

Sustainability Report 2023



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For a better bean!



Sergio Prete
Managing Director
Blaser Trading AG

Dear Reader, dear Customer,

It fills us with pride and pleasure that we are able to present you the first sustainability report in the Blaser Group's more than 100-year history.

Since the founding of the family business in 1922, the Blaser family has endeavoured to build a bridge between two different worlds, both pursuing the same goal: growing, harvesting, roasting and finally enjoying high-quality coffee!

A bridge from the people who grow, nurture and care for the coffee plants to the people who passionately roast carefully composed blends with an individual profile, ensuring the greatest coffee enjoyment in the cup.

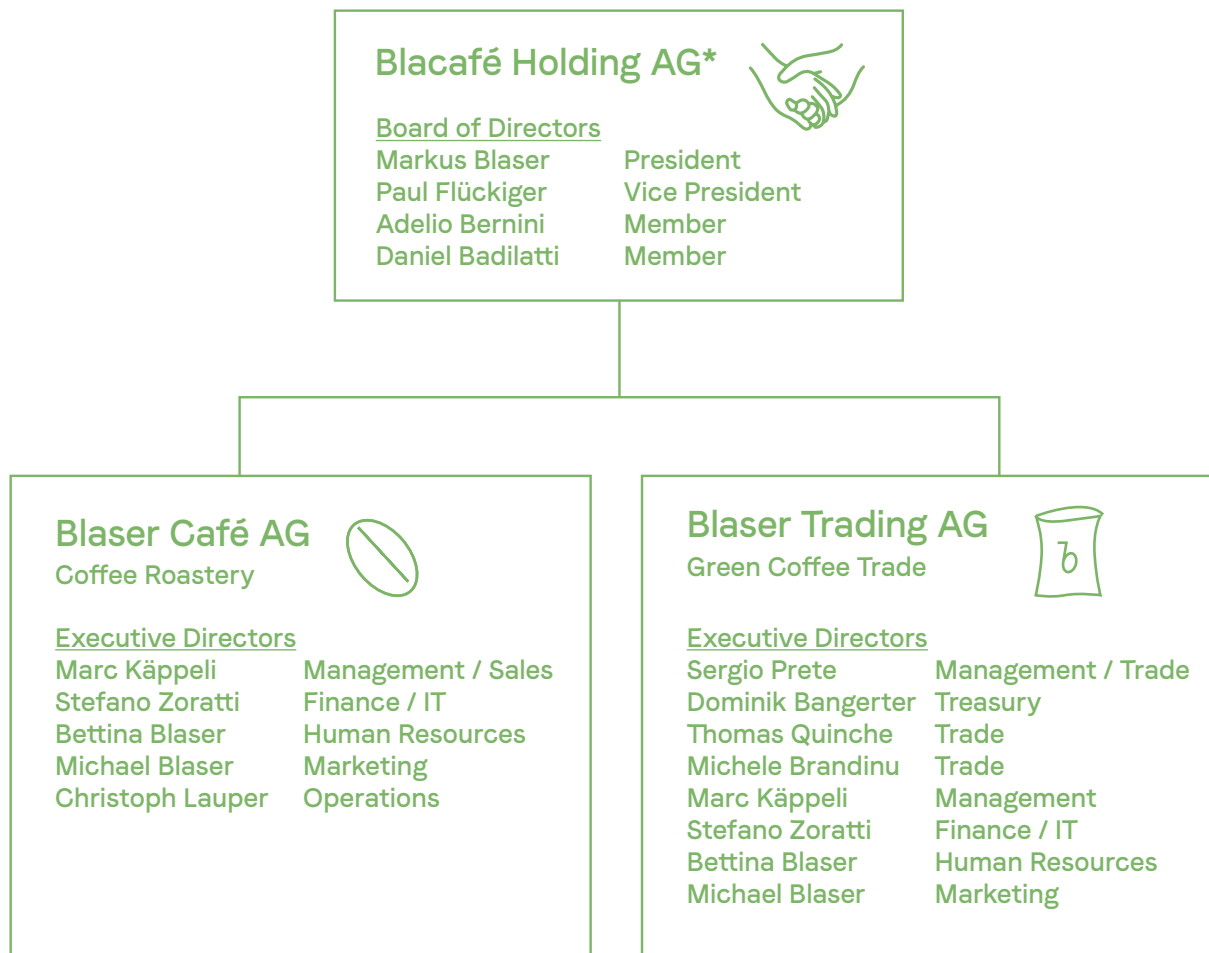
We want to produce in an environmentally friendly and sustainable way and treat all people along the entire value chain with respect. We have been demanding this of ourselves every day for over a hundred years. The steps that have brought us forward on this path so far motivate us to continue with determination.

We wish you an enjoyable read and look forward to your feedback.

Sergio Prete
Managing Director Blaser Trading AG

A handwritten signature in blue ink, consisting of a large, stylized 'S' followed by a series of loops and a final flourish.

1.2 Corporate structure



Company headquarters at Güterstrasse 4 in Bern, Switzerland

Blaser Café AG:
 **FSSC 22000**

*to simplify readability, the following report refers to the Blaser Group

1.2 Business model

Blaser Café AG



Coffee Roastery

Blasercafé is a coffee roasting company that produces in the city of Bern and has remained entirely in family hands since it was founded in 1922. The core business is the production and distribution of high-quality roasted coffee in Switzerland and abroad. Downstream, Blasercafé supports gastronomy customers throughout Switzerland with the quality control of coffee beverages and training with a field service team made up of certified coffee specialists.

Blasercafé only uses first-class green coffees for its coffee blends, which are purchased through its sister company Blaser Trading. The product range includes roasted coffee in beans, ground coffee and E.S.E. pods, also including special packaging (e.g. pillows for airlines) and customised packaging, i.e. so-called “private label” coffees.

The Blasercafé range is primarily aimed at the gastronomy trade (hotels, restaurants, bars, cafés, hospitals and company catering) and special markets (catering for airlines). At the *Rösterei Kaffee und Bar* in Bern, private customers can enjoy the high-quality coffees and purchase coffee blends, espresso machines and barista equipment for their homes in the associated shops. The web shop is also available as a sales channel.

