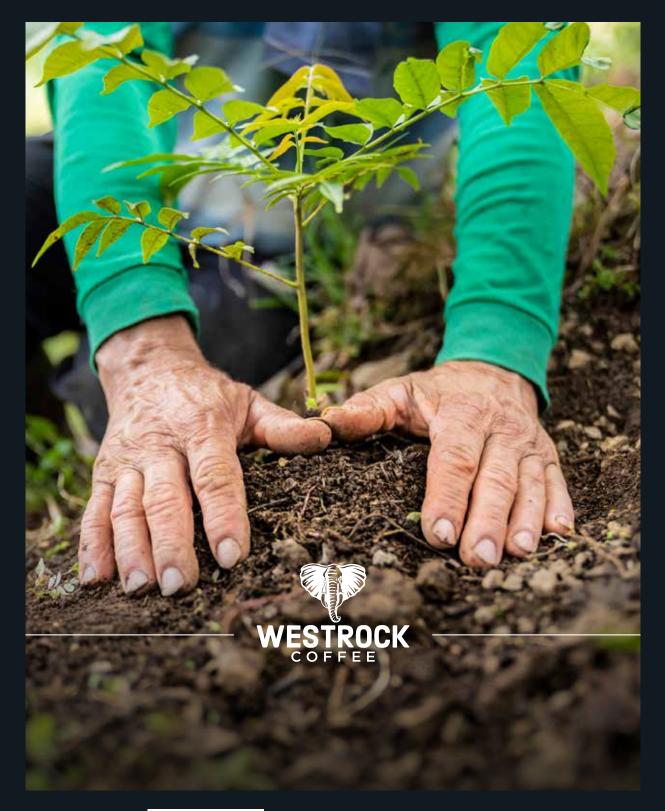


### LEARN MORE ABOUT WESTROCK COFFEE'S HISTORY





Westrock Coffee's 2021 report was a deep dive into our company's history and sustainability strategy. Scan the QR code to open that report and learn more about what we do and how we do it. Read on in this report to learn about our 2022 progress.

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# Dear Partners,

As stated in last year's sustainability report, Westrock Coffee Company was founded on the belief that fostering honest and equitable relationships in agricultural supply chains could drive the success of our farmer partners, supply chain partners, and our company. Despite all the exciting growth over the last year, this philosophy remains core to our strategy.

During the last twelve months, we have transitioned to a public company, expanded our capabilities in the Ready-to-Drink coffee and tea space, opened a new manufacturing plant in Malaysia, and acquired two specialty manufacturing businesses in Kohana Coffee and Bixby Coffee.

What has not changed during this time is our commitment to **Responsibly Sourcing** coffees and teas in a manner that is fair to the people who grow and handle them, as well as to their employees, peers and environments. We also remain focused on growing supply chain **Transparency** through long term relationships built on repeat business and data sharing that drives an equitable, sustainable partnership. Both sourcing goals require a level of **Traceability** that ensures we know exactly who we are doing business with directly and indirectly, in every step of the supply chain. Without traceability there can be no accountability. We continue to be excited by the opportunity to expand these principles into our growing footprint of operating companies.

In our own manufacturing facilities, we have pinpointed our ESG risks and assembled working groups to address these risks and build a sustainable manufacturing strategy that is evolving daily as we identify new opportunities and acquire new facilities.

Over the past year, we have focused on expanding our on-the-ground footprint in our supply chains as part of our Farm Diagnostic Services. By being present in the supply chain, we can identify where we can be better partners, proactively identifying challenges present across the geographies where we source coffee and tea.

We recognize that we can only build more resilient and sustainable supply chains with the support, trust, and volume provided by you, our customers. We expect our growing engagement with farming communities to provide greater insight into the impact that your purchases make.

In this report, we aim to highlight all that we are doing together to deliver a more sustainable future.

