



**Stumptown Coffee Roasters
Sustainability & Impact
Report 2020**



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Stumptown's First Ever Sustainability & Impact Report

Since 1999, Stumptown has been serving up the highest quality coffees, roasted daily. Coffee is art to us. We live this every day in every aspect of what we do.

Born and bred in Portland, Oregon, Stumptown has always been home to bike-commuting, curbside composting people who care about sustainability and our communities. When Stumptown branched out into the world — to New York, Los Angeles, and beyond — kindred spirits found us.

In 2018, we decided to go down the path of BCorp certification. The assessment isn't easy and it takes time to complete. It reaches into all areas of a company, evaluating how we run our business and its impacts on workers, the environment and the communities where we operate and where we source coffees around the world. The process taught us that we needed to get better at setting goals, tracking progress and communicating what we're up to.

Sharing our progress is what this first-ever Sustainability and Impact Report is about. It seems that more than 21 years in, we're sort of growing up. But we're also still the same in many ways: great coffee, sustainability and caring about our community are who we've always been.

So please grab a cup of coffee and dig into this report. We have tried to make it interesting. We always want to do better, so please drop us a line, call us out, ask some questions, send ideas. We'd love to hear from you.

Thanks for being a person who drinks Stumptown coffee and reads sustainability reports!

Shauna Alexander, Vice President of
Coffee and Sustainability



Certified



Corporation

Stumptown's B Corp Commitment

Stumptown became a certified B Corp in June 2018. That same year, we registered our business as a benefit corporation. We felt super proud to join a community of over 2,500 companies in more than 50 countries, all committed to redefining “success” in business.

And while we were honored to be certified, the assessment process also highlighted many areas where we fell short of our aspirations. So, we got to work, and we hope this report helps shed some light on what we've been working on.

What's a B Corporation? Run by [B Lab](#), a B Corp is a certifiable commitment to consider all parties involved in a business, not simply those accountable to the bottom line. Where P&Ls measure financial performance, B Corp measures

social and environmental performance. B Corp provides a framework to formally consider our employees, our communities, the environment and our governance.

The certification builds on values Stumptown has long held dear, including an employee-driven culture, Direct Trade coffee sourcing, affordable access to health care, working to reduce our environmental footprint and simply doing things our way.

So, every three years we complete the B Corp Impact Assessment to evaluate our operations and recertify ourselves as a B Corp. It takes some time and effort, but it also gives us a road map to improvement.

A commitment to being a B Corp means a commitment to constant improvement. We're on that path, and committed to sharing our progress with our stakeholders – our customers, employees, the producers who grow our beans and the communities where we roast, brew and serve up the best coffee on the planet.

**Direct
Trade**



Stumptown Impact at Source

Nearly 20 years ago, Stumptown helped coin the term “Direct Trade” to describe our way of sourcing the world’s best coffees and challenging supply chain norms. It has been our sourcing philosophy ever since. Instead of buying anonymous coffees from a trader, we know the producer. Instead of paying prices linked to the commodity market, we pay prices driven by quality. And instead of being opportunistic, we forge long-term sourcing partnerships with producers around the world.

Over the years, the term Direct Trade has become widely used among buyers of specialty coffees, but it means different things to different people. As our business has grown and changed over the years, Stumptown Direct Trade has also grown in its clarity, direction and impact.



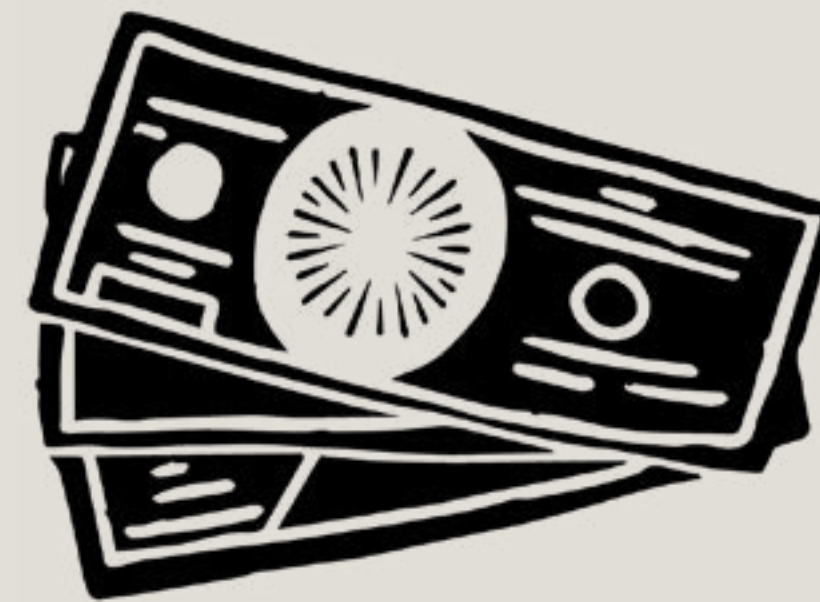
Finca El Injerto in Huehuetenango, Guatemala, was Stumptown’s first Direct Trade relationship.



Today, Stumptown Direct Trade sourcing embodies three core principles:



Arturo Aguirre, Sr. of Finca El Injerto



1.

Know the producers and their farms. We work with producers who share our obsession with quality and ensure physical traceability and price transparency to the farm level.

2.

Pay quality premiums for quality coffee. We don't buy commodity coffees, so we don't pay commodity prices.

3.

Commit to long-term partnerships. We make multi-year commitments and buy a range of quality profiles wherever and whenever possible. We don't label a coffee Direct Trade unless we've purchased it for at least three consecutive years.



That's the process of Stumptown Direct Trade. So why do we do this? And what are the results – both for Stumptown and for the producers we work with around the world?

DIRECT TRADE RESULTS

A sizable chunk of the coffee Stumptown purchased in 2020 was from producers we've bought from for 10 or more consecutive years, 30%, to be exact. Coffee is seasonal, and when these coffees return to the roastery every year, it's like welcoming back an old friend.

Our roasters know the green (unroasted) coffee by its look, its size and color, its smell, its density, how it takes on heat in the roasting machine, and — of course — how the roasted coffee smells and tastes when brewed. We enjoy tremendous consistency in our quality, so we get to focus on our craft and offer consistently clean, sweet and balanced coffees to our customers year after year.

Direct Trade's intention for producers was similar: strong prices and price stability (independent from the volatility of the commodity market, or the "C") allow them to focus on and invest in quality. This goes for any farm of any shape or size, anywhere in the world. We also had a hunch — based on things we'd heard and seen visiting producer partners — that purchasing coffee at stable, quality-driven prices, consistently, and growing volume over time, can generate benefits at the family and community level.

Stumptown buyers over the years have heard inspiring stories and observed changes — new plantings of coffee, new houses being built, new wet mills and drying infrastructure, even new schools and roads in the communities ... but until recently, we didn't have hard evidence or third-party verification to support this.



MEASURING IMPACT FOR PRODUCERS



So in 2018, we started to get serious about measuring the impact of Direct Trade at origin.

As a first step, we wanted to hear directly from producers, without the “filter” of our own questions. In partnership with exporter and fellow B Corp Caravela, we hired the international nonprofit CRS, whose teams have worked extensively in Colombia, to conduct open-ended interviews with all the producers in the association that supplies Stumptown’s Colombia El Jordan, from the region of Tolima.

*El Jordan
Impact Report:*

We discussed the findings and shared the full report [on our blog](#). In summary, the report states:

- If you want to incentivize quality and improve producer livelihoods, Direct Trade works.
- Price premiums are important — but impact doesn’t come from paying a good price once.

- Impact comes from long-term commitment, stable, quality-driven pricing and volume growth over time.

From the impact study’s executive summary:

- Direct Trade “rewards the hard work of farmers with a stable price, considerably higher than the traditional (commercial) market price, 32% more on average 2012-2017. We could see positive impacts of the Direct Trade model at a social and economic level.”
- “The impact has been positive and much greater compared to those producers in the traditional [commercial] model of selling coffee, particularly in terms of livelihood, family resilience, the farm’s performance and the quality of the final product.”



QUOTES FROM EL JORDAN PRODUCERS:

“ In 2012 I was a small coffee grower, I sold my coffee to the cooperative, but I never had a price that would reward me for the work that I had to put in. Then, a neighbor told me [of the option] to sell specialty coffee and I sold my coffee at a better price to Caravela, who gave me a contract and I am very happy to sell coffee to Stumptown. This life change has been very good for my family, my wife and children, I can give them a better quality of life, my farm can be better managed and I can pay the pickers better. ”

“ Since I've had the business with Caravela and Stumptown, I have improved my quality of life and that of my family. The price has helped me to give my daughters an education. ”

“ ... I started to organize my farm better, because my economic situation improved 100%. I improved my house, warehouses, coffee drying, education for my children. I planted more coffee because I think it is the best way to give me a life with dignity. ”

The study also highlighted areas for improvement. By far, the most important was a need to support producers around climate change adaptation. As a first step, Caravela and Stumptown co-funded the purchase of microclimate monitoring stations to generate better data for producers' farm-management plans.



Impact in Smallholder Supply Chains:

We took impact research further in partnership with Enveritas, an organization that specializes in research and verification of coffee supply chains globally. We decided to focus our efforts first on smallholder (farms of less than three hectares) supply chains, where the impact of our purchases affects a greater number of people. Building on the El Jordan impact report, we wanted to understand if and how other smallholder producers were benefiting from Direct Trade.

Building on our Direct Trade sourcing principles, Enveritas helped us identify key indicators of smallholder producers' economic and community well-being, including the following:

MEASURING IMPACT: DIGGING DEEPER INTO OUR IMPACT

SOURCING PRINCIPLE



Know the producers and their farms. Work with producers who share our obsession with quality and ensure physical traceability and price transparency to the farm level.



Pay quality premiums for quality coffee. We don't buy commodity coffees, so we don't pay commodity prices.



Commit to long-term partnerships. Make multi-year commitments. Buy a range of quality profiles wherever possible. Don't call a coffee "Direct Trade" unless we've purchased it for at least three consecutive years.



Partner for community impact. We look at how Direct Trade sourcing shows up in communities of producers and in their farming practices. If the community identifies a project to address an environmental or social problem, we can provide co-funding.

INDICATORS

Traceability and price transparency to farm level is indicated by income for producers who sell to Stumptown.

The price premium above Fair Trade minimum for producers who sell to Stumptown. [here](#)

Concurrence with Specialty Coffee Transaction Guide average pricing (Stumptown is a three-year financial supporter and data donor to the SCTG).

% of coffee purchased by length of relationship at origin.

Volume growth over time with Direct Trade partners.

Percentage of children enrolled in school in the community.

Share of farmers using sustainable farming practices.

Co-funding a community project led by origin.