In the training room at the company’s headquarters on Güterstrasse in Bern, course participants learn all about coffee. In addition to internally developed courses, internationally recognised courses from the SCA Coffee Diploma System are also held on a regular basis.

Blaser Trading AG



Green Coffee Trade

Blaser Trading is an international coffee trading company whose origins date back to the founding years of Blasercafé. It specialises in supplying green coffee to roasting plants all over the world and has preserved and constantly expanded this unique knowledge for over 100 years.

Blaser Trading is committed to respectful, fair and long-term business relationships along the entire value chain. The company has access to a big network of coffee producers in all coffee-producing countries.

Customised services in the areas of trading, marketing, financing, warehouse management, logistics and insurance cover all customer needs in the international green coffee trade. Customer-specific solutions in the areas of quality assurance and the search for speciality coffees round off our range of services.


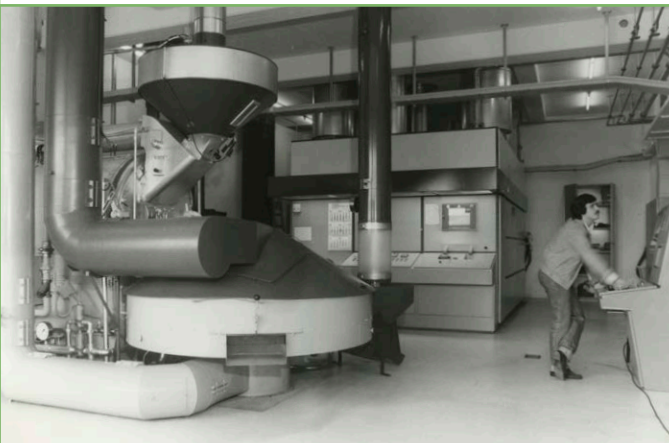
The core business is premium commercial grades, i.e. high-quality commercial green coffee qualities. On request and subject to availability, Blaser Trading also supplies certified green coffees (Rainforest Alliance, organic, Fairtrade) and speciality coffees.

Strategically high stock levels in important harbours in seven different countries ensure constant readiness for delivery and rapid availability of goods.

1.3 Blaser-Group in figures 2023

102 years of experience and coffee expertise	150 million cups of coffee roasted	67,000 cappuccinos served in our Rösterei Kaffee und Bar locations
114 employees	300 cuppings carried out in our own tasting room	7 green coffee warehouses in Germany, Belgium, Spain, Switzerland, Italy and Dubai
10,769 tons of certified green coffee purchased (Rainforest Alliance, Fairtrade, organic)	601 tons of certified beans roasted	2,150 tons of green coffee in Swiss compulsory warehouses
4 employees with certification as Q Arabica Grader	27 different countries of origin of our green coffees	1 permanent employee for sustainability management
3 drum roasting machines with a total capacity of 1,350 kg/h	159 coffee courses held in the in-house Coffee Academy	50 countries supplied worldwide

1.4 Company history

 <p>Blaserkaffé packaging in the 60s</p>	1922	Entrepreneurial pioneer Walter Blaser (1st generation) from Bern and his Zurich-born wife Cécile open a small coffee trading business in Zurich. Walter Blaser buys his raw coffee directly in the coffee growing countries even at this early date.
	1929	The young couple move their business to Effingerstrasse 25 in Bern.
	1939	Tragedy strikes: founder Walter Blaser dies at the age of 49. Together with their 17-year-old son Walter (2nd generation), his wife Cécile successfully carries on the business despite the difficult economic climate and reservations on the part of the public authorities. Walter Blaser displays considerable entrepreneurial skill and builds up the raw coffee and hospitality divisions successfully after the war.
	1953	Walter realises the potential of the raw coffee trade and supplies his first 5 tons to the Swiss armed forces. The foundations of Blaser Trading AG are laid.
	1955	The first fully automatic, electronically controlled roaster in Switzerland is put into operation at Effingerstrasse 25.
 <p>Roasting plant on Güterstrasse in Bern at the beginning of the 1980s</p>	1960	In the 1960s, Blaserkaffé opens a shop at Spitalgasse 4 in Bern, achieving a presence at a top-quality location.
	1962	Walter's son Markus Blaser joins the company and starts a business apprenticeship; brother Rolf follows 10 years later (3rd generation). Markus later supports his father Walter on the management side, and they expand the hospitality and raw coffee divisions together. He also develops markets outside Switzerland with selected partners.
	1975	Purchase of a warehouse at Güterstrasse 4 in Bern. 1981 sees the construction of a new 7-storey building there, built by the prominent Bernese company Helfer Architekten. This provides not only accommodation for staff and production but also direct links to the railway lines and motorway.
	1980	The Italian market is developed – it is still an important market today. A distribution network is also set up in England based in York.
	1992	The existing limited partnership is split up and converted into two stock companies: Blaser Café AG for roasted coffee and Blaser Trading AG for the green coffee business.
	1996	From 1996, the 4th generation joins the family business. Michael and Bettina Blaser (Markus Blaser's son and daughter) start their business training. Marc Käppeli (the son of Therese Käppeli-Blaser, Markus Blaser's sister) also enters the company after completing a business degree.
	1998	Together with leading Italian roasting houses, Blaserkaffé establishes the Caffè Speciali Certificati (CSC) organisation. The founders' shared goal is to promote the culture of superior, high-quality coffee. Blaserkaffé's Rosso e Nero blend carries the CSC label – the only espresso blend outside Italy to do so.

