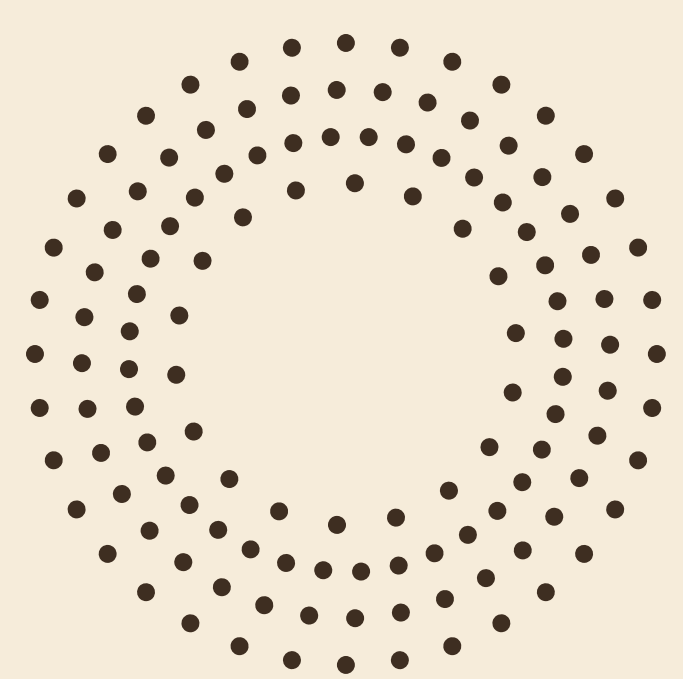




**Bellwether
Coffee**

A better future

for **farmers.**

for **the planet.**

for **retailers.**





Our Mission

Bellwether Coffee exists to empower everyone to sustainably source and roast incredible coffee. Millions of people around the world rely on the coffee industry as their sole livelihood but economic volatility, climate instability and supply chain constraints threaten the sustainability of our industry and the lives of those who depend on it.