Sincerely

Matt Smith

Executive Vice President, Supply Chain & Sustainability



# Sustainable Business Requires Transparency

**Sustainability** is the state of resiliency amidst market-, climate-, and community-based variables. It is a continual balance of social, economic, and environmental viability, as none can sustain without the other. Striving for sustainable supply chains requires that we know whom our purchasing dollars go to, the state of their agribusinesses, and how we are going to achieve sustainability together. That is transparency, and there can be no sustainability without it.

Transparency is Westrock Coffee's foundation and our constant focus. It is the cornerstone of a thriving supply chain in which social justice and environmental conservation are the norm because everyone is connected, accountable, and fairly compensated for

the value they add to our products. Doing business transparently, sustainably, and repeatedly has enabled Westrock Coffee's farmer partners across the globe to run businesses that are more productive, profitable, and environmentally responsible.

Downstream, we have built a system of progressive transparency that incorporates all of Westrock Coffee's products, so that 100% of our customers can participate in the journey to sustainability. From conventionally traded ingredients, to certified tea, to our digitally traceable Farmer Direct Verified® platform, Westrock Coffee and our partners are challenging the historical status quo of the trade. Together, we are transforming anonymous, disjointed supply

Together, we are transforming anonymous, disjointed supply chains into transparent, connected systems.

"You're going to buy coffee and tea anyway. You may as well make it count – buy it from people you can see."

- SCOTT FORD, CO-FOUNDER AND CEO



### CONVENTIONAL PRODUCT SALES

Tier 1 suppliers will be audited for compliance with Westrock Coffee's Responsible Sourcing Policy by EOY 2025



### ENTRY-LEVEL SUSTAINABLE PRODUCTS

Farmers and customers are provided the services and transparent compliance requirements they need to begin their journeys to sustainability



### CERTIFIED PRODUCTS

Third-party certifications established the industry's first traceability standards from which we can expand



RAÍZ

**SUSTAINABILITY®** 

A consistent buying

relationship and impact

tracking with a dedicated

farmer base

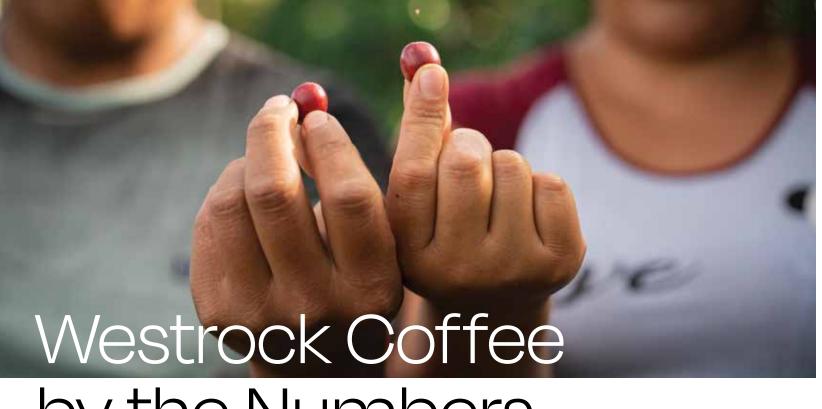


### FARMER DIRECT VERIFIED®

Digital traceability from every farmer sales transaction to the customer's finished product

PRODUCT LINE-UP FROM BASELINE TRANSPARENCY TO FULL FARMER-TO-CONSUMER CONNECTION

02 → WESTROCK COFFEE COMPANY



by the Numbers



### **200m lbs**

of green coffee and tea sold globally

In dig coffee coffee dig coffee coffee coffee coffee coffee coffee and tea

• 35m lbs
in digitally traceable
coffee supply chains in
7
countries
& 13
origins with supply
chain development projects

941 coffee, tea, and extract products in 43 packaging types 1,250+ employees in 10 countries global production and packaging facilities