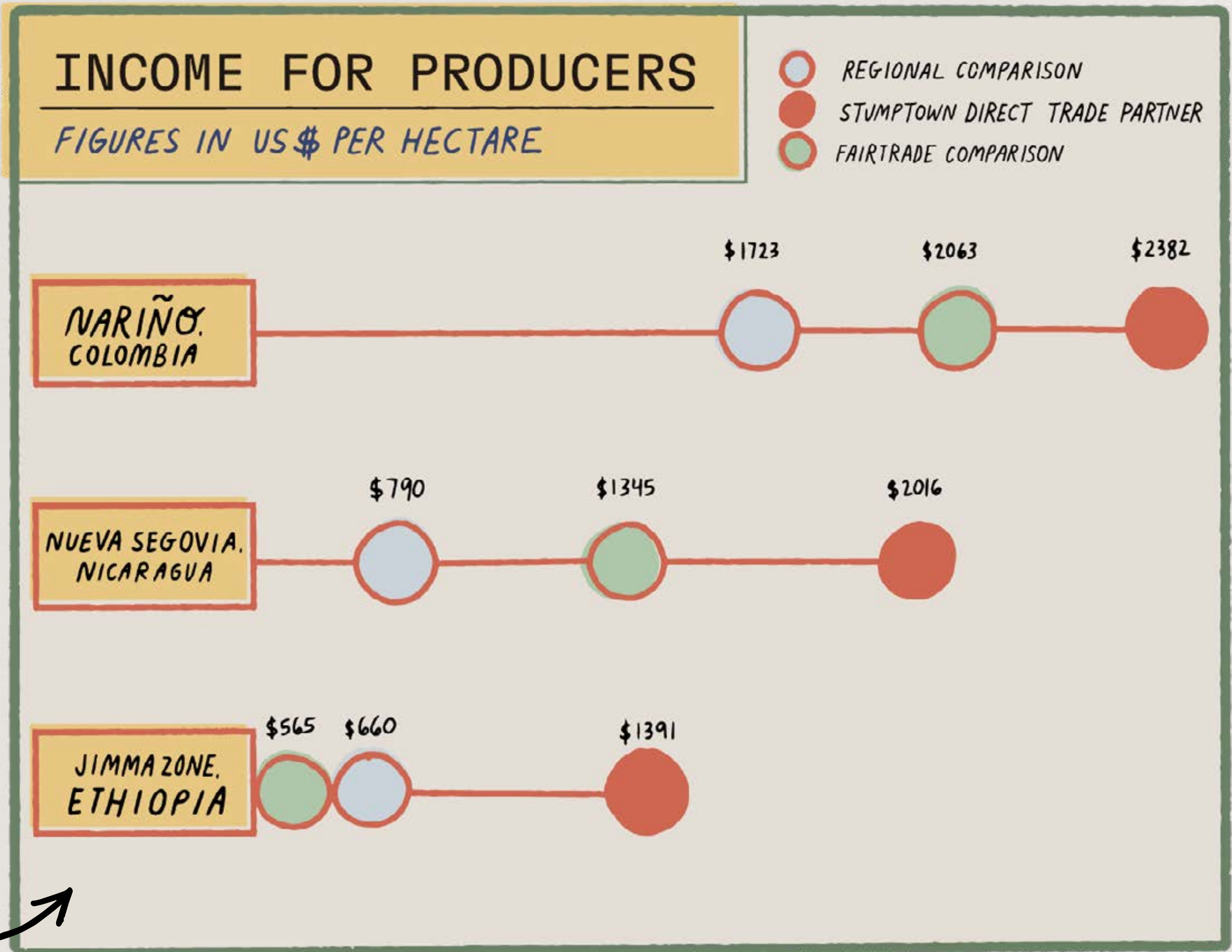
So let's look at these principles and indicators:



Know the producer and their farms:

1. **Income for producers who sell to Stumptown.** The price paid to the exporter (FOB price) is one thing, but it's important to ensure price premiums get back to the farmer. This only happens in transparent and traceable supply chains. Enveritas analyzed the impact of Stumptown Direct Trade compared to producers selling on the commodity ("C") and Fair Trade markets.

Enveritas started conducting supply chain assessments for Stumptown in 2019-2020; initial results are summarized here. We've left out the names of these specific suppliers to respect their confidentiality.



Notes: incomes are derived from farmer-reported estimates of price, production, and farm size. Fairtrade comparison is drawn from all farmers in Enveritas' regional dataset who identify as Fairtrade participants country-wide. All figures have been converted to standard units by Enveritas.

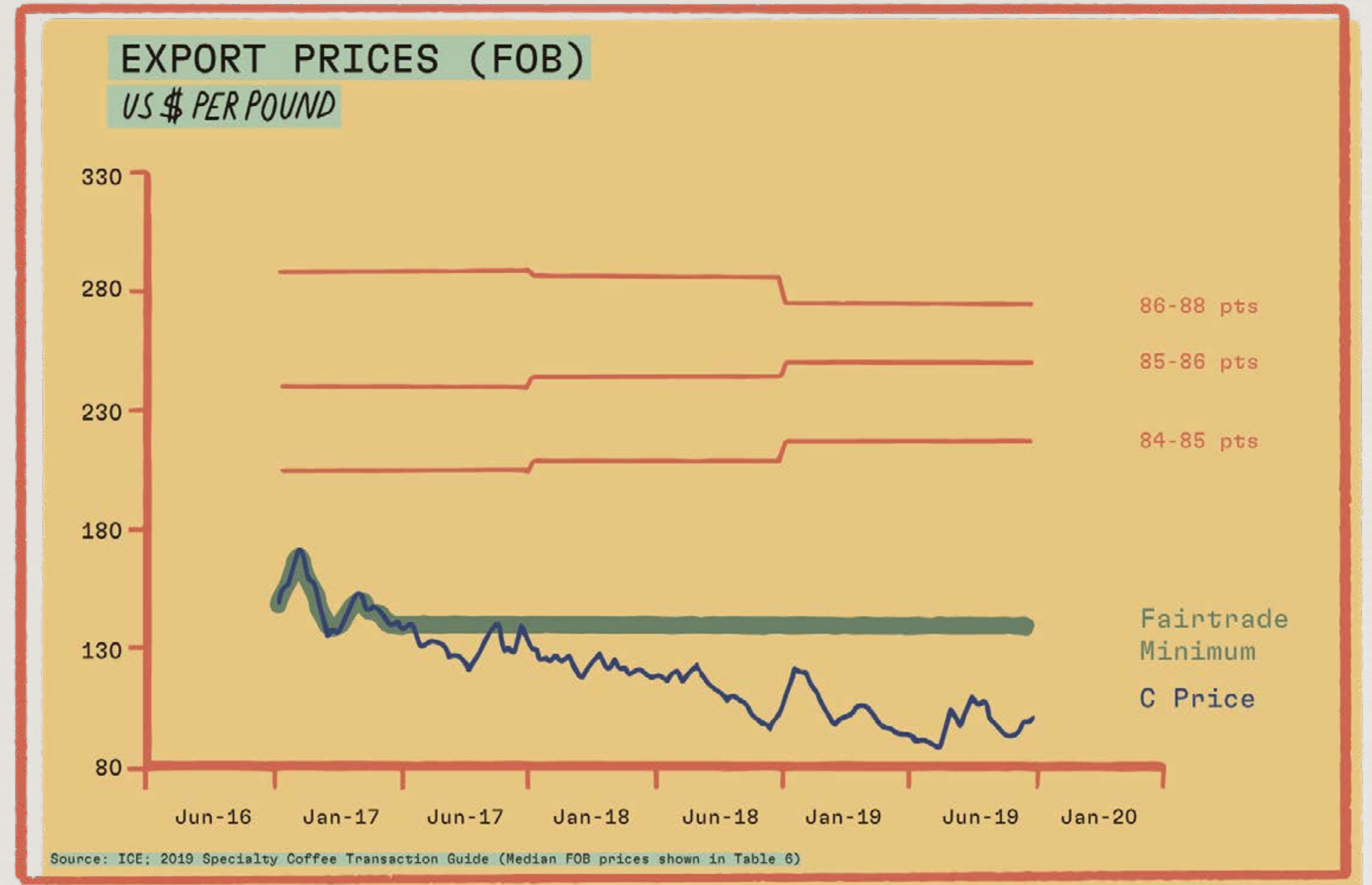


Pay quality premiums for quality coffee:

- 2. Pay quality premiums for quality coffee:** the price premium above Fair Trade minimum for producers who sell to Stumptown.

The chart shows the export price (FOB) in price per pound by quality grade. The numbered points on the right refer to the internationally accepted [Coffee Quality Institute's](#) coffee quality grading (or, "Q" grading) standard and protocol. Stumptown and our producer partners use the "Q" grading system for evaluating and purchasing green coffee, lending transparency to the purchasing process. The minimum quality Stumptown purchases is an 84, but most of our coffees are 85 or more. Single-origins score a minimum of an 86, often higher.

At Stumptown's level of quality, the "C" price isn't relevant, and we pay about double the Fair Trade minimum price.



3. Pay quality premiums for quality coffee:
concurrence with the Specialty Coffee Transaction Guide pricing.

The data above was derived from a groundbreaking, collaborative research initiative at Emory University called the [Specialty Coffee Transaction Guide \(SCTG\)](#) for which Stumptown is a founding data donor, financial backer and advisory board member. The guide aggregates prices from thousands of coffee contracts, creating a new price-reference tool for specialty buyers.

From the SCTG's website: *"Prices paid for green specialty coffees often do not cover the full cost of production, let alone support thriving livelihoods for farmers and their families. Unless price discovery moves beyond reliance on commodity price references, farmers cannot expect these prices to evolve in ways that make them excited about continuing to invest in their farms to remain in the industry."* The Guide is also used by producers, giving them access to transparent pricing information relevant to the qualities they produce.





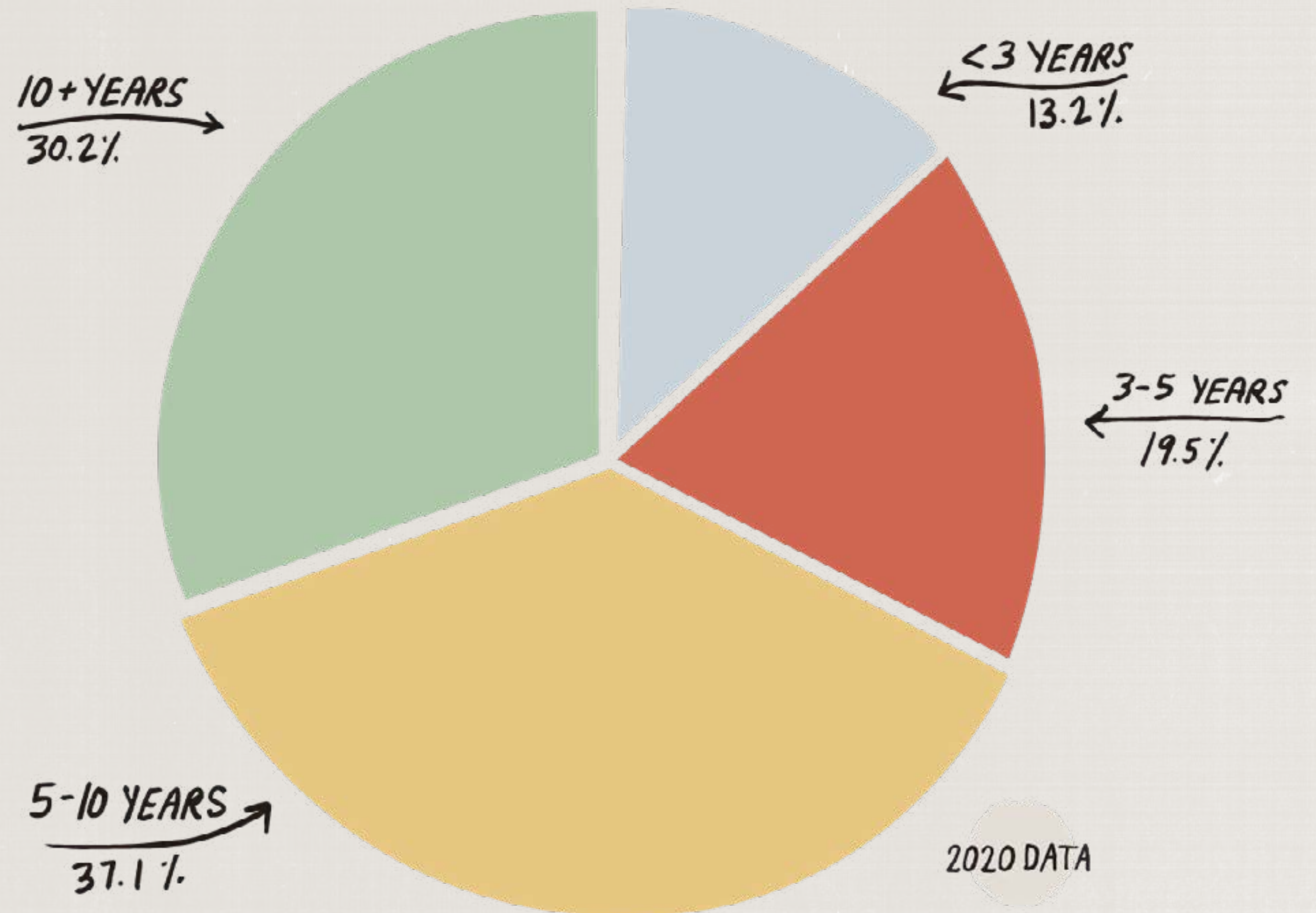
Commit to long-term partnerships:

4. Percent of coffee purchased by length of relationship at origin.

Stumptown doesn't call a coffee "Direct Trade" unless we've bought it for at least three consecutive years. These aren't one-off microlots with the producer's name on the bag — these are long-term sourcing partnerships that grow over time. Proof in numbers: over 67% of the coffee we purchased in 2020 came from Direct Trade relationships of 5 or more consecutive years. Fully 30% came from relationships of 10+ consecutive years.