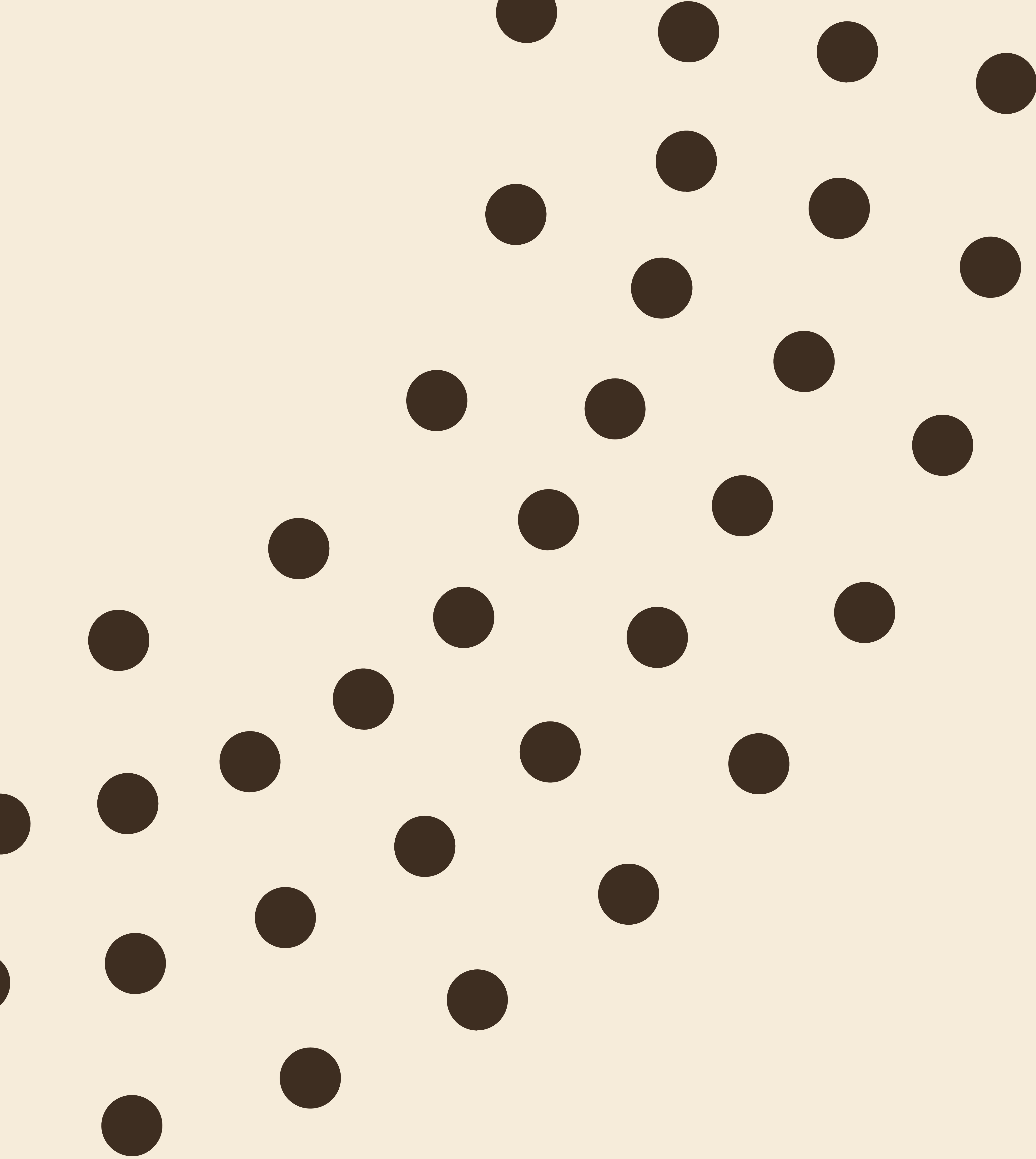
In order to address the most pressing issues faced by the coffee industry, Bellwether and our community of roasters are taking bold steps to reduce or eliminate the carbon footprint of coffee roasting, support the economic sustainability of coffee farmers and end the cycle of poverty in the coffeelands, and build a thriving, diverse retail sector that empowers retailers of any size to realize the economic and quality benefits of roasting in-house.