100,000+

customer storefronts in countries

**20m**+ cups of coffee provided by Westrock Coffee daily

is responsibly sourced by

Westrock Coffee Company Responsibly sourced coffee and tea is certified, verified, and/or digitally traceable to the farmer



### **2022 PROJECTS SNAPSHOT**



#### **TRANSPARENCY**

In every project and program, transparency remained the starting point and strategic approach to deliver valuable service to our farmer partners and our customers



#### **CLIMATE PREPAREDNESS**

Advanced regenerative agriculture and water conservation in El Salvador with focused purchases from farmers implementing these practices, and awarded three farmer scholarships to attend a coffee agronomy institute



#### **WOMEN'S EMPOWERMENT**

Worked with partners in Costa Rica and Mexico on eradicating the gender pay gap in farming communities by funding coffee quality training for female producers that led to 300% higher farm income



### CONSERVATION AGRICULTURE, QUALITY AND PRODUCTIVITY IMPROVEMENT

Raised money with customers to provide farmers in Ethiopia with resources to rejuvenate their coffee trees and elevate their yields – 44% of recipients were women



### ACCESS TO MARKETS, EDUCATION, AND OTHER FARM SERVICES

Three producers trained by Falcon Coffees
Peru placed in the top 20 of the Cup of
Excellence Peru; this recognition provides
increased earning potential for years to
come and direct access to new markets



#### **CONFLICT AND CRISIS RELIEF**

Farmers in a specific region of Colombia affected by terrorism and illicit crops need alternative earning streams. In 2022 agronomy training and premium coffee purchases led to a 67% increase in participants' coffee income

# Farm and Supply Chain Development

Westrock Coffee has been working in supply chain development in coffee communities since 2009. We sell coffee, tea, and extracts as a vehicle to empower the producers of our products and demonstrate that good business can be good for every person, parcel of land, and bottom line along the entire supply chain. In 2022, our global teams operated 17 location-based projects and three scalable programs – The Agribusiness Training Program, Farmer Direct Verified®, and Raíz Sustainability® in 13 countries.

### PROJECT HIGHLIGHT: COFFEE AND CARBON

During 2020-21, our sister company,
Falcon Coffees, determined that accurately
measuring coffee's environmental impact
requires research and tools designed
specifically for growing and processing
coffee. External scientific expertise
and academic research structure would
have to be combined with Falcon's deep
sector knowledge in an experimental
environment to develop a methodology.

Together with the UK government and the University of Brighton, UK,

Falcon launched a Knowledge Transfer
Partnership in 2021 to design a method to
measure carbon emissions for coffee
production and processing.

In 2022, a survey was designed and piloted in Peru to gather information on farm activities and resources that could produce or sequester emissions. By October 2022, a sample of partnering farms in Peru was surveyed, and ecological field measurements were drawn from a subset of the surveyed

farms. The field learnings and data collected culminated in a draft model for calculating emissions.

In the next stage, Falcon will conduct a second field study in Jaen, Peru to test the model, with plans to conduct further research across origins to ensure that the method is translatable in all coffeegrowing regions. This body of work enables Falcon to provide strategic support to customers who are setting and monitoring emissions commitments.

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# Rwanda Trading Company's Agribusiness Training Program

In 2013, Rwanda Trading Company (RTC) launched the Agribusiness Training Program (ATP) to educate and collaborate with 2,000 coffee farmers in Rwanda's Eastern Province. Nine years later, the ATP has engaged over 52,000 farmers across the country in agribusiness training and launched more extension services to help famers build sustainable businesses. In 2022, 2,312 farmers received \$508,410 through a loan program RTC offers in partnership with Urwego Opportunity Bank. Only nine years ago, these same farmers could not qualify for a loan one-third of that size. RTC is also on track to meet its target of distributing five million climate-resilient seedlings by 2025, having supplied over 1.2 million trees to RTC-partnering farmers in 2022. This initiative empowers farmers to expand their coffee farms and replace aging coffee trees. Additionally, RTC helped farmers rejuvenate 172,654 trees and replace a further 110,511, allowing farmers to be better prepared to face erratic weather conditions with younger and stronger plants. Finally, RTC maintained its commitment to

meeting participating farmers where they are in their sustainable farming journey with refresher courses; 19,987 ATP graduates attended. This ongoing education keeps knowledge fresh and ensures that farmers can leverage their learnings into tangible and profitable results.