STUMPTOWN COFFEE SUPPLY

BY LENGTH OF RELATIONSHIP AT ORIGIN

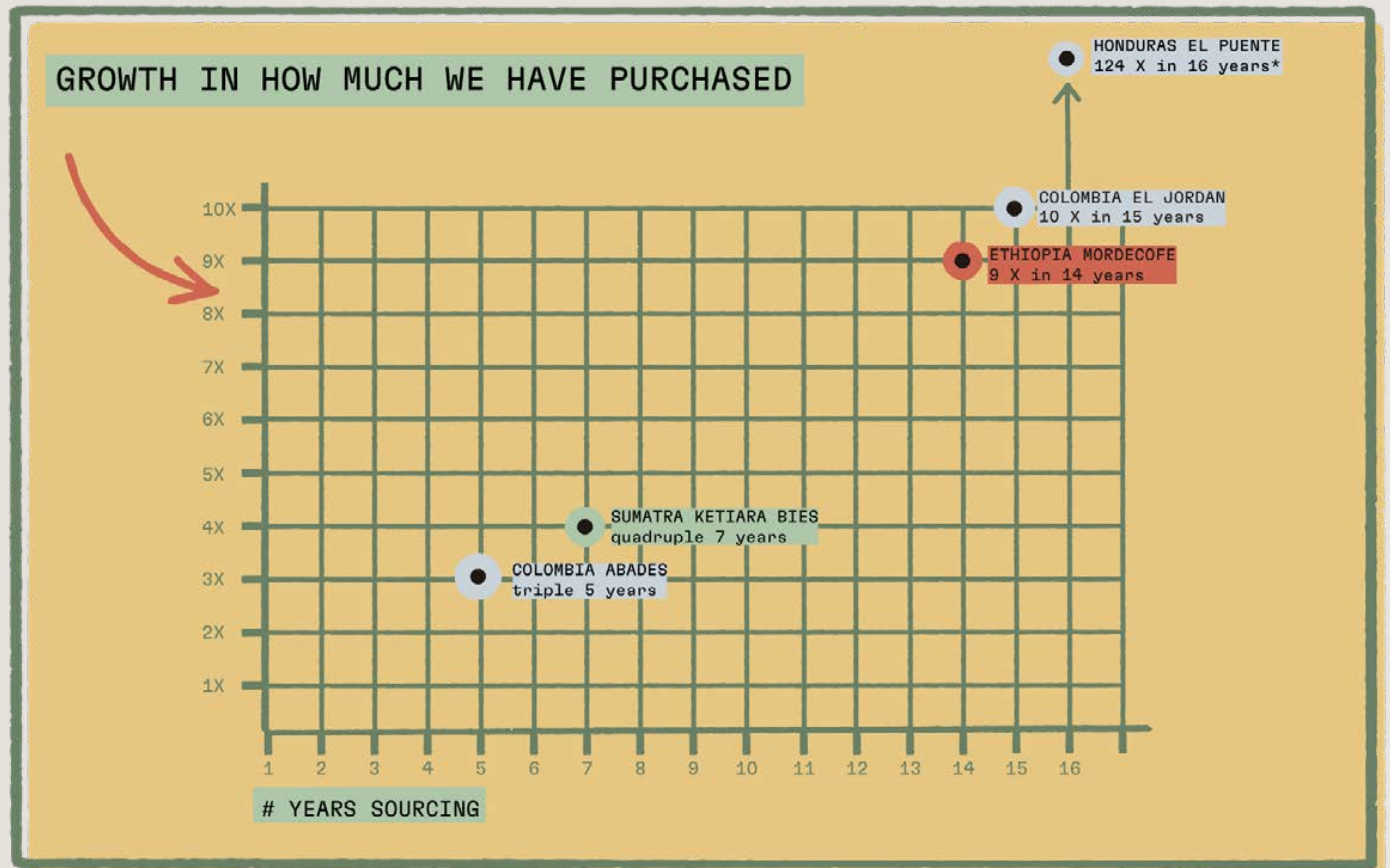


5. Volume growth over time with Direct Trade partners.

A key driver of Stumptown's Direct Trade impact for producers is increasing the amount of coffee we purchase over time. Direct Trade is not about buying a great coffee once. It's about a commitment to pay stable, quality-driven prices year after year, and growing volume when possible. Growth can be significant, and generate benefit at the farm and community level.

For example, at Colombia El Jordan (described above), coffee purchases have grown tenfold over the 15 year relationship. From Colombia Abades, they tripled in 5 years. Ethiopia Mordecofe: ninefold over 14 years.

** Honduras El Puente grew 124 fold over 16 years because our first purchase was a Cup of Excellence microlot.*



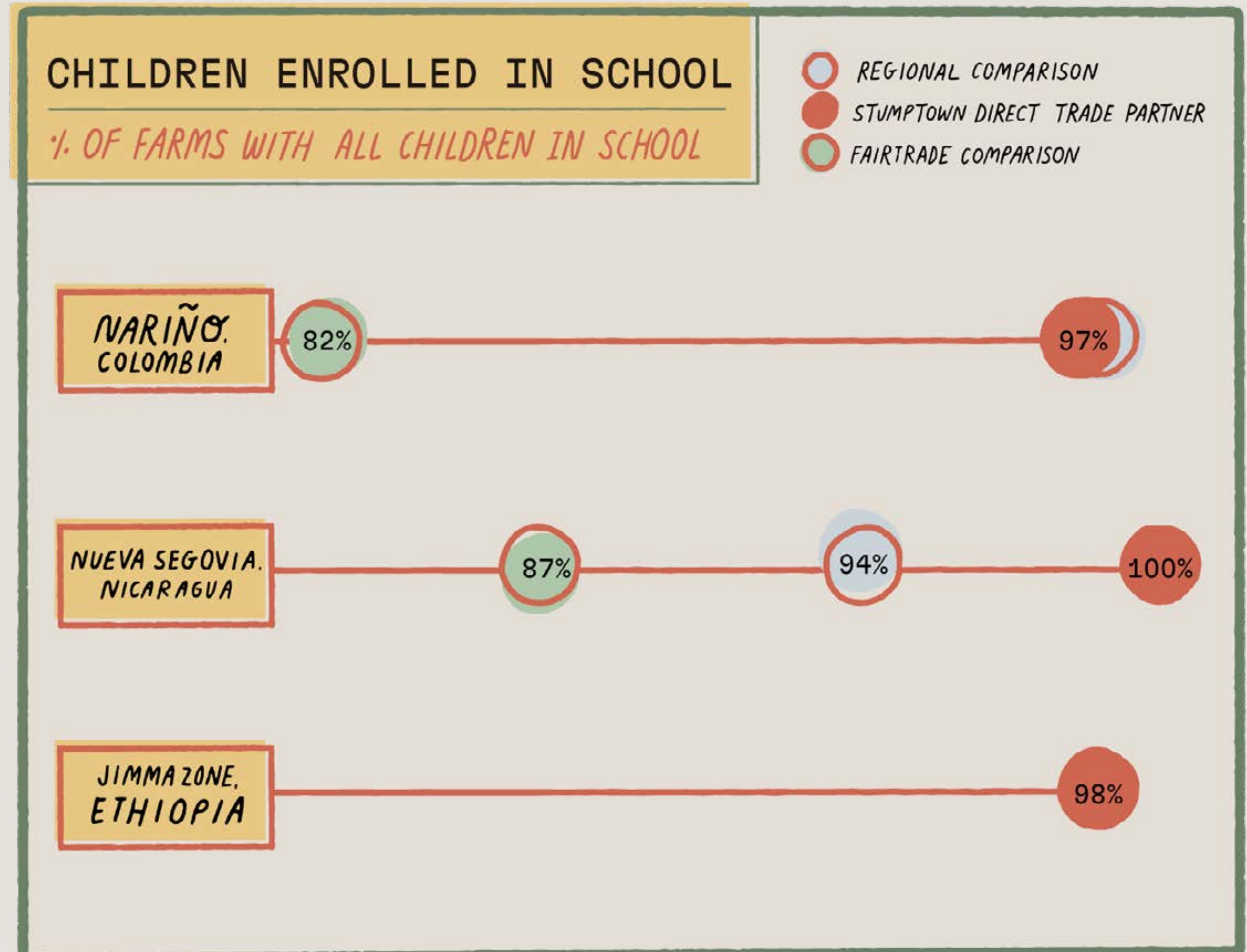


Partner for community impact:

6. Percentage of children enrolled in school in the community.

One of the most consistent indicators of community development and well-being is the percentage of children in school. Parents want their children in school. This is true in communities small and large, urban and rural, all around the world. In some areas, schools must charge fees to stay afloat, and these fees can be expensive for some families. One of the first things parents do as incomes rise is to pay these fees and get their children into school. Typically, the more prosperous a community, the higher this percentage. Stumptown supplier communities showed nearly all children enrolled in school.

Again, these are results from Enveritas' initial supply chain assessments:



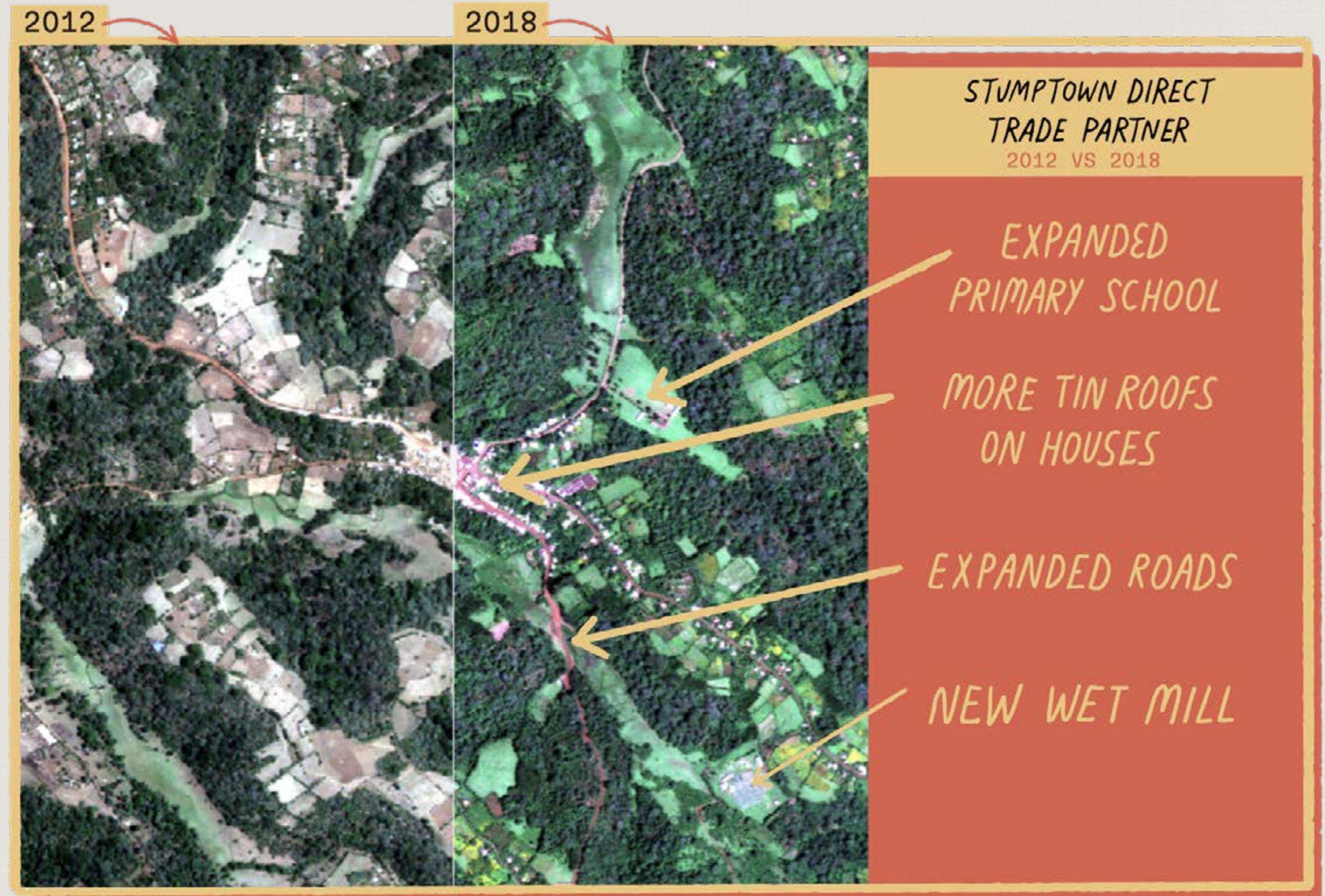
Notes: analysis focuses only on primary school-age children (i.e., ages 5-12). Fairtrade comparison is drawn from all farmers in Enveritas' regional dataset who identify as Fairtrade participants country-wide; a sufficient sample of farmers with children was not available for Ethiopia.