1.4 Company history



Opening of the first "Rösterei Kaffee und Bar" in Bern in 2014



Tram for the 100th anniversary in 2022

1998	Blasercafé plays an important role in the formation in London of the Speciality Coffee Association of Europe (SCAE), the European chapter of the SCA. Blasercafé is still an active member of the SCA Switzerland.
1998	Walter Blaser, father and grandfather, dies suddenly. Managing Director Markus Blaser takes over as Chairman of the Board of Directors, a role he still holds.
2002	Blasercafé opens one of the first coffee academies in Switzerland. The barista and sensory skills courses prove very popular. The SCA Coffee Skills Programme now also offers certified courses and the training premises are certified as an SCA Premier Training Campus.
2006	Marc Käppeli is Head of Sales and Administration and becomes the operational Managing Director of Blaser Café AG. He is president of the SCAE from 2011 to 2013.
2014	The Rösterei Kaffee und Bar opens at Güterstrasse 6. Professional baristas prepare coffee specialities for the guests, who can watch the roasting masters at work. The attached shop not only supplies coffee, coffee makers and coffee grinders, but also barista equipment.
2016	Michael and Bettina Blaser become members of the Management Board. Together with Marc Käppeli, Stefano Zoratti and Christoph Lauper, they make up Blasercafé's current top management team. They are also represented on the Management Board of Blaser Trading, together with Sergio Prete, Dominik Bangerter, Thomas Quinche and Michele Brandinu.
2018	The Rösterei Kaffee und Bar and the Bernese bakery Reinhard launch Bern's new gourmet attraction for coffee of the finest barista quality and delicious cakes, pastries, etc., at the city's railway station.
2020	A new Rösterei Kaffee und Bar location opens at Gurtengasse 6, in the heart of Bern. Roast blends can be purchased from "zero waste" coffee silos in the sales outlet.
2021	The 5th generation joins the family company. Felice Blaser (son of Bettina Blaser) starts his commercial apprenticeship, followed by Larissa Blaser (granddaughter of Rolf Blaser) in 2023. Lorina Käppeli (daughter of Marc Käppeli) works as a barista in the Rösterei Kaffee und Bar during her studies.
2022	The anniversary year is launched with the Blasercafé tram, which runs on Bern's streets. An elegant spatial concept was realised at Güterstrasse 4 to mark the anniversary. A joint excursion was organised to celebrate with all employees.
2023	Redesign of the Blasercafé logo and packaging. Thanks to the latest developments in packaging technology, we can completely dispense with the use of aluminium in our packaging materials for the first time. For Blasercafé, this is an important step towards sustainability with consistent quality.
2024	In June, another Rösterei Kaffee und Bar location in Bern's Länggasse has opened.

1.4 The Blaser family and its values



Lorina Käppeli
5th generation

Marc Käppeli
4th generation

Larissa Blaser
5th generation

Bettina Blaser
4th generation

Felice Blaser
5th generation

Caroline Blaser
4th generation

Markus Blaser
3rd generation

Michael Blaser
4th generation

« We have a long tradition of loving coffee. Since its founding in 1922, Blasercafé has been entirely family run and is now in its 4th generation. We are the only coffee roasting company in Bern that has retained its independence over the years and remained loyal to the city of Bern as a production location. Bern is home to us. The green coffee imported by Blaser Trading from tropical and sub-tropical regions is roasted in Bern.

We aspire to act fairly and treat the resources required for coffee production with care.

We also fulfil our responsibility as an employer. Our company has 20 employees with over 20 years of service. The Blaser family is present in the company and seeks personal dialogue with all employees. »

Markus Blaser
Chairman of the Board of Directors

1.5 Blaser-Group as an employer



Gender	Women 46 Men 68
Apprentices	Women 1 Men 4
Part-time positions	Women 22% Men 6%
Nationalities	Switzerland / Czech Republic / Dom. Republic / France / Italy / Portugal / North Macedonia / Sri Lanka / Turkey / Ukraine
Age structure	16 - 25 16 employees 26 - 30 14 employees 31 - 40 28 employees 41 + 56 employees
Years of service	0 - 5 62 employees 6 - 10 22 employees 11 - 20 10 employees 21 + 20 employees
Occupational fields	Business Economist / Commercial Clerk / Chauffeur / Barista / Sensory Technician / Food Technologist / Restaurateur / Roaster / Machine Operator / Packer / Production Manager / Mechanic / ICT Supporter / Facility Manager / Field Service Employee / Cleaning Specialist / Sustainability Manager / Green Coffee Trader / Course Instructor / Food Technologist / Designer

1.5 Blaser-Group as an employer

Principles

Since its founding, the business practices of the Blaser Group have been based on integrity, honesty, fair business behaviour and compliance with all applicable laws. The members of the Board of Directors and Management Board and all employees support and live this commitment in their daily work.

The Blaser Group creates a favourable, open working culture so that employees are motivated and can identify with their work. Employees should be able to work for the company in the long term and play an active role in the further development of the company.

Code of Conduct

A Code of Conduct specifies and supports these endeavours by establishing certain non-negotiable minimum standards of conduct in key areas. The Code requires all employees to live up to the values and principles set out therein and, at the same time, signals responsible behaviour towards business partners and customers to the outside world.

Equal rights

The Blaser Group is committed to equal opportunities for all employees and takes a clear stance against discrimination, bullying and harassment in the workplace.

Whistleblowing/Ombudsman's office

The Blaser Group has set up an ombudsman's office to which employees can turn without fear of reprisals or other negative consequences.

Reintegration

The Blaser Group wants to give people who find themselves in a difficult personal and professional situation the chance to reintegrate into the primary labour market. We work together with local social organisations to this end.

Training company

Every year, two new apprentices start their apprenticeship as a commercial clerk at the Blaser Group. The apprentices are closely supervised on their three-year journey through the company and are allowed to help out early on. They familiarise themselves with all areas relevant to the company, enabling them to gain an important insight into many different activities and professional fields.