To create a more **sustainable** and **equitable** coffee industry, we believe:

We must pay coffee farmers equitable prices that support a living income, and invest in farm communities where we source coffee.

We must advocate for the widespread adoption of onsite, electric roasting to reduce our carbon footprint.



by the numbers

2023

To **electrify** and **decarbonize** coffee roasting.

In 2023, Bellwether Roasters reduced CO2 emissions by **1,802,435 pounds**.

That's equivalent to:

Keeping a car off the road for
 **1,982,678** miles

A year of electricity for
 **180** homes

Waste diverted from landfills
 **360** tons

To date, Bellwether has reduced CO2 emissions by **5,798,290 pounds**.

Farmer Equity.

80% of the world's coffee farmers live below the poverty line, despite rising retail prices and increasing consumer demand for specialty coffee.



To **end the cycle** of coffee poverty worldwide.

71%



of coffee purchased using Living Income Pricing.

76%



of our Marketplace is made up of relationship coffees.

78%



percentage paid above commodity price.

35%



of our Marketplace is women-grown coffees.

50%



percentage paid above Fairtrade minimum.

41%



of our Marketplace is certified organic.



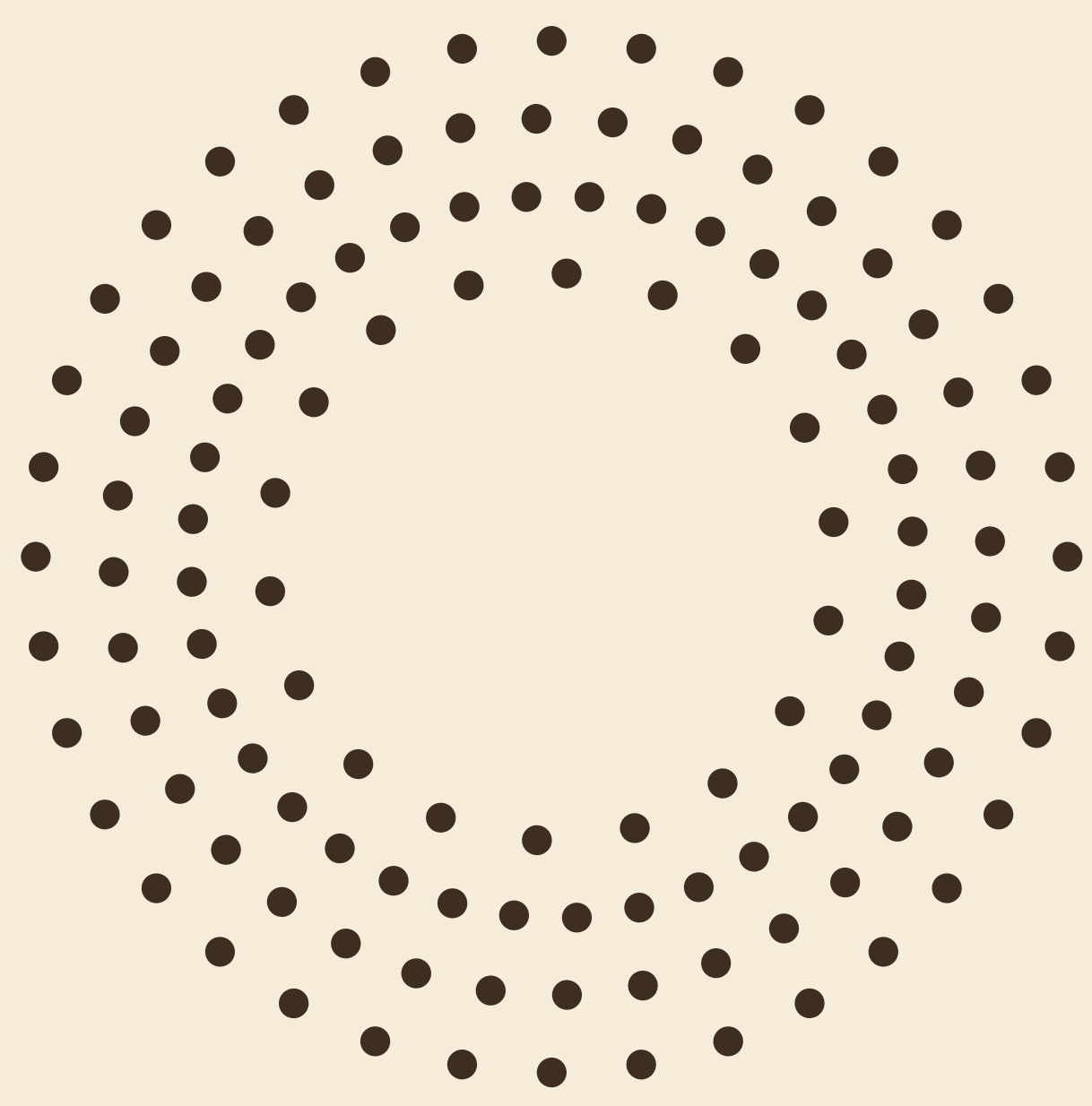


Bellwether's mission is to increase farmer equity by paying prices that meet farmers' livelihood needs and by investing in farm communities where we source coffee.

We do this in two ways:

Pay prices that meet farmers' livelihood needs through
Living Income Pricing

Invest in farming communities through
Farmer Impact Fund



Living Income Pricing.

What it is: Equitable pricing models like Fair Trade and Direct Trade don't go far enough to lift farmers out of poverty or create sustainable livelihoods for their families.

In order to end the cycle of poverty for the world's 12 million coffee farmers, we need a new pricing model that pays farmers based on living income, not on global market demand.

How it works: Bellwether partners with farmers and organizations to collect data from producers on things like their cost of production and productivity, as well as lifestyle data like the cost of food, education and more. We then use that data to establish a new minimum price for coffee that includes what it cost to produce that coffee and also what it costs a farmer to thrive at home. Bellwether then signs contracts with producers based on this new Living Income Pricing.