7. Partner for community impact: share of farmers using sustainable soil, water, forestry and farming practices.

In the Enveritas assessments, farming and environmental practices showed a more complicated picture. In both Colombia and Nicaragua, the surveyed supply chains showed lower scores on water quality, mainly due to the presence of small-scale wet milling operations, which often don't have the same water quality controls as larger, centralized mills. In Nicaragua the producers scored the lowest on some aspects of farming practices. This is in part because producers' increased farm profitability gave them the ability to purchase and apply increased amounts of chemical inputs such as pesticides. Our partners in Nicaragua are now working to ensure that these producers know and apply best practices in environmental health and safety.

The use of aerial photography can also illuminate the development that can occur in a community over time when producers have access to profitable markets, like Stumptown Direct Trade sourcing. In Ethiopia,

Enveritas' aerial photography of our surveyed partner's community shows the impact of long-term investment. (below). To see the original map, [click here](#).



8. Partner for community impact: Stumptown co-funds environmental and social initiatives generated and led by origin partners. We call these 'origin-led' projects.

We know the greatest impact for our partners comes from our coffee purchases. But we also know that there are many challenges to the environmental and social well-being of coffee communities. **We believe that the people best positioned to create solutions to sustainability challenges at origin are those who live there.**

Each year, Stumptown co-funds projects around the world designed and led by our origin partners. In order for Stumptown to fund an initiative, the project must:

- originate from coffee producers or their organizations
- be co-funded, either financially or through in-kind donations
- aim to improve the social or environmental well-being of the community

Here are examples of origin-led projects we have co-funded over the past few years:





FINCA CHURUPAMPA COMPOST PROJECT



Finca Churupampa is a producer association in Chirinos, Peru, we've worked with since 2014. Coffee from Churupampa is featured both on our single-origin menu and in our organic blends. In 2017, Stumptown provided seed money for an organic compost system designed and led by Eber Tocto, one of the founders of Finca Churupampa. With additional funding from Stumptown in 2018, the original compost project on Finca Churupampa was replicated on eight other small farms that contribute to the Churupampa lots. Today, a total of 28 producers have constructed their own compost facilities on their farms. Organic compost enriches soil and, along with mulching, allows soil to retain moisture and nutrients and be more resilient to erratic precipitation made more common by climate change.





**HONDURAS HURRICANE
ETA/IOTA RELIEF**

IN NOVEMBER 2020, two devastating hurricanes impacted Central America within a week of one another. Our sourcing and export partners partners at Molinos de Honduras notified us that many of their mill workers' homes had been destroyed in the floods. They were being housed in the coffee mill, with few belongings. Stumptown made a donation towards purchasing stoves, refrigerators and mattresses for some of the affected families to help get them back on their feet. Extreme weather events such as these have become more frequent, and more damaging, with climate disruption.



Photography: Molinos de Honduras



SUKE QUTO SCHOOL



SUKE QUTO SCHOOL

We've been buying coffees from producer Tesfaye Bekele of Suke Quto in Ethiopia since 2010. In 2015, Tesfaye identified the need for improved school infrastructure for the community of Kumure near his washing station. Tesfaye and import partner, Trabocca, have been working to renovate and expand the existing school facilities so that the village's 1,200 students can have a sanitary and comfortable learning environment. Stumptown has contributed funds to this community project for three consecutive years. Most recently, our contribution was put towards the construction of a second block of classrooms and restrooms for the students.





PERGAMINO CLEAN STOVES



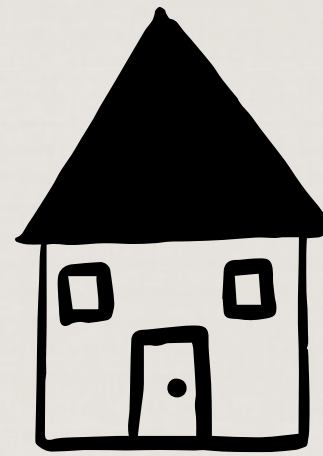
PERGAMINO CLEAN STOVES

Since 2016, Colombian exporter Pergamino Coffees has supplied coffees for our blends and cold brew lineup. In 2018, Stumptown helped fund an initiative by Pergamino to subsidize the purchase of clean stoves for producers in Colombia. Traditional wood-burning stoves are open, creating harmful smoke in the home. Pergamino found locally made, modern, fully enclosed wood stoves with chimneys to carry smoke outside the home. These new ovens preserve traditional ways of cooking without the health risks previously affecting farmers.





EARTH UNIVERSITY



EARTH UNIVERSITY SCHOLARSHIP

In 2018, Stumptown released a special-edition coffee and cold brew from Guatemala Bella Vista. We donated \$1 per bag of coffee and can of cold brew to fund a scholarship at EARTH University for a Guatemalan student. Costa Rica's EARTH University develops students — mainly from Latin America, the Caribbean and Africa — into leaders of positive socio-economic and environmental change in their home countries. Our donation contributed to a four-year scholarship for Guatemalan student María Alejandra Bolaños, who is now in her third year at EARTH.





HUYE MOUNTAIN COFFEE SEEDLINGS

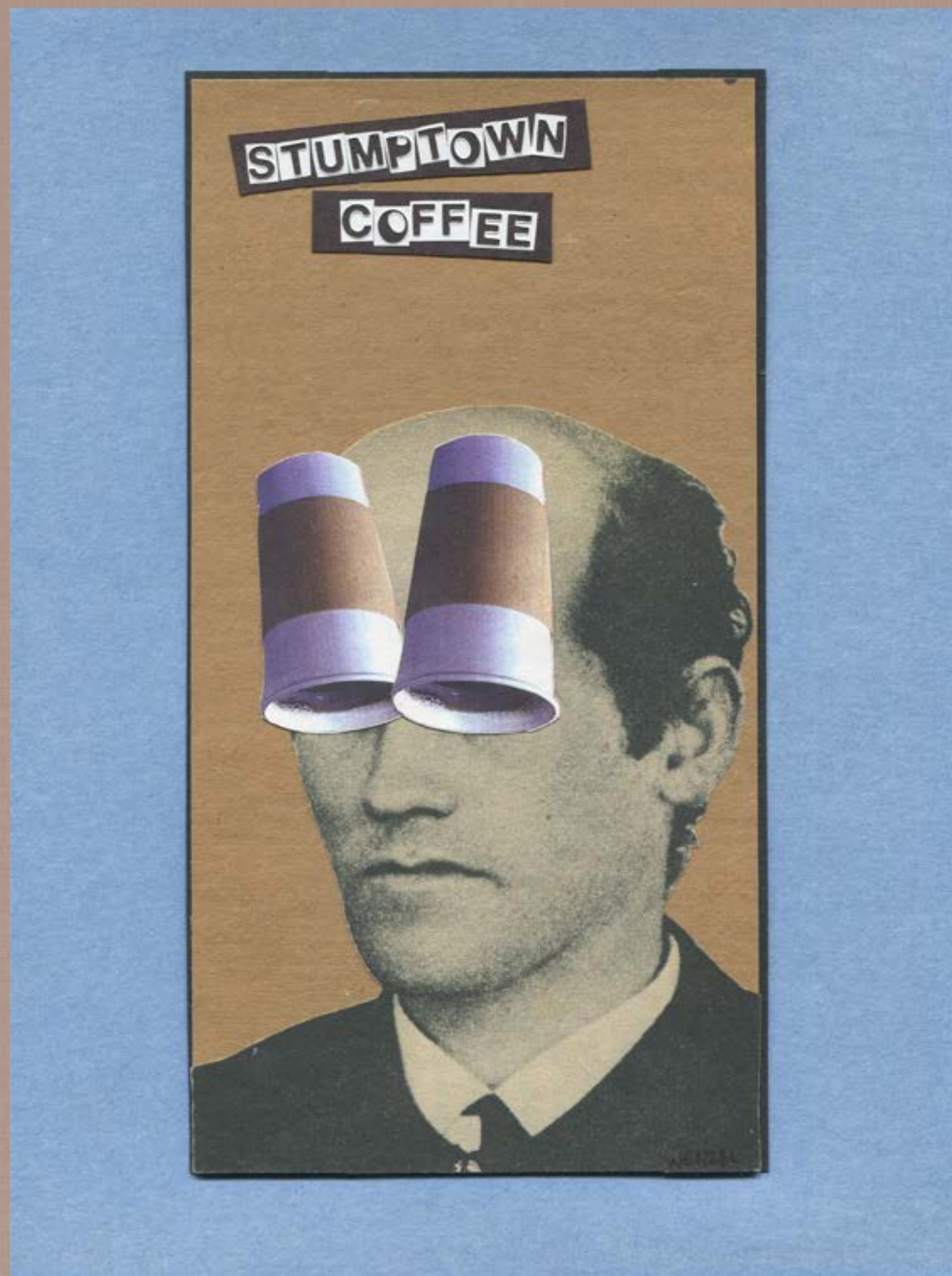


HUYE MOUNTAIN COFFEE SEEDLINGS

Origin-led and co-funded, the Huye Mountain seedling project exemplifies Stumptown's approach to partnering with origin. Since 2012, we've purchased coffee from the Huye Mountain washing station in Rwanda to feature on our single-origin menu. In 2020, our producer partner, David Rubanzangabo, of Huye Mountain came to us with a proposal to help increase the productivity of smallholders in the Huye district. The funds Stumptown contributed to this project were combined with a grant from the National Agricultural Export Development Board of Rwanda to support the purchase, nurturing and distribution of coffee plant seedlings for Huye producers. This first phase included the construction of plant nurseries and the distribution of 400,000 seedlings to 2,500 Huye area farmers. According to David, "This is a good project for the coffee industry [in Rwanda], and especially for the farmers, who are very happy for the project."