scan this code to see
our Code of Conduct

2.1 Overview - Sustainability measures

Trade in certified green coffee (Rainforest Alliance, Fairtrade, organic, CSC)	Support of the rebuilding of a clinic in Guatemala in co-operation with the Lindenhof Hospital	Installation of a heat recovery system at the roasting machine for sustainable energy generation
Installation of a photovoltaic system covers the daily electricity requirements of the Rösterei Kaffee und Bar on Güterstrasse	Growing range of organic and Fairtrade-certified roasted coffees	Orang Utan Coffee to support an orangutan conservation programme in Indonesia
Cooperation with local social facilities for reintegration in the primary labour market	Annual savings of 11,786 kg CO ₂ e (equivalent) by shifting transport from road to rail	Support for the DOÑA LUCERO project for the economic empowerment of female coffee farmers in Guatemala
New packaging design & material: dispensing with aluminium and saving approx. 3.4 tons of packaging material per year	Project with the Terra Vecchia Foundation - beautiful carrier bags were sewn from our mega banner from the anniversary campaign	Our Terroir coffee line supports smaller coffee producers and cooperatives
Pacovis Naturesse Disposable tableware made exclusively from rapidly renewable raw materials	No aluminium capsules. We rely on the E.S.E. pod system. Pods are compostable after use	The company has always attached great importance to maintaining long-standing relationships in the coffee growing countries

2.2 Guiding Principles and strategy

Blaser Trading AG sources the natural product green coffee from all over the world and processes some of it in the Blaser Café AG roasting plant in Bern. Our business activities along the entire coffee value chain have a major impact on people and nature. We bear a special responsibility and endeavour to fulfil our corporate obligation to exercise due diligence.

In 2023, the Blaser family, together with the Board of Directors and the Management Board, decided to place greater emphasis on sustainability. A position for sustainability management was created for the first time in August 2023. We are pleased to inform you about our sustainability endeavours in our first sustainability report.

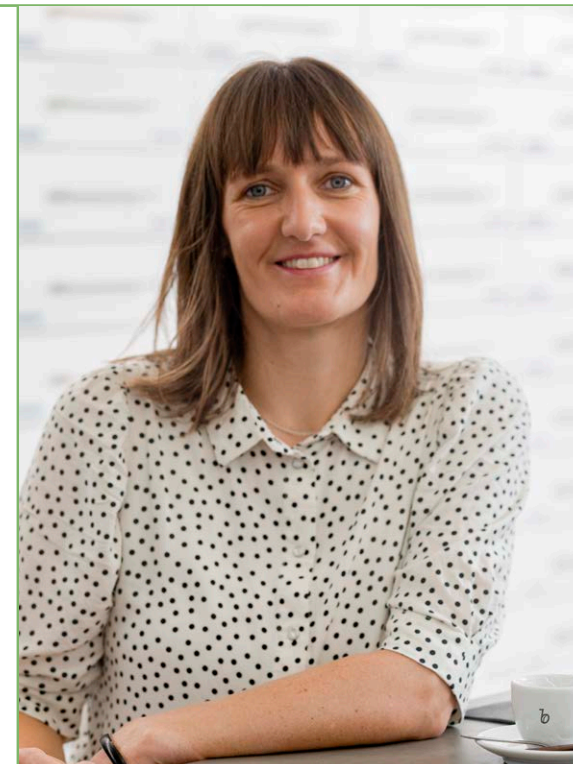
Declaration of principle

The Supplier Code of Conduct is a key document for green coffee purchasing as our suppliers also have a significant influence on our sustainability performance. We have formulated our expectations for our suppliers and business partners in the Supplier Code of Conduct. The Supplier Code of Conduct is based on the most important international conventions and basic principles relating to human rights, the environment and governance. The code defines binding requirements for the legally compliant and ethical behaviour that we place on our suppliers. Specifically, the following areas are addressed in the Supplier Code of Conduct:

- Rights at work, such as health and safety, regulated working hours, no discrimination, reasonable accommodation
- Children's rights
- Environmental protection
- Corporate integrity, no corruption



scan this code to
see our Supplier
Code of Conduct



Martina Locher
Sustainability Manager
Blacafé Holding AG

«It's about focussing even
more on sustainability
in our core business»

2.2 Guiding Principles and strategy

In 2023, the Blaser Group launched a comprehensive strategy process for the next 10 years. Sustainability will become an integral part of the company's strategy and business model.

In 2024, Blasercafé and Blaser Trading will jointly develop the company strategy for the next 5 to 10 years. The first results of the strategy work are expected in mid-2024. It is already clear that the following priorities will be incorporated into the sustainability strategy:

- Reducing the negative impact on the environment, from coffee cultivation to roasting. In particular, a reduction in CO2 emissions as well as the promotion and preservation of biodiversity in the coffee growing countries
- Mitigation of possible human rights violations. In particular, key issues such as child labour, modern slavery / forced labour and fair pay are addressed
- Traceability back to the growing region of the traded and roasted coffees

Measurable targets are set for both companies based on its overriding sustainability goals. In order to achieve the most effective implementation of our sustainability goals, they should be anchored at various levels of both companies and integrated into all relevant departments.

Parallel to the strategy process, issues relating to the organisation and responsibilities (governance) in relation to compliance within the company are also addressed.



This jequitiba tree on the Fazenda Sertãozinho in Brazil is still an important provider of shade for coffee plants (photo archive Blaser-Group)

2.3 Risk analysis

Knowing the environmental, social and governance risks of our business activities worldwide is a key aspect of fulfilling our duty of care in the best possible way. Our risk analysis consists of two important partial steps.

The first step is to create a comprehensive picture of potential risks along our entire value chain. We have analysed human rights and environmental risks from the perspective of those potentially affected.

In a second step, the identified risks are assessed and the most significant risks for our company are determined.

Our value chain is splitted into the following process steps:

Blaser Trading AG						
Activities in the coffee-growing countries					Activities worldwide	
Coffee cultivation and harvesting	Processing at the place of origin (washing, drying)	Storage	Transport within the country of production	Exporters	Transport, storage, logistics	Roasting and consumption

Blaser Café AG					
Activities in Bern, CH		Activities in Switzerland and worldwide			
Coffee roasting	Consumption and sale in our own coffee bars and shops	Transport and logistics to the customer	Consumption by private customers	Consumption by restaurants, catering and offices	End-of-Life

2.3 Risk analysis

Identification of risks

The risk analyses of the German Coffee Association (DKV) form the basis for the identification of potential risks. The DKV has commissioned Global Risk Assessment Services (GRAS) to carry out a country and coffee-specific risk analysis for 2023 for 18 coffee-growing countries. We consider DKV's risk analysis to be methodologically sound. In addition to consulting specialist literature, the analysis also included an assessment of the available recognised country indices and statistics. We have compared and supplemented the findings of these DKV risk analyses with our own experience.