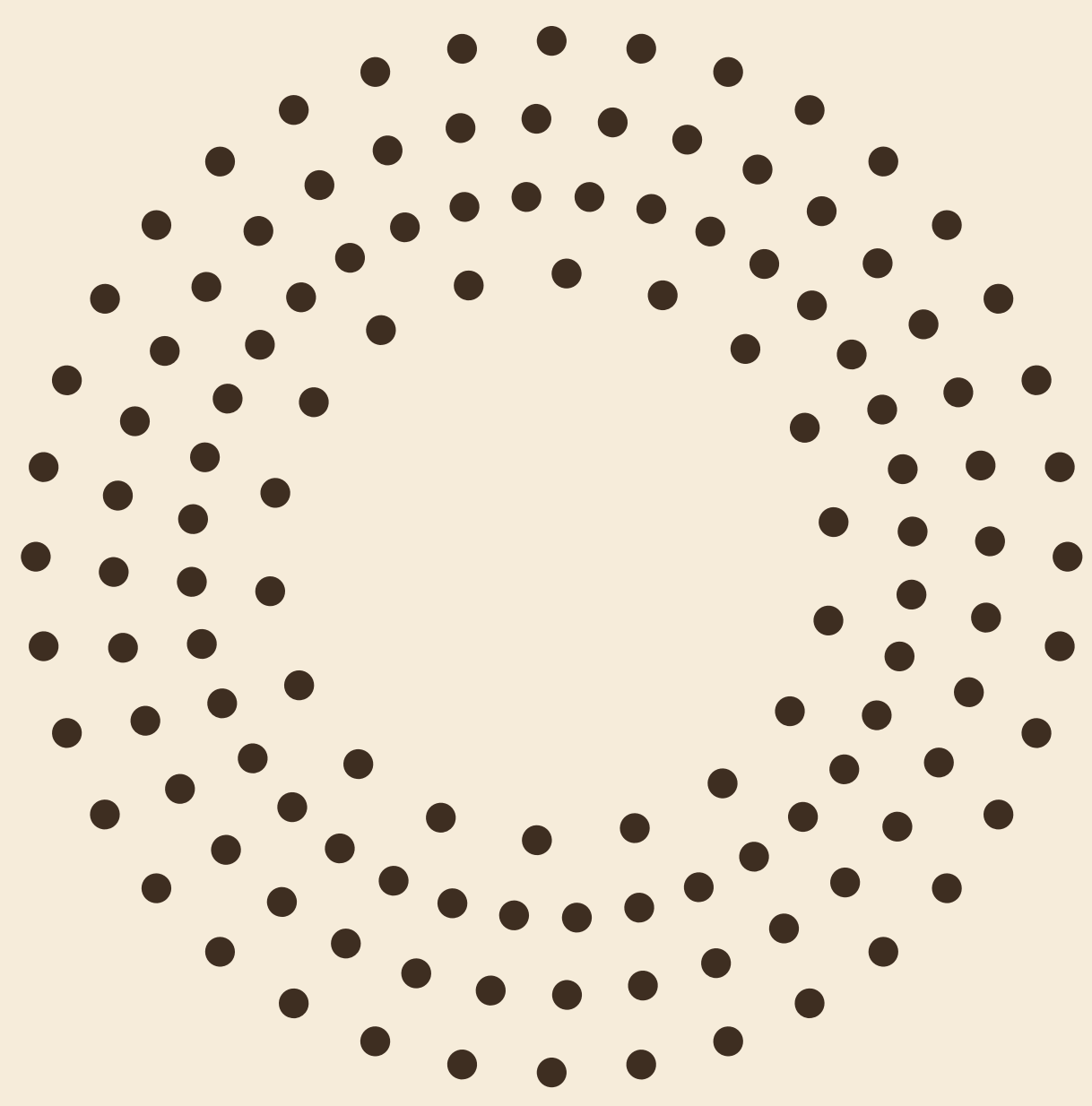
Bellwether is the first company to sign a coffee contract based on living income and in 2023 were able to purchase 70% of our coffees using the new model.



Living Income Case Study: Brazil was a priority supply chain for Bellwether to replicate our Living Income Pricing model—it is not only the world’s largest exporter of coffee but it is the largest SKU in our Marketplace.

Our study found the need to pay 10¢ more per pound to ensure that farm workers earn a living wage.

One partner said of Living Income Pricing: “No one has ever asked us if producers are paid a fair price. Certifications come to audit us but never with the intention of paying a higher price.”



Farmer Impact Fund.

What it is: Most coffee origins produce just one harvest per year. To get that coffee to market, farmers must pay the cost of a year of growing, managing, harvesting and processing their coffee up front, before they receive any compensation. To make ends meet, producers often take out predatory bank loans to finance their upcoming harvests.