1,274,574

coffee seedlings distributed 6% above 2022 target

**139**%

more farmer loans distributed after a 99% repayment rate on the previous cycle

4,524

staff hours spent on farmer training during 2022

### RTC FIELD OFFICER HIGHLIGHT: NIKUZE FLORENCE

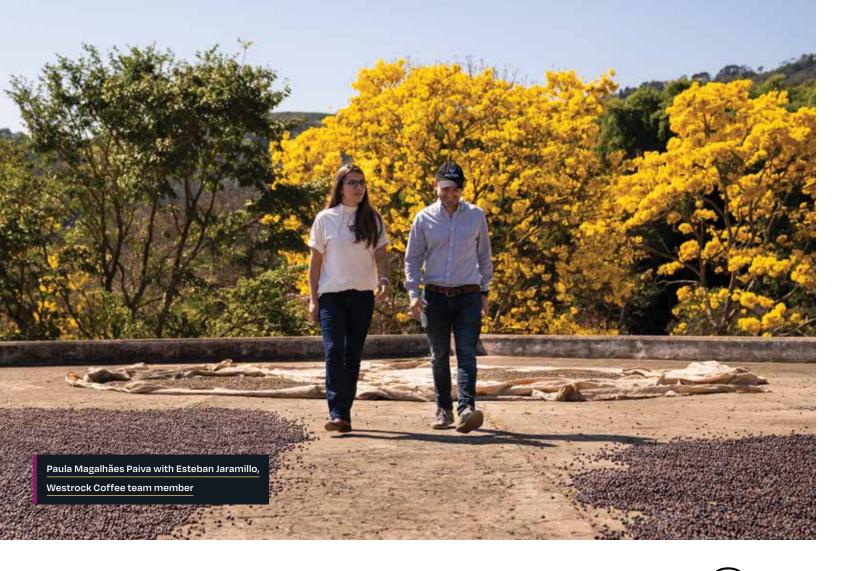
Over 52,000 farmers have been trained through the Agribusiness Training Program (ATP) since 2013. Managing a 2.5 year adult learning program requires an immense number of human resources. It simply would not be possible to run an impactful program without a dedicated group of people on the ground. RTC's field officers are full-time employees responsible for farmer training courses, farm visits, and farmer advocacy in their communities. "RTC was founded on the idea of ensuring economic security and freedom for coffee farmers, and we developed the ATP to achieve this mission," says JJ Ndayisenga, RTC's Managing Director. "With a network of over 65,000 farmers in our supply chain, field officers play a crucial role in our success — they establish direct contact with farmers to share knowledge and maintain relationships."

Nikuze Florence has been an RTC Field Officer since 2019. Florence grew up in a coffee-farming family in the Nyamasheke District of Western Rwanda, where her family taught her about coffee production. She was hired and trained for the RTC Field Officer position near her home soon after finishing school and found herself in the difficult position of teaching the very community that provided her foundational coffee knowledge. "It was hard at the beginning, but because of the relationship we have built together, they listen now," she says. "They come to me for advice. Farmers expect me to advocate for them when things are not going great in their farms."

Florence's dedication to her role and the farmers she serves has paid off. Farm yield, revenue, and implementation of conservation agriculture have soared in her community. "Many farmers have improved and are reaping the benefits. Farmers can get loans with Urwego Bank through our program, for example. The most fulfilling part of my job is seeing a farmer smile because they are getting an improved harvest, increased income, and have enhanced their lives," she adds.