The greatest human rights and environmental risks in our business areas occur in procurement in the coffee-growing countries and, to a lesser extent, in our own operations and the downstream value chain. We have therefore focussed on the risks in the various countries of coffee origin. Those potentially affected by our procurement of green coffee are farmers, plantation workers, workers at the Beneficios (processing stations for green coffee), lorry drivers, but also residents of a coffee plantation, and of course the environment.

Our salient issues

The following considerations were relevant in determining our most salient issues for us:

- Severity of the impact on humans and the environment (extent, scope, irreversibility)

- Weighting of topics depending on the economic importance of a country for our procurement activities
- Compliance-relevant topics (child labour and deforestation)

The following box shows our salient issues.

Human rights issues:

- Adequate wages
- Child labour
- Forced labour and modern slavery
- Health protection and safety

Environmental topics:

- Land use change (deforestation)
- Substances of concern
- Environmental pollution, especially water and soil pollution
- CO2 emissions

2.4 Reporting procedure

We are currently examining various options as a mechanism for further recognising risks in our value chains.

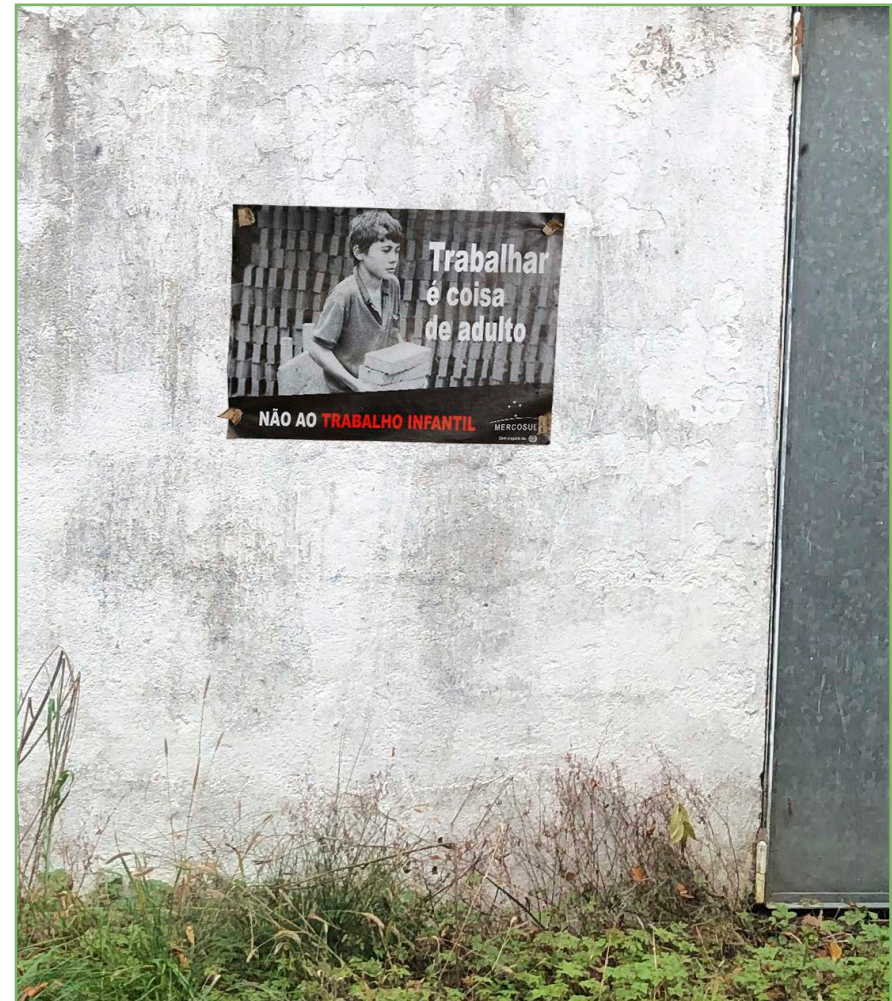
The central function of the reporting procedure must be that any person or stakeholder along our value chain can anonymously report substantiated concerns about human rights violations or negative environmental impact. It should be possible to report a complaint easily, preferably in the local language. It is our corporate duty to investigate every reported complaint in an appropriate manner.

As we often work with the same players as other green coffee buyers in the coffee growing countries, the Ear4U complaints procedure is currently being reviewed. The Ear4U complaints procedure is a joint system organised by various coffee companies under the umbrella of the German Coffee Association (DKV).

It is, however, already possible to report complaints via our homepage.



online
reporting form



Poster against child labour, photographed on a Brazilian plantation, 2013
(photo archive Blaser-Group)

3.1 Green coffee trade - Facts

10,769 tons of certified coffee purchased

619 tons of CSC-certified coffee purchased

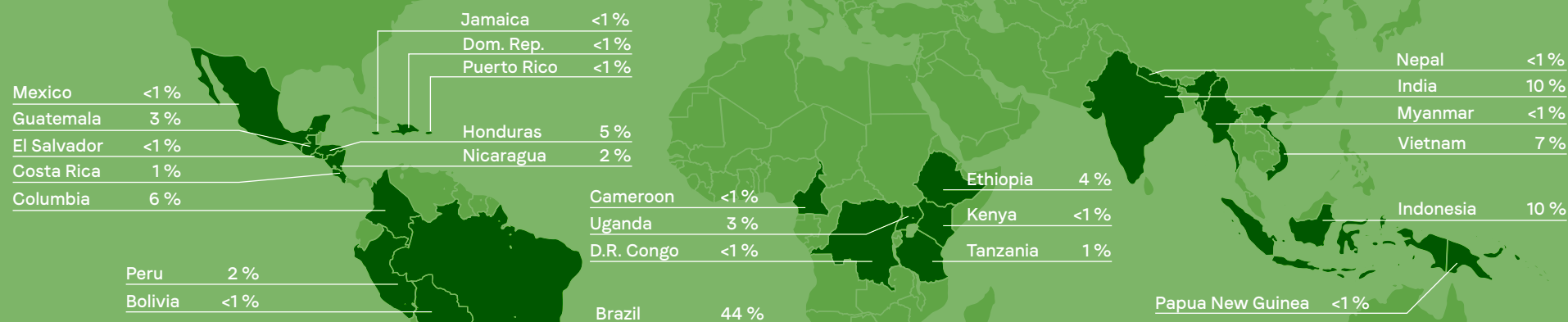
8,811 tons of Rainforest Alliance-certified coffee purchased