The Farmer Impact Fund helps break this lending cycle by making direct cash payments to producers year-round, enabling them to freely invest in their farms and communities

How it works: Bellwether Coffee retailers who participate in Farmer Impact Fund pay a slightly higher price for green coffee which is collected and distributed to producers who decide independently how to spend it. To date, Bellwether's customers have distributed \$34,100 to 11 different producer groups.

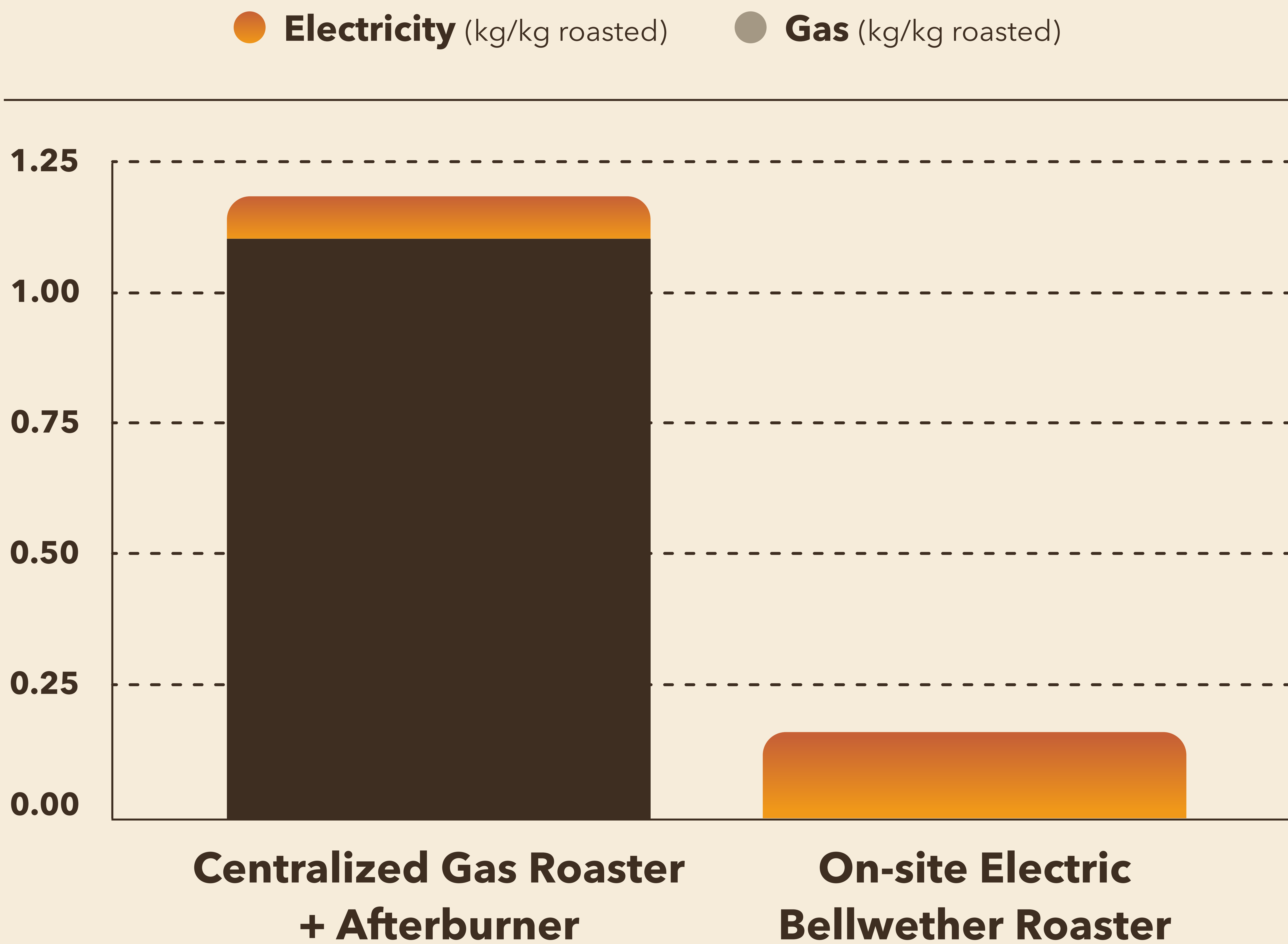


Farmer Impact Fund Case Study: The women producers of ACODIHUE who are behind the Manos de Mujer coffee in our Marketplace received \$2000 through Farmer Impact Fund. The cooperative used the funds to host a popup rural health clinic on International Women's Day. The health clinic enabled 250 women to have access to routine health checkups and receive basic medical supplies.