Field officers like Florence are essential to the success of the work that ATP does in Rwanda's coffee communities. They educate and connect farmers to the broader coffee network, providing a platform for knowledge exchange, profitability improvement, and thriving supply chains. Westrock Coffee is proud of the positive impacts derived directly from the efforts of ATP field officers like Nikuze Florence.





## Farmer Direct Verified®

### WITHOUT TRACEABILITY, THERE IS NO ACCOUNTABILITY.

Traceability is the most direct path to transparency and is a fundamental pillar of Westrock Coffee. The Farmer Direct Verified® (FDV) platform digitally traces physical coffee and sales transactions from every farm and supplier in the FDV supply chain through to every FDV finished product.

In 2022, we added FDV Diagnostic Services to the platform and added new team members in Rwanda and Colombia to visit FDV partnering farmers. Our team collects costs of production, social practices, and environmental stewardship information on each farm. This data provides unparalleled insight into the profitability outlook of the farms we do business with and gives our customers a clear picture of supply chain assurance and improvement opportunities. With the Diagnostic Services pilot year behind us, we're on a mission to visit 33% of FDV farms annually and 100% of them by EOY 2025.

53,283

digitally traceable farmer transactions in 2022

1,791

farms visited by Westrock Coffee in 2022

23%

average gross profit margin farmers earn in supply chains where we have analyzed cost of production

### **FARM HIGHLIGHT: FAZENDA RECANTO**

Paula Magalhães Paiva is a fifth-generation coffee farmer and agribusiness manager.
Alongside her parents, Maria Selma and Afrânio, she manages Fazenda Recanto, a 439-hectare coffee estate in the Machado Minas Gerais region of Brazil.

Fazenda Recanto is a Farmer Direct Verified® partnering farm. Although new to the Westrock Coffee network, the farm is a well-established, successful family business dating back to 1896. Through the generations, the family has amassed a wealth of knowledge on coffee agronomy, business management, environmental conservation, and coffee quality.

Paula, now 33, has wanted to add value to her family's legacy and the future of their farm since childhood. She studied international business at university and visited other coffee-growing countries to learn how other regions employ good agricultural practices and quality-maintenance techniques in processing.

Fully equipped with Q Grader and Q Processor certifications, Paula has installed a quality analysis lab on the farm and ensured that Fazenda Recanto has diversified offerings from commercial coffees to prize-winning specialty lots.

Despite her drive for high quality coffee, Paula's most proud of the work her family has poured into protecting their farm's ecosystem. They have reforested 160 hectares of former pastureland, transforming it into a protected biodiversity corridor. Today, 40% of their farm is protected land. "Our family has dedicated several years and significant resources to restoring the native forest with a full conviction that it is the right thing to do to increase biodiversity, reduce the environmental footprint and protect water streams," she says.

To Paula, their focus on environmental conservation is about people as much as the land. "I hope to continue the work

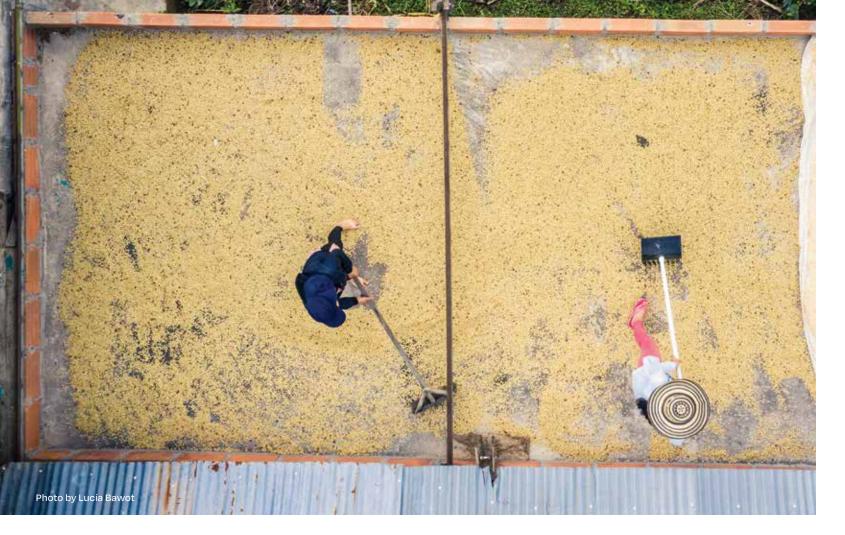
that my parents and grandparents started but hope I can deliver a better planet to my son, my nephew, and the next generations," she says.