PEOPLE + COMMUNITY





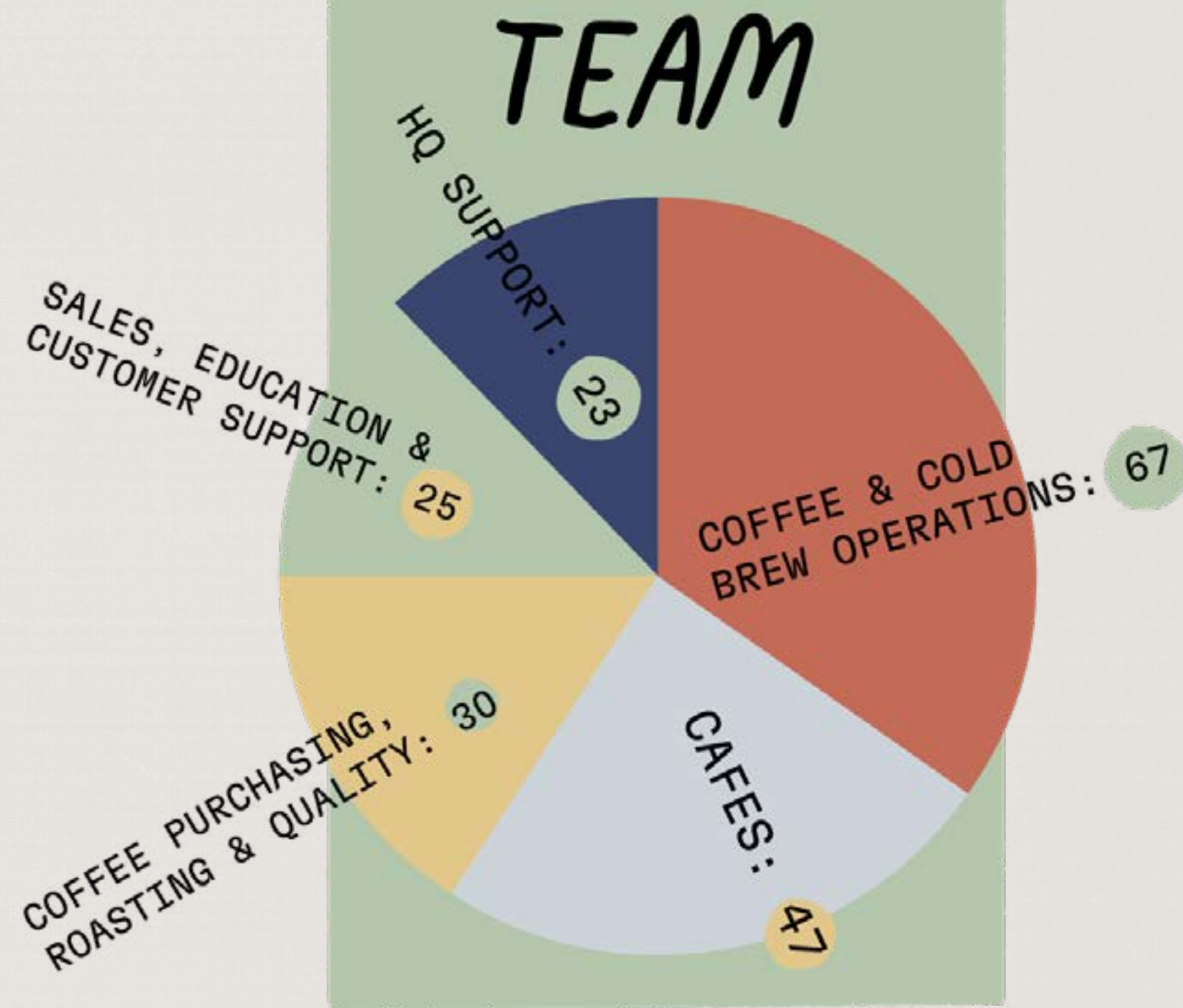
WHO WE ARE

We are the humans of Stumptown. From baristas to accountants, roasters to sales reps, we don't believe in doing things halfway. In everything we do, we go all in, headfirst. We are progressive, open and evolving, but consistently uncompromising in our commitment to quality. We work hard, collaborate constantly and have fun every day. We take pride in our passion for excellence, our spirit of generosity and in the long-term relationships we nurture as we guide our coffee from the hands of our hardworking partners at origin into the cups of our customers. From our beginnings as a small coffee shop and roastery, we've grown to three states, two roasteries, eight cafes and 192 employees.

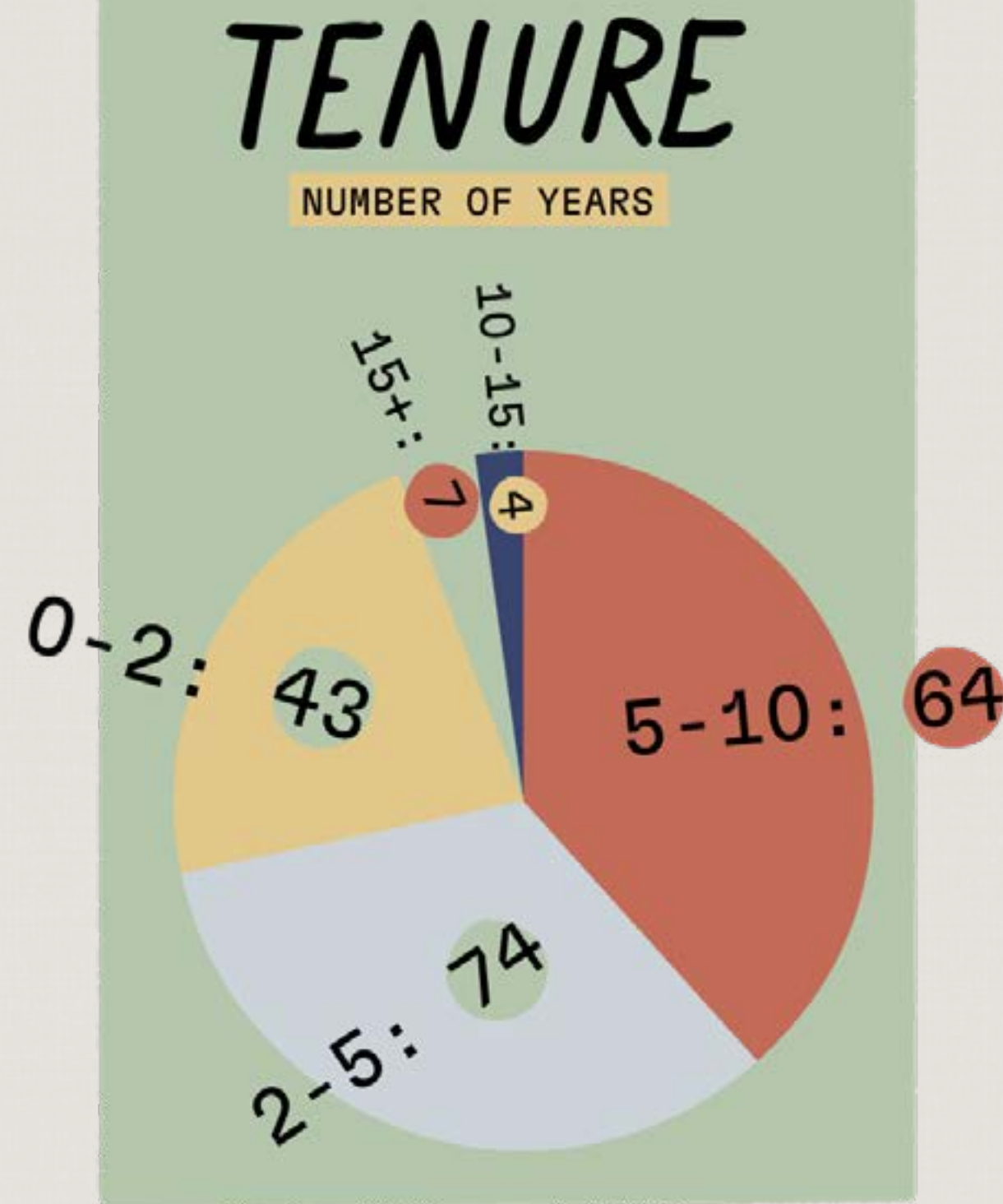


Here's how our teams are made up today:

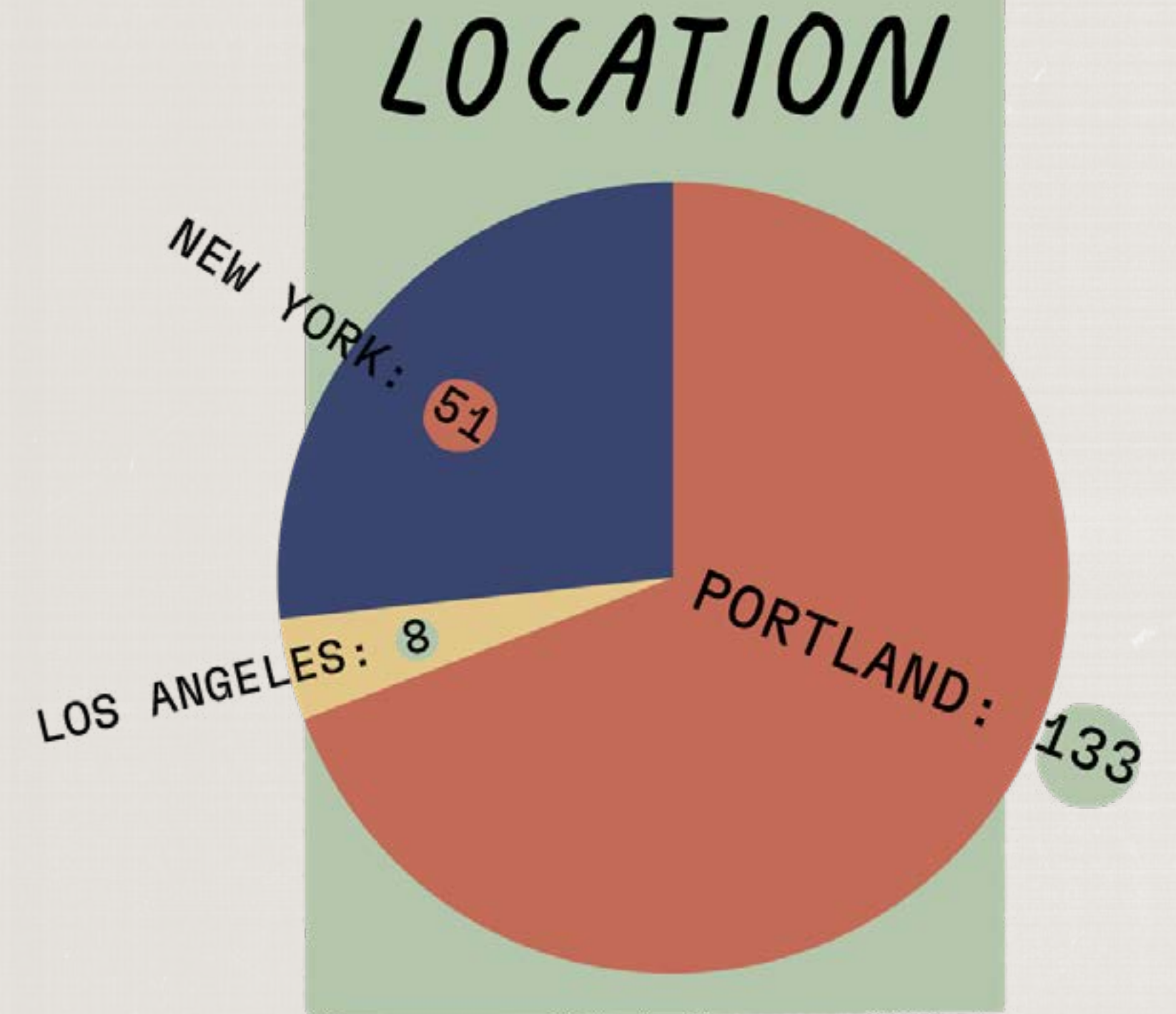
NUMBER OF EMPLOYEES BY:



NUMBER OF EMPLOYEES BY:



NUMBER OF EMPLOYEES BY:





Even with 2020 in our rearview, it's impossible to talk about where we are today without acknowledging the agonizing decisions we faced as a result of the pandemic's impact on our business in 2020. The communities we serve and the employees who bring Stumptown to life for our customers are, in a large part, why we are in the coffee business to begin with. Due to revenue declines and complications related to COVID-19, we closed four cafes, in Seattle, New Orleans, Chicago and Los Angeles, and our Los Angeles roastery, in 2020. We remain grateful to our teams and customers in all these places.