318 tons of Fairtrade-certified coffee purchased

125 tons of certified organic coffee purchased

896 tons of organic & Fairtrade-certified coffee purchased (double certification)

Shares of coffee-producing countries in the Blaser Group's total green coffee purchases



3.2 Challenges in the coffee growing countries

Impact on human rights

On the one hand, our procurement activities enable us to support a large number of coffee farmers and companies that generate their income from working with coffee and improve local conditions as a result. Coffee cultivation is the main source of income for around 12.5 million farmers worldwide. The majority of coffee farmers are small farmers with less than 5 hectares of land.

On the other hand, there is a risk of social grievances arising along our coffee value chain. At least 5.5 million coffee farmers live below the poverty line (<\$3.20/day), with the highest levels of poverty in Africa and Oceania (Enveritas, 2019). We see the greatest human rights risks in the disregard of basic rights with regard to working conditions on coffee plantations and in processing plants.

The way in which coffee is grown, harvested, processed, transported and stored varies greatly from country to country and region to region. Consequently, the impact on people and the environment varies from country to country.



Blaser Trading purchased the largest quantities of green coffee in 2023 from Brazil, India, Indonesia, Vietnam, Colombia and East Africa (Ethiopia, Uganda, Tanzania and Kenya).

The table below provides an overview of the key human rights issues for us in green coffee procurement and an indication of how serious we consider the various risks per country to be.

These topics are generally relevant in coffee production.

We are aware that other human rights issues such as gender equality, freedom of association and adequate housing, including water and sanitation facilities, also occur in the coffee value chain.

	Adequate wages	Child labour	Forced labour and "modern slavery"	Health and safety
Brazil	high risk	low risk	high risk	moderate risk
India	high risk	moderate risk	low risk	high risk
Indonesia	high risk	moderate risk	high risk	high risk
Vietnam	high risk	low risk	low risk	high risk
Colombia	high risk	moderate risk	moderate risk	moderate risk
East Africa	high risk	high risk	moderate risk	high risk

	low risk
	moderate risk
	high risk

3.2 Challenges in the coffee growing countries

Compensation

Reasonable prices and fair wages are the main risks in the procurement of green coffee. According to data from the International Labour Organization (ILO), average monthly earnings in the agricultural sector are below the estimated minimum wage in almost all coffee growing countries. Green coffee prices are dependent on the stock market and our influence is limited. To minimise this risk, we maintain direct, long-term partnerships with farmers' cooperatives and producers in addition to purchasing certified coffees.

Child labour

According to the ILO, child labour is work that deprives children of their childhood, their potential and their dignity, and that is harmful to their physical and mental development.

The root causes of child labour are often economic poverty, a lack of basic services and family involvement in coffee-related work. Low incomes and wages can mean that households find it difficult to provide their children with an education or that they are dependent on their children's co-operation.

According to the DKV risk analysis, Ethiopia, Nicaragua, Papua New Guinea and Tanzania are the coffee-growing countries with the highest risk level for child labour. As a region, East Africa is most affected by child labour. In 2023, we sourced around 8% of our coffee from East Africa (Ethiopia, Uganda, Tanzania, Kenya). Nicaragua and Papua New Guinea together account for less than 2% of our purchases. Even though we make the majority of our purchases in countries where the problem of

child labour is less present, a central part of our strategic work will involve initiating further measures against child labour that are appropriate and effective for our business model.

Forced labour and “modern slavery”

Inadequate working conditions are a particular problem for informal and seasonal workers without employment contracts and job security. This often affects migrant workers who only work on coffee plantations at harvest time.

Informality weakens their position, so that they have no access to social security. Among the most important countries for Blaser Trading, Brazil and Indonesia are particularly affected. In Brazil, slavery-like labour conditions on coffee plantations are a problem that is being tackled by the public sector. The Brazilian Ministry of Labour regularly publishes a black-list of companies that are associated with slave-like working conditions.

Thanks to our long-standing partnership with the exporter Wolthers Associates in Santos, on-site visits and regular checks against the “black-list” compiled by the Brazilian government, Blaser Trading is able to minimise this risk.

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3.2 Challenges in the coffee growing countries