Alongside Paula's family, Westrock
Coffee has a role to play in ensuring a
thriving future for the next generation.
By connecting farmers and consumers,
we create awareness that every purchase
of a sustainable product is a vote for
sustainable farming and a viable future.

"For me, it is really important for the final consumer to understand that there is a lot of work involved in producing good quality coffee, and in producing it sustainably," Paula says. "Our hope is that all our efforts are important to the final consumers, that they understand and respect our work."



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# Raíz Sustainability®

It has been eight years since Raíz Sustainability® (Raíz, which means root in Spanish) began delivering the capacity-building services and stable market access needed to build sustainable farm businesses. 2022 proved that these co-investments made by Raíz farmers, Westrock Coffee, and our customers are translating to long-term farm resiliency and ethical supply assurance. For instance, a group of 527 Raíz farmers in Mexico increased their average production per hectare by 40% between 2016 and 2022, due in large part to Raíz training and support to renovate 1.5 million coffee trees. Paired with rising market prices in the last couple of years and quality equipment investments from Westrock Coffee and our customers, our farmer partners' yield increases have compounded into significant revenue uplift. Moreover, third-party auditors report over 99% social and environmental compliance with the Raíz farming standard across all farmer groups in Latin America.

Moving forward, Raíz producers are primarily concerned with preparing their farms to adapt to climate-related changes. The average Raíz farm is currently employing seven water, soil, and forest conservation practices. Westrock Coffee and our implementing partners are additionally focused on gender equitable access to Raíz services.

3,157

Raíz farms in 5 origins

7,396

farm technical assistance visits completed by agronomists in 2022

6,039

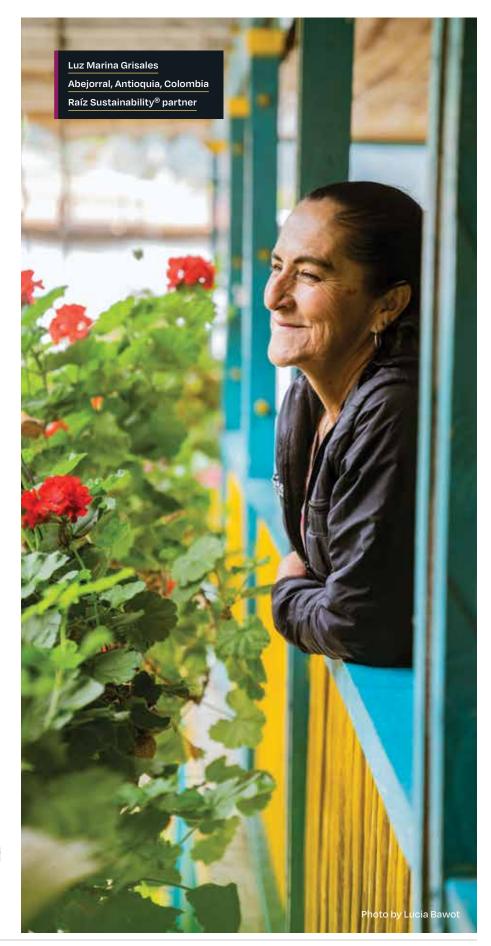
farmers and farm workers trained in 187 group sessions in 2022