WHAT WE CARE ABOUT

OUR PEOPLE

The humans of Stumptown are passionate and dynamic. We take pride in the collective minds and talents of our people. We want our employees to be their most creative, successful selves, so we provide resources, opportunities, programs and time for our employees to engage in personal growth.

There is an open application process and employees are selected by committee. Anyone at Stumptown for a year or more, regardless of department or position, is eligible to apply for a Source trip.

Since the program's inception in 2018, 46 employees have been selected to participate and have travelled to visit our partners in Honduras, Costa Rica and Colombia.

STUMPTOWN EMPLOYEE SOURCE TRIPS

Our partners at Source are at the core of what we do at Stumptown. Every year, we offer the opportunity for selected employees to travel with the Green Coffee team to a coffee-growing region to meet our producer partners who plant, grow, harvest and process spectacular coffees.



“

In all my years of working in coffee, I had grown a deep appreciation for coffee production through the stories and media that our teams have brought back throughout the years, but I had never actually had the chance to go myself. Once the applications opened for visiting Finca El Puente, I knew I had to go. At the farm, Moises and Marysabel were absolutely incredible hosts as they walked us through every step from seed to cup. Now, as a cafe manager, I speak to our customers on a daily basis about our entire menu of beans and what makes each of them special.

”

-David C., Cafe Manager, NYC



PASSION PROJECT FUND

➔ The Stumptown Passion Project funds the creative passions of Stumptown Humans by awarding grants (up to \$1,000) to help make creative dreams come true.

➔ What's a passion project? We leave that up to our employees to define. It could be an art installation, studio session, garden planting, new home-brew kit, a coffee seminar registration, poetry printing – to each their own passion.

➔ Since the program's inception in 2018, we have granted 64 employees funds to support their passion projects, and have awarded over \$50,000.



“ The kitty bowl project was created to do two things: One, raise funds and awareness for Jersey Cats, the rescue group I adopted my kitties from, and two, give me a project that would help me learn new skills in pottery. I'm happy to say both objectives were achieved. I made 35 bowls that were sold to raise funds. Because of the Stumptown Passion grant helping underwrite the cost, we were able to raise \$250 to help stray kitties land on their feet. ”

**Sue F., Sr. Sales & Market
Development Rep, NYC**



“ Over the last six years, my father and I have been building a small, simple cabin on a tiny plot of land in Eastern Oregon. With the Passion Project funds, we purchased mostly used lumber and were able to make this project go about four times further than what it would if we were buying the materials new. My Dad was pretty blown away that Stumptown was giving out money for something like this and was very thankful. For me, being able to spend time with my Dad and work on the cabin together is the best part of this project. Thank you! ”

Tim W., Creative Producer, Portland

“ Although I left Stumptown last February, my plan was to get the skate ramp ready to ride at a community space and use the Passion Project Fund grant award to apply new Skatelite material. I am happy to share that the ramp has finally found a home with a community nonprofit in Los Angeles called Bridge to Skate! It will be housed in their Compton facility and will be used as an indoor ramp for kids to skate during their afterschool program. ”

Jesse F., Stumptown Alum, Los Angeles



Benefits

From our early days, Stumptown has placed importance on providing our employees access to affordable and high-quality health care and benefits. As the needs of our teams have evolved, we've evolved our benefits too, focusing our offerings to provide protection and support for all of life's ups and downs, while also enhancing our employees' experience here with us.

- Eligibility begins within a month of hire for all employees working 20+ hours per week.
- Typically, at any given time, more than **95%** of our employees are eligible for benefits.
- Coverage provides inclusive benefits such as domestic partner coverage and gender-affirmation services
- Stumptown pays **80%** of medical benefit premiums for employees and their families.
- All employees can enroll in a **401(k)** with an immediately vested company-matching contribution; over 60% of our employees take advantage of this benefit by contributing towards their retirement.
- Pay protections for many of life's events: All employees are eligible for paid sick and vacation time, jury duty and emergency closure pay, bereavement leave, paid new parent leave and short-term disability insurance, all paid in full by Stumptown.



OUR COMMUNITY

Supporting the communities in which we live and work has been important to Stumptowners since our early beginnings. It's a source of pride for our teams to see Stumptown support many organizations over the years, and advance critically important work in our own backyard.

Charitable Contributions

Our product and cash donations support four core areas:

- HUNGER & SHELTER
- ENVIRONMENTAL SUSTAINABILITY
- EQUITY & SOCIAL JUSTICE FOR MARGINALIZED OR UNDERSERVED COMMUNITIES
- THE ARTS



IN 2020, WE DONATED:

- **\$91,000** in cash to organizations such as NAACP Legal Defense Fund, Black Lives Matter and the Restaurant Workers' Community Foundation.
- Coffee and cold brew, **totalling \$192,000**, to organizations like City Harvest in New York and Sisters of the Road, Street Roots and the Oregon Food Bank in Portland.
- In 2020, this also included donations to health-care workers on the front lines of COVID. **We donated coffee and cold brew to hospital staff** in Portland (OHSU), Los Angeles (Cedars-Sinai, Kaiser), Seattle (University of Washington Medical Center) and New York (Mount Sinai, New York -Presbyterian).
- In 2020, Stumptown was honored to be named as the Al Riley Award recipient from our longtime community partner, the Blanchet House. **Blanchet House**, based in our hometown of Portland, exists "to offer food, shelter and aid to all those in need of a safe place to be nourished and restored and assist the transformation of each life we touch with compassion and dignity." **Throughout the pandemic, they continued to serve thousands of community members in need.** In 2020, the pandemic prevented our teams from serving meals together at Blanchet House as we have in previous years, but we'll look

forward to returning when the time is right. We're so grateful for the organization's continued service to the community and honored that a hot cup of Stumptown coffee is a regular part of their outreach.



A Portland institution, Street Roots, exists to “create income opportunities for people experiencing homelessness and poverty by producing a newspaper and other media that are catalysts for individual and social change.”

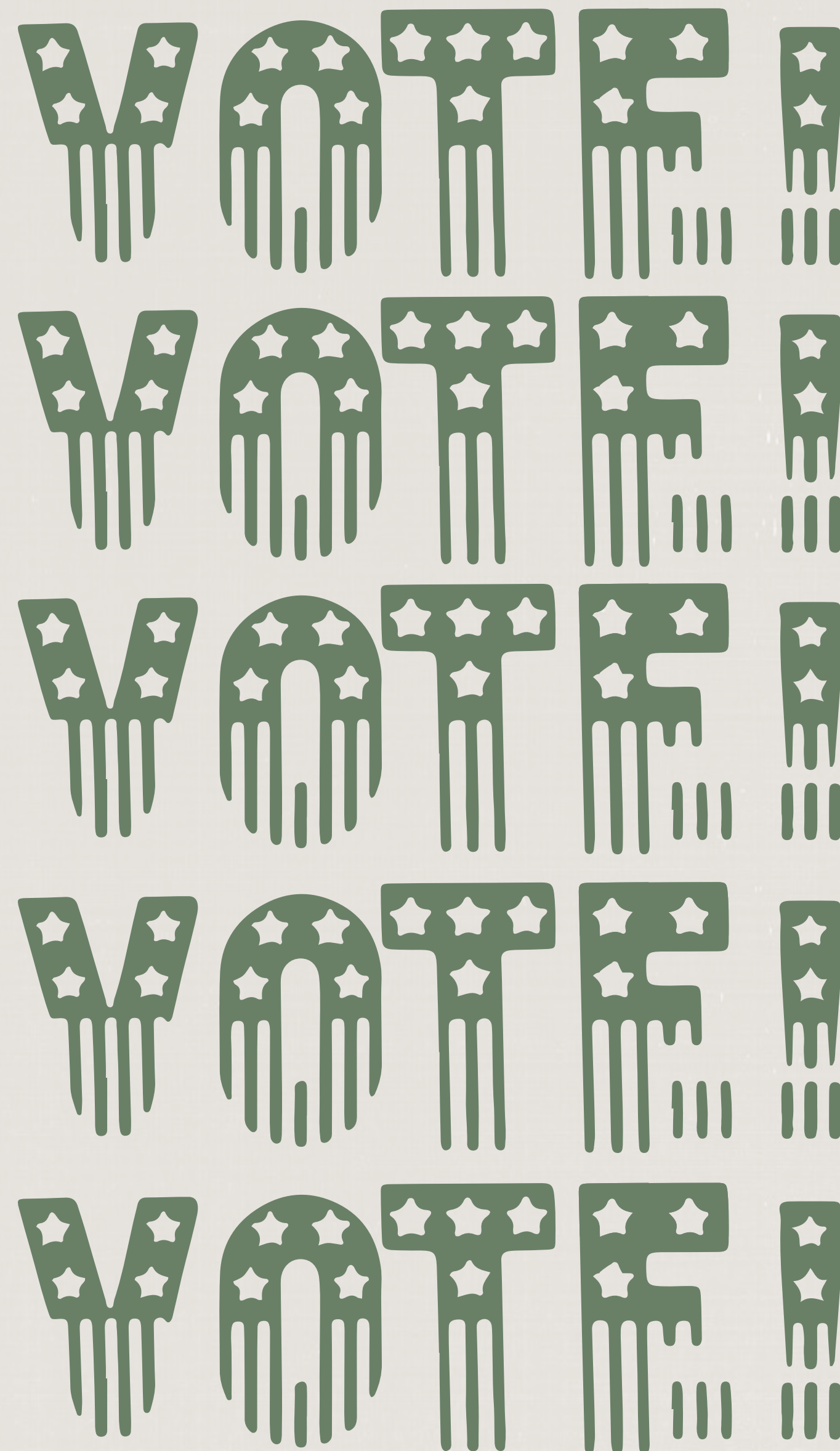


“Coffee is a morning ritual for many, and at Street Roots it’s no different. Every single day, 365 days a year, we’ve got hot, fresh coffee ready to go for our vendors at 7:30 a.m. thanks to Stumptown’s generous weekly donation. Conversations over the coffee pot build routines and friendships. And this partnership also helps keep our vendors warm and fueled while they’re out pounding the pavement and selling the newspaper day after day.”



-Andrew Hogan, Street Roots' Development Director

GETTING INVOLVED



Stumptown employees are passionate about driving change in our community, and the events of 2020 showcased our passion for advocating for justice in our communities.

- Stumptown's HumanKind program provides eight hours of paid time off to each employee annually in order to encourage volunteerism.
 - In 2020, we expanded the use of those hours to include advocating for social justice and change, such as participating in protests and supporting protesters at fuel or aid stations.
- To encourage an active role in protecting our democracy, Stumptown introduced four hours of paid time off to participate in the November election. Employees could use the time to research candidates and measures, support the electoral process (phone campaigns, registering others to vote) or casting their ballot. In the month leading up to the election, over 90 employees used a combined total of 350 working hours to vote for change in our country.

In August 2020, a Stumptowner on our NY team, Nicole shared that she was participating in a protest movement, Ride to D.C. to protest against racial injustice in our communities and specifically racial disparity within cycling. The event began in NYC and culminated six days later by joining the March on Washington protest, on the 57th anniversary of Martin Luther King Jr.'s "I Have a Dream" speech. Stumptown jumped at the opportunity to support Nicole and her fellow riders, providing cold brew and gear for the ride and contributing to a fund intended to provide equitable access to the event, regardless of the ability to pay.



“ We started our journey at Seneca Village in Central Park and made our way to NJ. We rode through some of the most beautiful towns I’ve ever seen on the East Coast, but also had scary moments in a few areas where we weren’t welcome. We were able to have a bike protest in Baltimore and in D.C. when we arrived a day before the commencement march. It was by far one of the most powerful and emotional journeys I’ve ever experienced. Such a diverse group of people and so many badass women! We’ve got way more work to do but this trip has given us a glimmer of hope of what we can do moving forward.