Health and safety

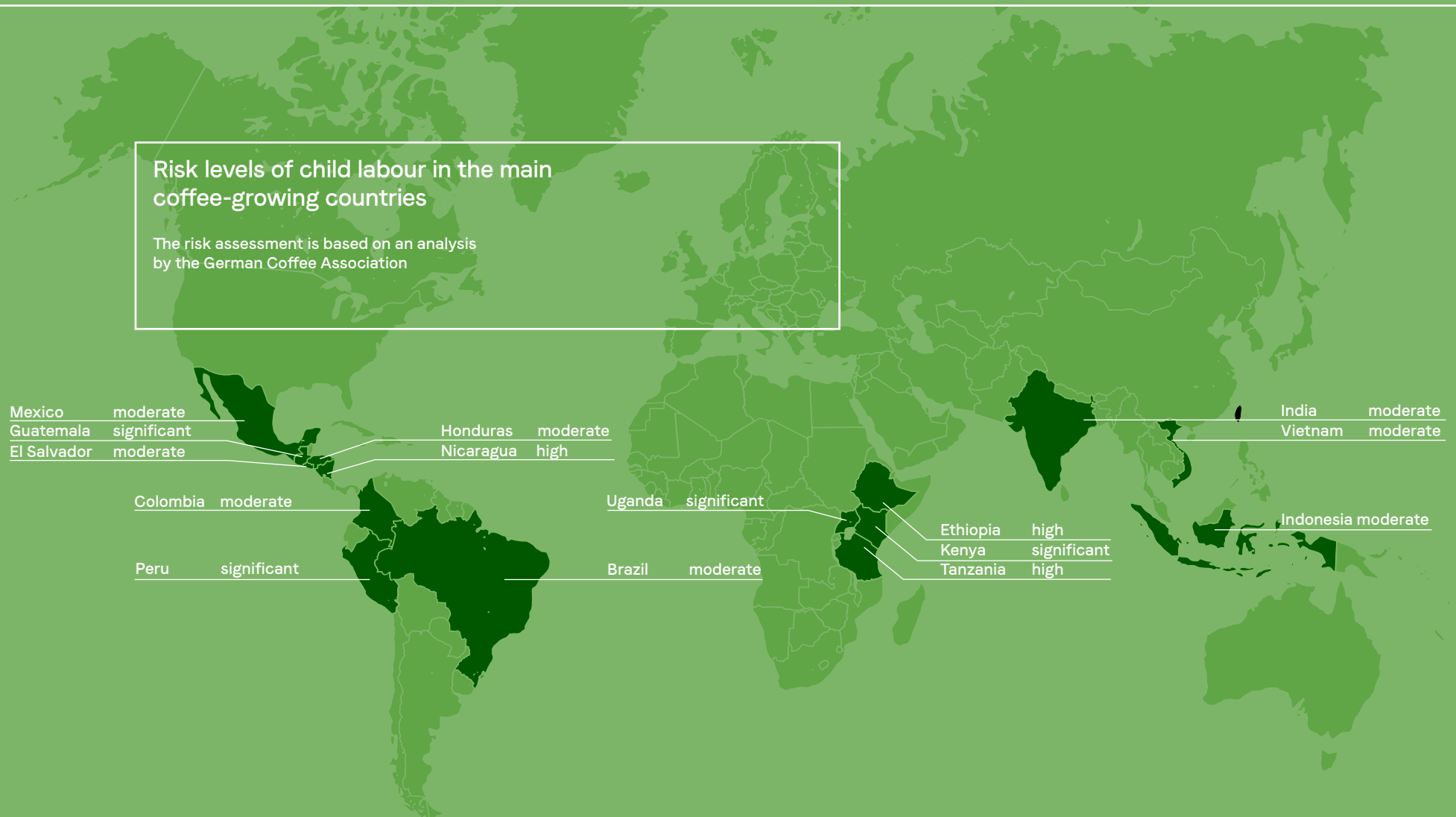
Workers on coffee plantations, in processing plants or in the transport sector do not always have the necessary safety precautions, such as protective equipment when using agrochemicals or regulated working hours.

A lack of health and safety in the workplace can have a direct negative impact on employees. Ethiopia, India, Indonesia, Tanzania, Uganda and Vietnam have the highest risk of all coffee-growing countries. The country with the lowest risk level is Brazil. In general, the risk level for South and Central American countries is relatively low. Our focus in terms of health and safety is therefore on Asia and Africa.



Instructions during a visit to a coffee processing plant in India, 2009
(photo archive Blaser-Group)

3.2 Challenges in the coffee growing countries



3.2 Challenges in the coffee growing countries

Emissions, deforestation & biodiversity

CO₂ emissions are generated along the entire coffee value chain. Coffee cultivation produces by far the most CO₂ emissions. The main drivers are the use of synthetic nitrogen fertilisers, inadequate wastewater management and possible deforestation (Brounen 2019). The conversion of forests and intact ecosystems into coffee-growing areas not only causes large amounts of CO₂ emissions but also contributes significantly to biodiversity loss.

We are aware of this problem. Thanks to the long-standing partnership with Wolthers Associates, there is close cooperation in Brazil with producers that increasingly rely on regenerative approaches to coffee cultivation. By using organic instead of synthetic fertilisers and planting shade trees, CO₂ emissions are greatly reduced and biodiversity on the plantations is increased.

Water and soil pollution

The water consumption of coffee is generally very high. Around 140 litres of water are used to make one cup of coffee. Water is needed both for growing and processing the green coffee. The risk of water contamination is increased if the coffee is wet-processed or fermented. The DKV risk analysis also points out that a considerable use of legal and sometimes illegal agrochemicals has been identified for coffee cultivation in the vast majority of countries. These substances have harmful effects on the environment and human health.



Flowering coffee plant with butterfly, Laos 2013 (photo archive Blaser-Group)