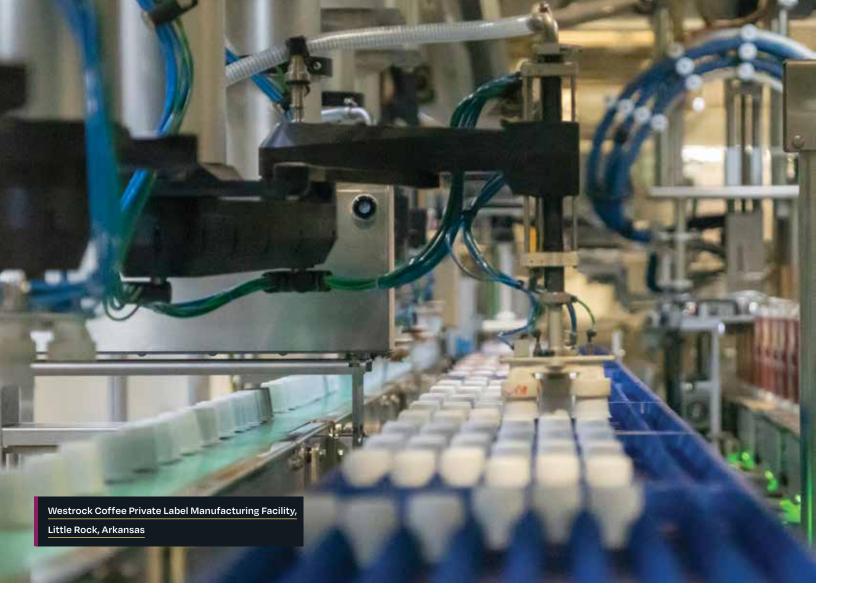
### FARMER HIGHLIGHT: LUZ MARINA GRISALES

Luz Marina Grisales grew up working alongside her parents and 6 siblings on their family coffee farm in the 1960s, when girls in the rural Abejorral region of Antioquia, Colombia were not typically educated past elementary school. After she completed 3rd grade, the rest of Luz Marina's education was gained on the farm from her family — and mostly consisted of practical coffee farming skills. Luz's parents put her in charge of her own coffee plot at a young age, and she discovered the independence and income that having her own coffee farm could bring. Luz grew up, got married, and started a family and a coffee farm of her own. Several years later, when her two daughters, Francy and July, were young, Luz tragically lost her husband and farm. Luz was forced to start over. In 2009, together with her daughters and after years of saving, Luz bought La Mata de Guadua, a 2-hectare coffee farm in Antioquia. The three Grisales women poured all their time into making it a financially and environmentally sustainable farm. They joined Raíz in 2016 to learn how to maximize profitability and environmental conservation on their farm. But it wasn't until Raíz offered a women's-only training group that they started to participate frequently. Luz Marina and her daughters found a sense of community in the women's group that they hadn't yet found in this new region of Colombia — a space where they could share their questions and feel comfortable engaging in the process of learning farm economics and how to improve their savings.

As one of the most active women in the group, Luz Marina has learned and implemented several major farm improvement projects on her family's farm, including organic waste recycling, record keeping, programmed pruning, and farm risk assessment. These projects have led to a 37% increase in their farm income.

The Raíz women's group in Luz Marina's community has given her and 53 other female coffee farmers a platform to learn and share, empowering them to increase their confidence as business owners, and improve farm production and overall profitability. Meeting farmers like Luz where they are on their sustainability journey is a key pillar of Raíz that has led to measurable sustainability progress on farms throughout Latin America.





# Corporate Global Citizenship

We see responsible sourcing — and our goal to be 100% responsibly sourced by 2025 — as key components of our approach to corporate global citizenship. Sourcing is the thread connecting us to the communities where we buy coffee and tea. As such, we increased our global purchases of certified or verified coffee and tea by 9% YOY. In 2023, we are committed to purchasing more coffee from verified responsible or certified sources, and we will begin supplier audits to ensure supply chain compliance with Westrock Coffee's Responsible Sourcing Policy.