Nicole A., Account Rep, NYC





WHAT WE'RE WORKING ON

We're 21 years into this coffee-business endeavor, and as it turns out, we don't yet have it all figured out. As our employees, customers and communities evolve and change, we try to do a better job, every day, of meeting folx where they're at. Stumptown remains a work in progress.

Fostering a Diverse, Equitable and Inclusive Culture

- We firmly believe that embracing diversity makes us stronger, enriches our community and allows us to grow together. We strive every day to foster an environment of inclusion, diversity, equity and accessibility for our employees, customers and communities. We also know that the highest hopes don't always come to life without a thoughtful and prioritized plan.
- As of this writing, Stumptown remains a predominantly white and predominantly male organization, and this single-view perspective has contributed to talented individuals over the years not feeling fully valued or seen by Stumptown. We have spent the last 12 months setting a new intention around this lifelong work.
- The demographic makeup of our team and leadership are outlined below. We're still trying to find how best to measure and share this information in a way that is meaningful and inclusive. We'll keep working on this!

Our teams & leadership



| RACE
(PERCENTAGE OF TOTAL) | ALL EMPLOYEES | EXECUTIVE LEADERSHIP
(4% OF EMPLOYEES) | MANAGEMENT
(19% OF EMPLOYEES) | NON-MANAGEMENT
(77% OF EMPLOYEES) |
|--------------------------------------|---------------|---|----------------------------------|--------------------------------------|
| WHITE | 77% | 100% | 81% | 75% |
| HISPANIC/LATINO | 7% | 0% | 8% | 8% |
| BLACK/
AFRICAN AMERICAN | 4% | 0% | 0% | 5% |
| ASIAN | 3% | 0% | 6% | 2% |
| NATIVE HAWIIAN/
PACIFIC ISLANDER | 0% | 0% | 0% | 0% |
| AMERICAN INDIAN/
NATIVE ALASKAN | 0% | 0% | 0% | 0% |
| TWO OR
MORE RACES | 5% | 0% | 0% | 6% |
| DECLINED
TO STATE | 4% | 0% | 6% | 4% |

| GENDER
(PERCENTAGE OF TOTAL) | ALL EMPLOYEES | EXECUTIVE LEADERSHIP
(4% OF EMPLOYEES) | MANAGEMENT
(19% OF EMPLOYEES) | NON-MANAGEMENT
(77% OF EMPLOYEES) |
|--|---------------|---|----------------------------------|--------------------------------------|
| MALE | 59% | 38% | 67% | 59% |
| FEMALE | 40% | 63% | 32% | 40% |
| NON-BINARY | 1% | 0% | 1% | 1% |

IN 2020, WE:



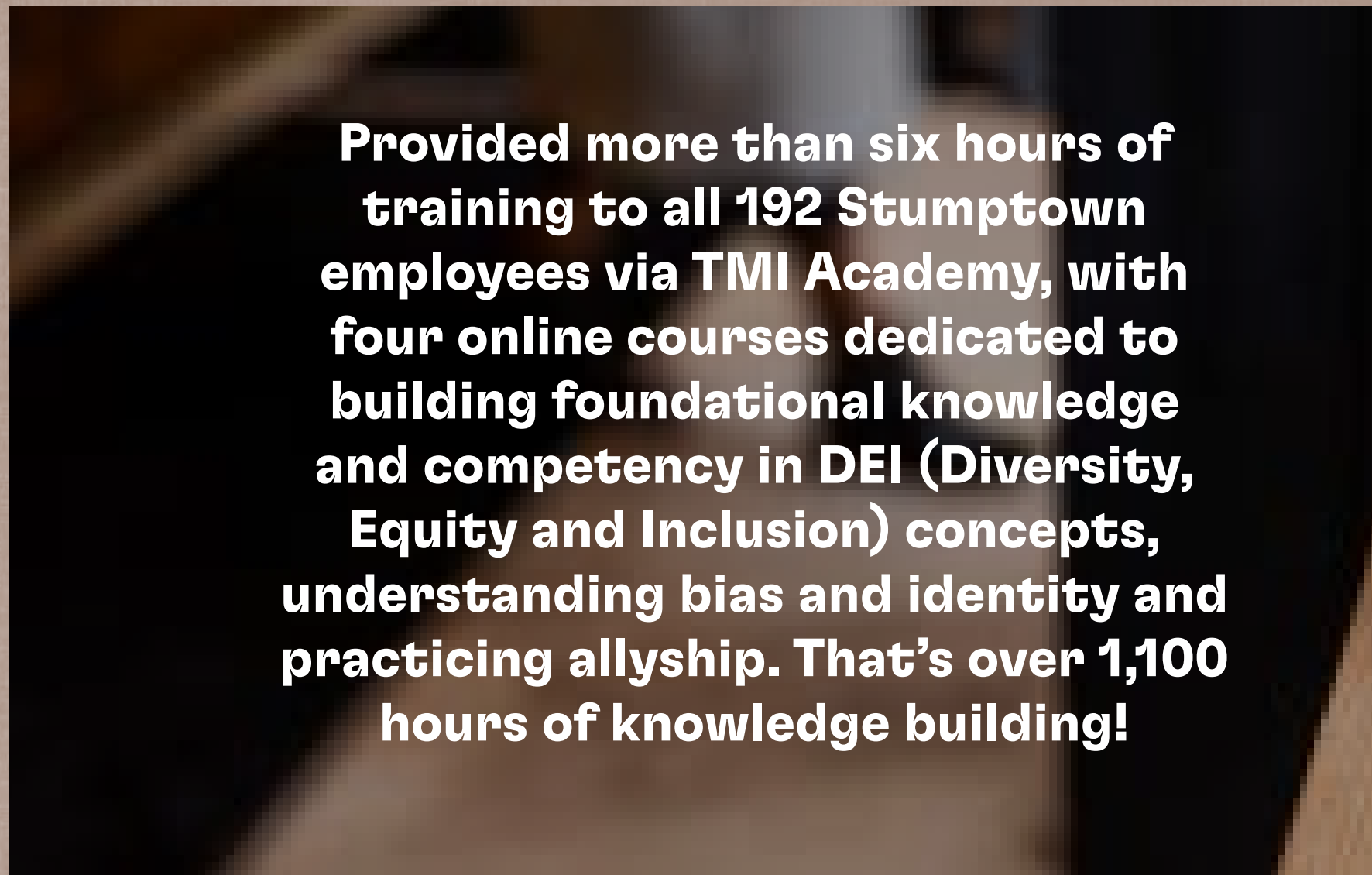
Launched our first annual employee Culture and Inclusivity Survey in February 2020, with the desire to more intentionally approach this work



Introduced multiple vehicles for employees to provide feedback and concerns in ways they felt most comfortable — quarterly roundtables with HR and other leaders, an anonymous open-ended feedback form, a third-party anonymous ethics hotline and reintroduced our existing Open Door policy



Engaged with TMI Consulting, a fellow B Corp, to guide Stumptown's initial efforts in developing our vision for this work



Provided more than six hours of training to all 192 Stumptown employees via TMI Academy, with four online courses dedicated to building foundational knowledge and competency in DEI (Diversity, Equity and Inclusion) concepts, understanding bias and identity and practicing allyship. That's over 1,100 hours of knowledge building!



Began a comprehensive review of our people policies and practices, with much work to continue in 2021

AS WE MOVE FORWARD, WE'RE COMMITTED TO:



Increasing diversity at all levels of the organization through hiring and promotions



Focusing our community and charitable efforts more intentionally to advance social justice



Providing clearer paths to growth through training and development opportunities and clearly articulated career paths



Increasing our managers' skills and competency in inclusive leadership

We intend to use this report to share our progress, and challenges, and to increase accountability as we carry this work forward.

Our COVID-19 Response

→ Over the last year, like so many other companies and individuals, we were faced with impossible circumstances due to the pandemic. With every decision, we tried to prioritize and balance the health, safety and wellbeing of our employees with the continuity of operations so we could continue to provide jobs and healthcare to as many employees as possible. It wasn't perfect but our intent was, and still remains, to support our people and continue to serve our loyal customers and communities.

→ Navigating the pandemic required creativity and the willingness to do things differently. Masks, temp checks, social distancing and cohort scheduling became the new norms for our teams in our roasteries and cafes. For our support teams, Zoom meetings and kitchen table “desks” are mainstays of the new workplace. We miss being around each other and getting to connect over a cup of coffee instead of a mask. We hope that by the next time we write this report, we can share highlights from some good old-fashioned Stumptown barbecues — once it's safe again to do so.



Sustainability Report: Cafes, Cold Brew, HQ, and Roasteries



Cafe Sustainability

In the summer of 2019, Stumptown set out to evaluate how to reduce waste, water, energy consumption and the carbon footprint of our cafes. We partnered with the [Oregon Applied Sustainability Experience](#) internship program, and hosted an intern who assessed current cafe practices, and made recommendations for improvement.

CLIMATE CHANGE & CARBON FOOTPRINT OF COFFEE SUPPLY CHAIN



Here's what we learned:

The biggest source of carbon emissions in the coffee supply chain occurs in “consumption” — that is, brewing and serving the coffee in retail locations.

(KILLIAN, 2012)

Around the world, our coffee producer partners have been grappling with climatic shifts. In addition to partnering with them on climate adaptation at farm level, the most important thing we can do is address our own carbon emissions — and a good place to prioritize is our cafes.

To tackle our cafes' environmental impact, we looked to the Cafe Sustainability Report.

Its 3 main themes to guide our decisions:

1. There's no such thing as a sustainable disposable product
2. Reducing is better than recycling or re-managing waste
3. Plant-based food and drink options are always less harmful than animal products

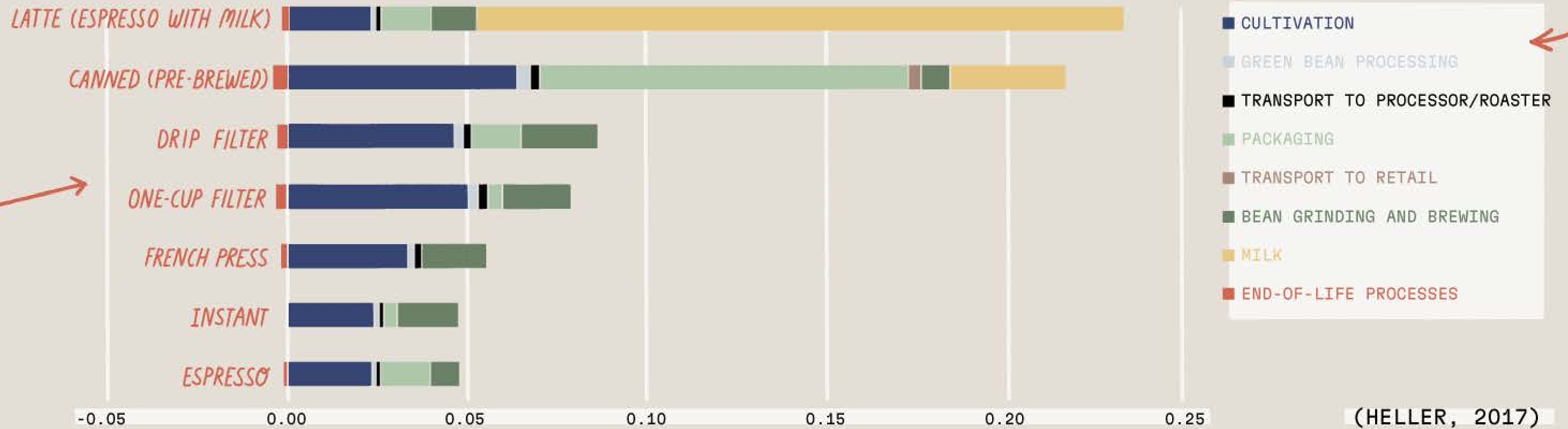
To start reducing the use of disposable products, we gathered data on the use of reusable mugs in our four Portland cafes in 2018-2019. Use varied seasonally and by cafe, with neighborhood cafes seeing the highest reusable mug use — reaching up to 21% of drinks served. So, we thought about how to incentivize more customers to remember their reusable mugs, and how to thank those who brought them.





