



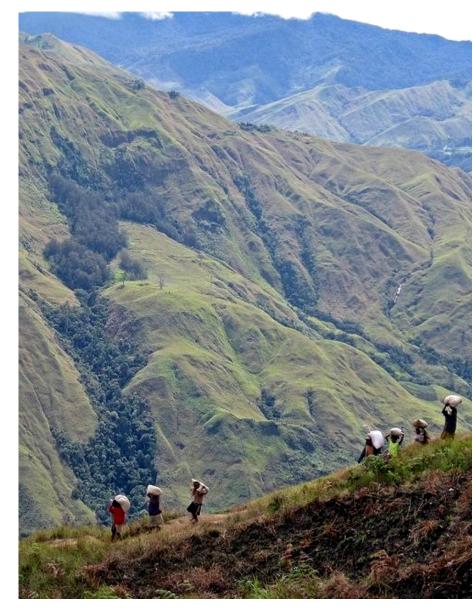


Coffee is the primary source of income for more than 25M people

- 90% of the world's coffee production takes place in developing countries.
- Coffee is grown across more than 50 countries in Asia, Africa, South America, Central America and the Caribbean.
- 25 million smallholder farms are responsible for 70 to 80% of the global supply.
- Approximately 11 million tons of coffee is harvested annually, 60 to 70% of which is dependent upon manual labor for either handpicking, processing or both.



A producer-member of the Organic Coffee Growers of Oaxaca (CORO) cooperative in Oaxaca, Mexico.



Most smallholder producers in Papua New Guinea live in highly remote areas. It's common for them to carry their harvests long distances to sell to mills, exporters or aggregators.



The coffee supply chain connects farms to consumers

There are many people and entities involved at all levels of the coffee supply "chain" that, in practice, overlap and interact in non-linear ways. Each adds value to the coffee as it changes hands.





FARM: Large, mechanically managed plantations, lightly cultivated "coffee gardens" at the edges of forests.

MILL: Wet mill, Dry mill. Individual producers can mill their coffee by hand, share infrastructure or pool their coffees in a cooperative, or deliver cherry directly to exporters.

EXPORTER: Collect, warehouse and finance coffee at origin. They prepay farmers, aggregate shippable quantities and connect producers to markets.







TRANSPORT: International shipping lines customs brokers, insurance companies, warehouse partners and ground shipping.

IMPORT: Importers purchase coffee, broker purchase and sales contracts and facilitate the logistical delivery from origin to roaster.

POS/ROASTER: The category of roaster can vary from a small batch specialty cafe-roastery to a large-scale instant coffee processing facility.



Importers source coffee from a range of suppliers

- Locating available coffee from a variety of origins, exporters, cooperatives, farms, producers, etc.
- Match-making between existing buyer and producer relationships
- Helping producers to find buyers (creating market access)
- Purchasing coffee for inventory or on behalf of a customer
- Supplier due diligence and the Neumann Kaffee Gruppe global network





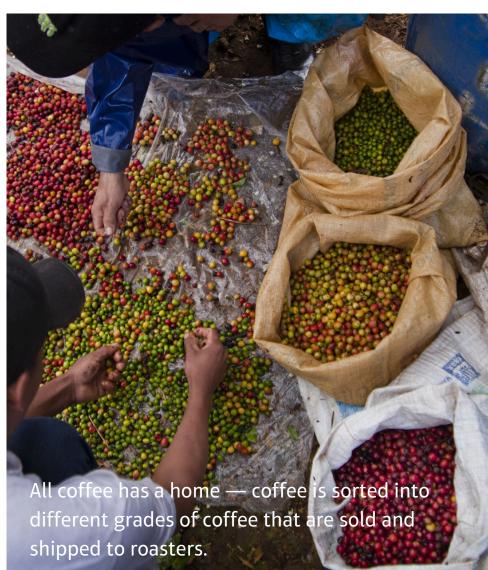


Importers Navigate the C Market

- Importers broker purchase and sales contracts between suppliers and roasters
- Importers price coffee according to the C Market and other factors
- Offering roasters different purchasing and pricing options to meet their needs, for example spot, futures, etc.
- Importers track global factors that affect the fluctuating C Market (such as weather, global politics, supply and demand projections) and hedge their positions
- Importers can provide customers with Market Intelligence







Importers Mitigate Risk and Service Customers with Quality Control

- QC labs conduct standardized physical and sensory evaluations to objectively assess the grade and attributes (i.e., value) of the coffee
- Inform purchases by approving that samples meet the contracted quality (Preshipment Samples)
- Monitor quality, confirming quality upon arrival (Arrival Samples) and over storage period
- Samples to customers (Offer and Approval samples)
- Feedback to producers/exporters







Importers Handle Logistics

INBOUND

- In-country transit
- Arranging steam ship rates
- Insuring coffee during transit
- Customs Declarations, FDA Inspections
- Navigating timely processing at port
- Coordinating with warehouse partners

WAREHOUSING

- Arranging rail or truck shipment to customers
- Storing inventory

OUTBOUND

- Arranging shipping to customer facilities
- Coordinating sampling services







Importers Help to Educate Consumers

- Collecting information from sourcing partners and creating roaster resources to help them educate end-consumers
- Sharing the stories behind the product, communicate its value and highlighting the work of the people who produce it
- Not all coffee is traceable or storied,
 and both have value









Importers facilitate the flow of coffee across the value chain

- Importers assume ownership and risk as coffee is transported to the customer
- Producers are paid quickly so that they can reinvest in their farms and use profits as needed
- Roasters are able to manage cash flow by only paying for what they need immediately
- Opportunity for high-impact in an industry reacting to change