### **19% YOY**

increase in responsibly sourced coffee & tea from 2021 to 2022

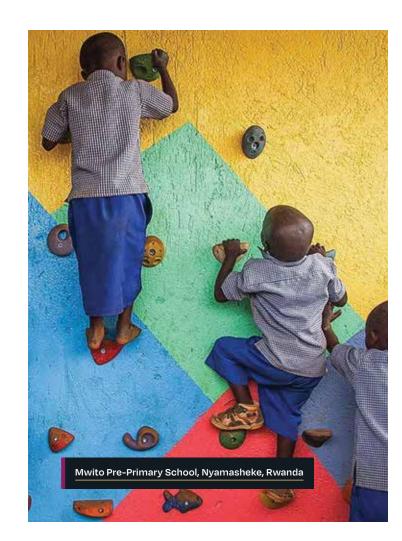
### **↑19.5M** more lbs

sourced responsibly in 2022 over 2021

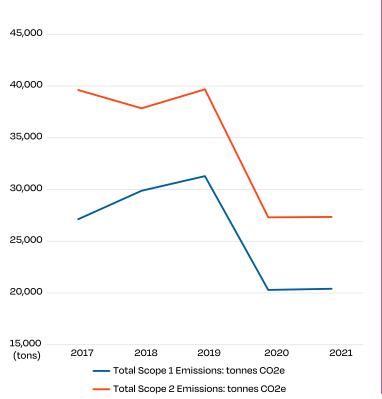
Outside of green coffee and tea sourcing, our support of Mwito Pre-Primary School in Western Rwanda continued in 2022 with school employee compensation, equipment support, and a supplemental school program. Student enrollment increased 103% in 2022.

The teams at our manufacturing facilities in the U.S. have been working on a variety of water, waste, and energy-savings initiatives that all came to fruition in 2021¹. This led to a 12.73% decrease in Scope 1 and 2 emissions at our U.S. roasting, packaging, extract, and warehousing facilities. Notably, the teams took advantage of opportunities to decrease waste to landfill, water, and natural gas.

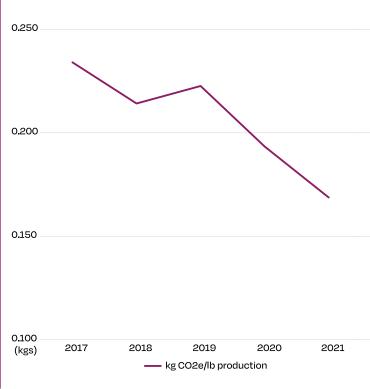
In 2022, our Arkansas facilities diverted 57% of their manufacturing waste streams from landfill and are aiming for 70% of waste streams in 2023. In North Carolina, we donated 3.6 million pounds of biodegradable waste to a local farm and compost manufacturer.



#### TOTAL WESTROCK COFFEE SCOPE 1 & 2 EMISSIONS<sup>1</sup>



#### CO2 EMISSIONS PER POUND<sup>1</sup>



<sup>1</sup>Historically, emission data for the prior year is available in Q3 and shared in the subsequent reporting cycle

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We have taken a deep dive into the topics most pressing for our customers, measuring the difference we could make as their supplier, and how this fits into our own developing ESG strategy. Our work to build our ESG strategy is ongoing, with a focus on addressing the needs of our team, communities, customers, and supply chains as our operations continue to grow.

Within our own production and warehousing operations, we are positioning ourselves to be champions of *sustainable manufacturing*. This is efficient manufacturing using economically viable processes that conserve energy and natural resources and minimize negative environmental impacts.

Within our supply chains, we will continue our work to normalize transparency, responsible sourcing, and economic sustainability from our farmer partners to our customers.

As our customers and our own company continue to grow, so does our opportunity to effect measurable and positive change with each product we sell.