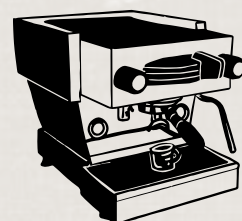
We also looked at the carbon footprint of milk-based drinks. This chart shows that adding milk (the yellow bar) to an espresso drink more than quadruples the carbon footprint. Plant-based milk options have a lower carbon footprint and lower water- and land-use footprints overall.

CARBON FOOTPRINT COMPARISON OF COFFEE BREWING SCENARIOS



(HELLER, 2017)

Finally, we learned that “compostable” disposable products aren’t really compostable, and commercial composters were pleading with the public not to use them. [Here’s the Composters of Oregon statement explaining why.](#)



All of this information led us to implement the following recommendations in 2019:

- **We don’t upcharge for plant-based m*lk.** In 2020, **72%** of all milk-based beverages sold in our cafes were ordered with a plant-based option!
- Our food menu offers at least one **vegan option in all cafes**, and we prioritize food vendors with plenty of plant-based offerings.
- We also offered a **25 cent discount for using reusable mugs** or choosing to dine in. Unfortunately, this had to be suspended in 2020 due to COVID protocols requiring a to-go only menu (paper cups and plastic lids), but we plan to resume these incentives as soon as it’s safe to do so.
- We also found **the coolest hay straws** (yes, actual hay straws) — but since COVID protocols require a paper cover, we’ve had to set the hay straws aside temporarily.



Brewery Ops, Products, & Packaging



BREWERY OPERATIONS

Water conservation

Our Cold Brew brewery in Portland, Oregon, saved over 40,000 gallons a year in both 2019 and 2020 by improving our brewing processes. We identified a new method for pre-rinsing filters and scheduling tank cleanings, which reduces our water use to the tune of about 3,400 gallons per month. We also figured out a way to reuse tank detergents, minimizing the environmental impact of those cleaning agents, too.

LED lighting project

In late 2020, our Cold Brew team worked on converting all of the lighting at our brewing facility from fluorescent fixtures to LED. With the help of Energy Trust of Oregon and one of their trade allies, Capitol Electric, we assessed the space and worked to transition our lighting to a more energy efficient program. The conversion swapped out all of our fixtures for a less consumptive assembly, and the facility is now equipped with occupancy sensors, so lights power down when not in use. Our estimated energy savings is about 4,000 kWh annually.

Composting spent coffee grounds

All coffee grounds used to brew Stumptown Cold Brew are composted, both at our own roastery and at our third-party bottling site.



We are currently exploring a new filtration method that would allow us to stop using single-use paper filters, and potentially increase yield.

COLD BREW PRODUCTS & PACKAGING

Our cold brew lineup comes in curbside recyclable packaging -- glass, aluminum, and TetraPak. Our cold brew is so sweet you can drink it solo -- our original stubby, cans, and concentrate are just coffee and water. For those who like a little something added, we have good old fashioned dairy, and our plant-based Oatly line is delicious.

RECYCLABLE GLASS BOTTLE
COFFEE & WATER



ORIGINAL STUBBY

RECYCLABLE ALUMINUM CAN,
COFFEE & WATER



NITRO CANS

RECYCLABLE GLASS BOTTLE

COFFEE & WATER



COLD BREW CONCENTRATE

RECYCLABLE TETRA PAK + OATLY COLD BREW



OATLY COLD BREW



New York Roastery

2020 was a big year for us in New York. During the pandemic, we were in the process of moving our roastery from our longtime East Coast roasting spot in Red Hook, Brooklyn, to our new roastery on Wyckoff Avenue in Ridgewood, Queens. This move allowed us to consolidate our operations from a conglomeration of four small spaces to one big space.

Now that the team is all together under one roof, it opens up opportunities to do things a little differently:

- We hired fellow B Corp [RTS \(Recycle Track Systems\)](#) as our waste-management provider, offering expanded recycling and composting services
- Now chaff from coffee roasting is curbside composted
- All LED lighting throughout facility, on timers
- Hands-free water faucets, saving water
- Burlap bags are picked up by the community for upcycling
- Wood pallets are picked up for reuse; we now utilize reusable pallets for freight pickups

In addition, 82% of our employees now live closer to the new location, so it's easier to walk, bike or take public transportation to work.

ROASTING & HQ SUSTAINABILITY



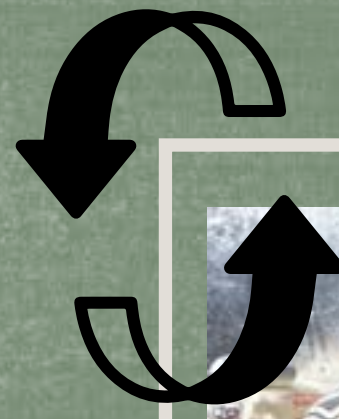
Portland

HQ & Roastery

At our roastery and headquarters in Portland, everyone's all in to reduce waste and our carbon footprint. Different departments have started to implement efforts at HQ, step by step, contributing to our larger goals. We set our printers to default print double-sided, and use low-power settings. Our accounting department went paperless, and HR created paperless open enrollment and new employee onboarding. We use ecologically friendly hand and dish soaps (unscented, of course), and made the switch to unbleached paper towels. We formerly had 60 individual garbage cans at desks in our office space. Our cleaning team suggested consolidating this to four larger, shared cans. So now, the team only replaces four liners nightly, saving over 14,000 plastic liner bags per year. The liners we use contain 30% recycled plastic. We'll continue to look for ways to reduce waste across the board.



ROASTING & HQ SUSTAINABILITY



Waste Reduction / Portland Roastery / Weekly Pickup of Burlap Bags

Our Portland roastery continues its long tradition -- in place since 2010 -- of upcycling burlap coffee bags. Our partnership with City of Portland Community Gardens ensures weekly pickup and distribution to 53 community gardens in Portland.

Waste reduction / HQ production / recycling

All cardboard recycled

Waste reduction / HQ roastery / pallet reuse and upcycling

All pallets are reused in shipping



Waste reduction / HQ cupping labs / coffee grounds composting

Our Portland quality and cupping labs compost all our spent coffee grounds. City of Portland curbside compost pickup facilitates this.

Waste reduction / HQ employee break room / recycling and composting

Waste Reduction / Portland Roastery / Recycling of plastic GrainPro coffee bags:

All green coffee arrives in burlap with a plastic Grainpro liner. Before 2019, the used liner bags were not recyclable, but as soon as Grainpro started providing recycling services, we jumped right on it. Now, we recycle over 30,000 plastic Grainpro liners a year.

Carbon footprint reduction / HQ / solar energy

Through the end of 2020, Stumptown was sourcing solar energy for HQ, Cold Brew, and our downtown and Division cafes.

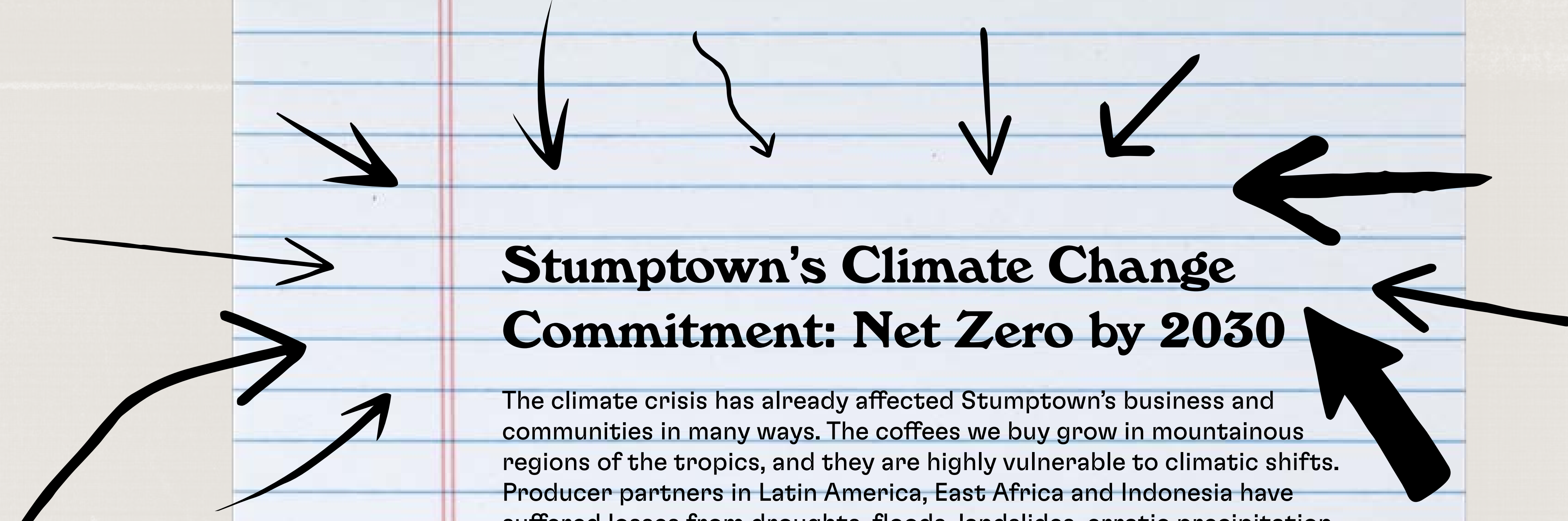


Carbon footprint reduction / HQ roastery / RTO

Energy efficient Regenerative Thermal Oxidizer (RTO) meets or exceeds Dept of Environmental Quality emissions standards and recycles heat generated by the roasting process.

WHAT WE'RE WORKING ON

Single use plastic waste -- such as pallet wrapping, strapping and the bags that line boxes of packaging supplies -- is difficult to recycle. We're working with our manufacturers to omit the use of bag liners whenever possible, and researching cost-effective ways to recycle packaging waste that cannot otherwise be reduced.



Stumptown's Climate Change Commitment: Net Zero by 2030

The climate crisis has already affected Stumptown's business and communities in many ways. The coffees we buy grow in mountainous regions of the tropics, and they are highly vulnerable to climatic shifts. Producer partners in Latin America, East Africa and Indonesia have suffered losses from droughts, floods, landslides, erratic precipitation patterns, even hail. Here in the US, hurricanes, floods, wildfires and other extreme weather events have disrupted Stumptown's operations and distribution, and affected the overall well-being of our communities. Climate change makes all of these events more likely and more destructive.

While we all bear the personal, health and financial impacts of these adverse events, in our industry, coffee producers are most heavily hit. So, in addition to partnering on climate adaptations at origin, we decided to get serious about tackling our own carbon footprint.

In 2020, Stumptown joined the [B Corp Climate Collective](#) and publicly committed to achieve [Net Zero Emissions by 2030](#). We're in the

process of our baseline assessment and will be developing a comprehensive carbon-reduction strategy to achieve net-zero emissions by 2030 — 20 years ahead of the Paris Climate Accord. It's a big goal, but we're all in.

But our individual actions only go so far. We joined [Oregon Business for Climate](#) to add our voice to the chorus of businesses asking for policy change to draw down emissions and invest in renewable energy and infrastructure. While extreme weather events in East Africa or Central America may seem far away from most policy makers, our business begins in these places. And the consuming world is the source of most emissions, so we have to take action at home.

If the threat of losing good coffee doesn't motivate people to take action on climate change, we're not sure what will. We will keep you posted on our efforts.

Company & Structure

Stumptown Coffee Roasters was founded in Portland, Oregon in 1999 and is legally registered as a Benefit Corporation in the state of Delaware. Today we are led by our President, Laura Szeliga, and a full leadership team out of our headquarters in Portland's Central Eastside Industrial District.

If you have questions or want to talk to us about this report, about our coffee or cold brew, or about partnering with us in any way, please email info@stumptowncoffee.com and we'll get you connected to the right people!