A better future for the planet.

Gas coffee roasting **generates 41 billion pounds of carbon** each year accounting for 15% of coffee’s total carbon footprint.

Bellwether **reduces the carbon footprint of roasting by 87%** diverting millions of pounds of CO2 worldwide.





The future is solar powered.

In 2023, Bellwether partnered with industry legend James Hoffmann to demonstrate what a sustainable future could look like by harvesting solar and roasting coffee entirely powered by the sun in the desert of California. James said, "One of the reasons I'm here is that I see a future where we have no choice but to move away from fossil fuels. It's the right thing to do—it's the sensible thing to do. So to some extent, electric roasting is inevitable."

[See the full project and our conversation with James on the state of the coffee industry here.](#)





The first ever coffee to be **roasted by sunlight.**

"I think electric roasting is particularly interesting because you have a choice about where you get your energy from. With gas roasting, it's coming from one place, it's a fossil fuel. We've got to dig it up, refine it, transport it, all of those things. With electric roasting, you could be powered by renewables way more easily and that is obviously much more useful as a kind of future-proofing of coffee itself."

California Energy Commission invests big in **electric roasting**.

This inevitability of electric roasting was further cemented last year when Bellwether experienced the power of government policy to create tailwinds for the electrification of everything movement through a partnership with the California Energy Commission (CEC).





The CEC enabled us to deepen our impact in the Bay Area through a \$1.879 million grant to install 24 all-electric Bellwether roasters at Heirloom Coffee Roasters and Red Bay Coffee.

This investment demonstrates how the environmental impact of electric technology will continue to increase as grids become greener—in California, electric roasting reduces that carbon footprint of coffee roasting by 94%.

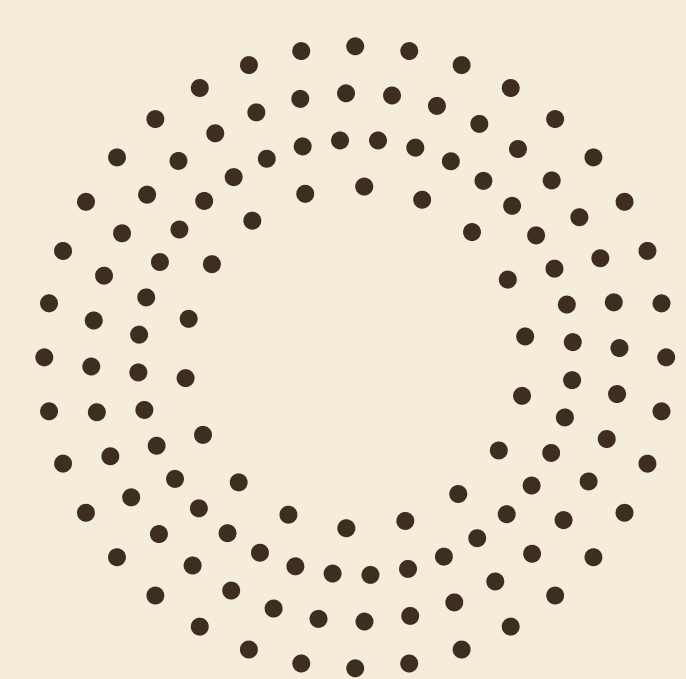
**Sustainable
roasting for
every retailer
in the world.**



Last year was a year of growth for Bellwether with our international expansion into Japan and the UK. Bellwether partnered with Japan's largest retailer of home goods, MUJI, to roast their own line of coffee in-house, while also bringing electric roasting to London's multi-location specialty roaster The Hagen Project who see Bellwether as a way to make good on their climate goals without sacrificing exceptional quality.

In 2024, we are already well on our way to exceed our sustainability goals from 2023. **Without our customers, our impact isn't possible.** Bellwether customers are reducing the climate impact of coffee roasting, directly supporting the livelihoods of farmers, and investing in the longevity of their own communities by creating sustainable, profitable businesses in their neighborhoods. Join us now as we work to create a better future for the coffee industry for farmers, retailers, and the planet.

Onward,
Team Bellwether



**Bellwether
Coffee**