina Specialty	Washed	10	87,5	10	-
Gatina PB	Nyeri & Kirinyaga	Kenya	-	Sucafina Specialty	Washed	2	88	10	-
Wanja PB	Nyeri & Kirinyaga	Kenya	-	Sucafina Specialty	Washed	6	87	10,4	-
Mwitia	Embu County	Kenya	-	Sucafina Specialty	Washed	5	87,5	9,6	-
Maywal	Kiambu	Kenya	-	Sucafina Specialty	Washed	8	88,5	9,7	-
Kabingara C	Kirinyaga	Kenya	-	Sucafina Specialty	Washed	10	85	9	-
Faith Estate AB	Kirinyaga	Kenya	-	Sucafina Specialty	Washed	10	85	9,1	-
Fugi	Kiyonza Hills	Rwanda	Emmanuel Rusatira	Sucafina Specialty	Washed	5	86	7,2	-
Bulambuli	Mbale area, nearby Kenya	Uganda	Ben Mukhonde	Nordic Approach	Natural	29	86	8,47	UGX 2300/kg cherry

INCLUSION AND DIVERSITY

At Caffenation, we strive for transparency regarding both our coffee and our people. Who comprises our team? Who are our customers? From workforce size to diversity in age, gender, and roles, being transparent about our team composition propels us toward advancing diversity, equity, and inclusion. We aspire for our customers to reflect the diversity and inclusivity of our baristas working behind the bar.

Last year, we conducted an anonymous survey to provide a safe space for honest feedback on certain topics. This allowed individuals to express thoughts they may have hesitated to share previously. Through this survey, we gained valuable insights about our team, company, and ourselves.

Moving forward, we have identified several areas of focus that we either already implement or plan to prioritize in the future. It is important to note that promoting diversity and inclusion is an ongoing process. We are committed to regularly evaluating our practices, seeking input from our employees and customers, and adapting our approach to foster a more inclusive environment at our coffee place and within our company.

We prioritize creating a diverse and inclusive workforce at our coffee place. We actively strive to implement policies and practices that foster equal opportunity and prevent discrimination in our hiring process. It is our aim to have our team and company mirror the diverse community in which we are situated. We are committed to providing equal opportunities for growth and advancement within our organization.



FACES OF CAFFENATION



Welcoming Atmosphere

We are dedicated to cultivating a welcoming and inclusive atmosphere within our coffee place. We emphasize the importance of training our employees to treat all customers with respect and dignity, irrespective of their background or appearance. Our establishment embraces inclusivity and is open to everyone.

Menu Diversity

We strive to offer a diverse selection of coffee beans, blends, and flavors that represent various regions and cultural preferences. In addition, we take into account dietary restrictions and preferences, offering non-dairy milk alternatives and catering to vegan options. Our goal is to ensure that our coffee place accommodates a wide range of tastes and dietary needs.

Language Accessibility

In order to expand our customer base, we have made the decision to create a menu in English instead of solely in Dutch. Our multilingual staff members can effectively communicate with customers who speak languages other than our native tongue. This approach fosters a more inclusive environment, particularly for customers with limited English proficiency.



SUSTAINABILITY

This cup is 100% plastic free



PAPER

Our specialty coffee roastery in Antwerp. We think, talk and dream beans
dawn till dusk till dawn. Our greatest passion is waking the world to coffee
ed, brewed and consumed with love.
share the coffee love: tell us & tag us @cassenation_coffee

CAFFENATION

The last decade has been the hottest in recorded history. We are projected to reach 3.2°C by the end of this century, far exceeding the 1.5°C limit set by the United Nations to mitigate climate change. The devastating impacts of the climate crisis are already evident, from rising sea levels and extreme flooding to droughts and declining biodiversity. Urgent action is needed to prevent irreversible damage.

Food and drink production contributes significantly to greenhouse gas emissions and biodiversity loss. To bring about real change in the coffee industry, we will prioritize both people and the planet while maintaining profitability.

By being transparent about our operations and future plans, we aim to raise awareness about the complex nature of sustainability in coffee.

At Caffènation, we prioritize sustainability daily. Financial sustainability for farmers is crucial, but to truly make a difference, we must examine our own practices. How can our coffee roasting methods contribute?

We strive to go beyond merely separating organic waste and recycling cardboard, paper, plastic, and metal.

We make an effort to purchase organic-grown coffees, but it is not always feasible or affordable. Nonetheless, a significant portion of our coffee is either organic certified or sourced from Ethiopia, where the cultivation practices align with organic principles.

‘‘We aim to achieve a 50/50% ratio of (passive) organic beans in our total volume.’’

In this first Sustainability Report, we are happy to give you an overview of all our collected efforts on sustainability so far. On top of that we want to take a look at the future, we want to strive to do even better every year.



CURRENT REALISATIONS

Roastery

- Shaff for roof gardens
- More natural processed coffees annually
- Local mountain water processed decaf
- Approx. 50% organic or passive organic coffees
- Reduced kilometers in coffee bean delivery
- 90% green coffee bought at local warehouses
- Naturally cooled and aired green storage
- Local production of coffee bags
- Info cards on bags: 100% recycled paper

Shipping

- Paper tape for box sealing
- No white shipping boxes
- Re-use of all cardboard boxes
- Re-use newspapers for box filling
- Partially paper stickers
- Cargo bike delivery

Company

- Verbal or digital client communication only (less paper)
- Caffenation's plant-based bar: Koco (all vegan)
- Energy-efficient espresso machines
- Exclusive sale of natural wines (European only) - no traditional wines.

Bar

- Replaced glass water bottles with Brita filters on tap
- Fully organic lids and take-away cups
- Motivational approach to reduce lid use on take-away cups
- Uber milk auto steamer to decrease milk waste
- 50% of own coffee use stored in re-usable buckets
- Organic thermos rinser
- Closed door policy to reduce energy costs
- Promote plant-based milk by leveling menu prices
- Switched to 10-liter milk bags
- Improved coffee bean delivery policy to reduce kilometers
- Use compostable Nespresso capsules
- Produce and can local sodas and kombucha
- Offer re-usable tote bags



FUTURE AMBITIONS

We strive to be more conscious in every step we take in our bars and roastery. These gradual changes reflect our belief in continuous improvement for ourselves and the world.

Here are some upcoming changes and goals we have for the coming year(s):

- Promote bike-to-work with bike leasing and repair services.
- Transition to biodegradable coffee bags.
- Reuse heat from the roastery afterburner.
- Implement better insulated doors and windows in the bar (2023).
- Adopt a new energy-saving policy for equipment.



CLOSING

An easy and accessible starting point for anyone choosing sustainability in their day-to-day life and looking to vote with their money and support the future of coffee!

Let's collaborate!

Discuss, ask questions, and share your ideas by sending them to us at:

triple.y.caffenation@gmail.com