3.3 Our measures at the origin

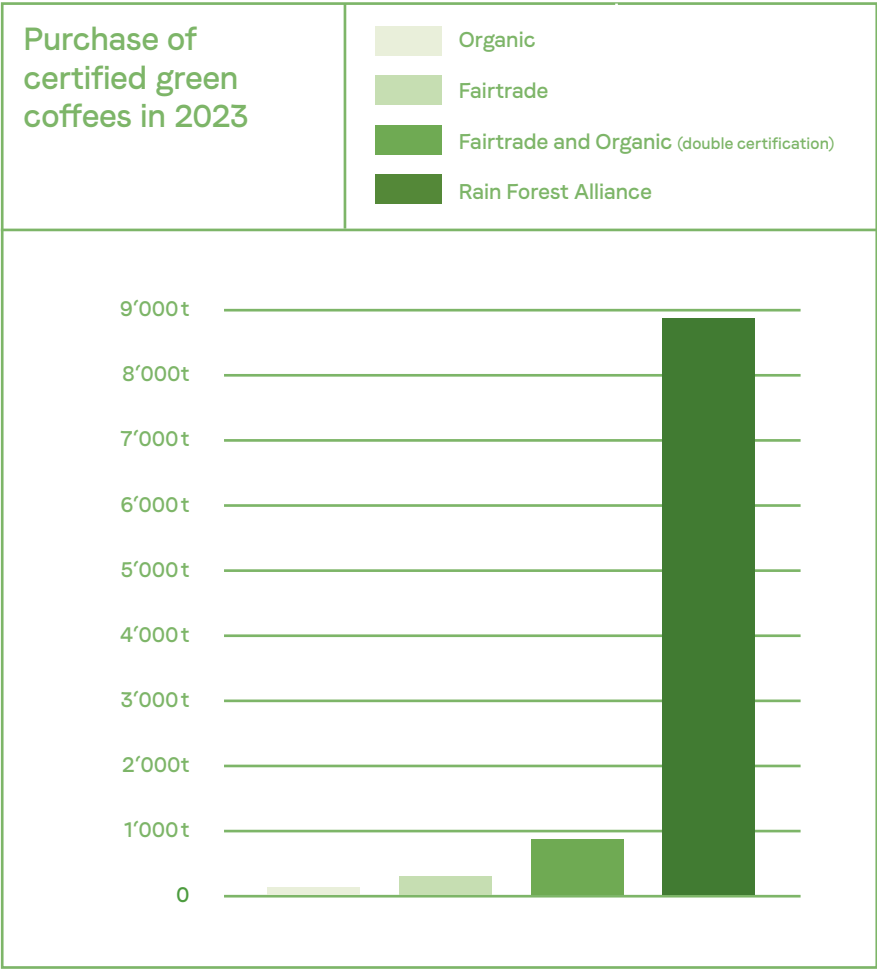
Purchase of certified coffees

Blaser Trading often belongs to the category of small customers for producers and suppliers in the coffee growing countries. In addition, we have no branch outside Switzerland and no coffee plantations of our own. Accordingly, our ability to exert influence is limited depending on the human rights or environmental issue. It is therefore crucial for us to make a strategically careful selection of effective measures in order to minimise the most significant risks.

In 2023, Blaser Trading AG purchased green coffee from 27 different countries from over 100 suppliers and cooperatives. Our green coffee range extends from classic coffees in medium and premium qualities to speciality coffees including Rainforest Alliance (RFA)-, organic and Fairtrade-certified coffees.

By purchasing certified coffee, we can significantly reduce human rights, environmental and governance risks along the value chain. Certification systems such as those of the Rainforest Alliance (RFA), Fairtrade or organic have standards that clearly define social, environmental and corporate governance requirements for every player along the value chain. The traceability of the coffee and support measures for local producers are guaranteed. The annual independent audits - carried out by accredited certification organisations - ensure that we and our suppliers comply with the prescribed standards of the respective certification system.

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3.3 Our measures at the origin

Fairtrade coffee Max Havelaar

In 2023, we purchased around 1,200 tons of Fairtrade-certified coffee. The label stands for coffee that has been traded fairly and produced according to comprehensive social and ecological criteria. This includes long-term trading relationships, a minimum price and a Fairtrade premium. The Fairtrade premiums are used by the cooperatives to realise various projects with which they support the coffee farmers in a wide range of areas such as education, health and environmentally friendly cultivation. Thanks to fair trade conditions, farmers and workers can invest in a sustainable future. The Blaser Group has been selling and roasting Fairtrade-certified coffees for many years.

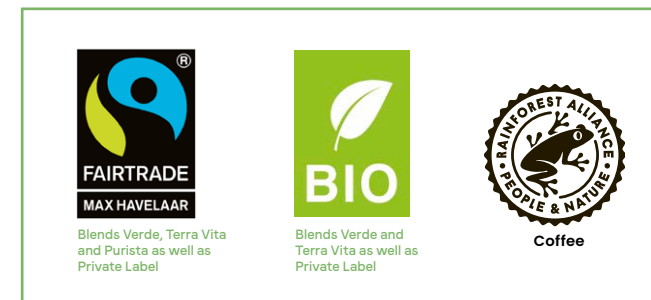
Organically grown coffees

In 2023, we purchased over 125 tons of organically grown coffee. No chemical-synthetic pesticides and fertilisers are used in organic coffee cultivation. Possible negative effects on the environment, and also on people, are thereby massively reduced.

RFA – Rainforest Alliance

In 2023, we purchased over 8,000 tons of RFA-certified coffee. By far the largest proportion of the RFA coffee we buy comes from Brazil, followed by India, Nicaragua, Guatemala, Colombia, Vietnam and Ethiopia. The “RFA 2020 Certification Standard” is divided into comprehensive requirements for a product, both for the participants in the supply chain and for participants who are active at the farm level. In addition to ecologically and socially sustainable cultivation conditions, the primary goal is to

ensure responsible business practices throughout the entire supply chain. As a buyer of RFA-certified coffee, we pay the producers a so-called “sustainability differential” and “sustainability investment”. This mechanism is intended to ensure more reasonable coffee prices.



3.3 Our measures at the origin

Terroir coffee for the highest quality standards

We also buy selected speciality coffees for the Blasercafé Terroir line for coffee lovers with high traceability and quality standards. These coffees can be traced to the plantation, in some cases to the cooperative. Coffee acquires a major element of its character from its origin. The soil and climatic conditions shape its flavour, acidities and therefore its overall profile. It is the terroir (the environmental factors that affect a crop's observable characteristics) that gives the coffee its complexity. In 2023, we were able to sell 1.8 tons of terroir coffee.



about our
Terroir coffees

1,8 tons of
Terroir-coffee sold

Terroir Indonesia Sumatra Orang Utan

Small farmers in the Gayo highlands of Aceh in the north of Sumatra cultivate coffee gardens according to the Orang Utan standard. Care is taken to ensure that the coffee is grown organically without the use of agrochemicals. This protects the rainforest and its animals and plants. The coffee farmers receive a premium per kilo of green coffee sold. A further premium supports the Sumatran Orang Utan Protection Programme, which works with the Indonesian government to protect Sumatran orangutans and the rainforest. In 2023, we were able to sell 462 kilos of this coffee.



Terroir Indonesia Sumatra Orang Utan



3.3 Our measures at the origin

DOÑA LUCERO project by CSC* – Maya Women's Power Coffee

The Italian non-profit organisation Amka and the Caffè Speciali Certificati - CSC label are working together to support the Doña Lucero project in Guatemala. 80 Guatemalan coffee producers are involved in this social project. The Doña Lucero project was launched in 2020 in north-west Guatemala, where coffee cultivation stretches for many kilometres thanks to fertile soils and favourable climatic conditions. The female farmers are often poor and dependent on selling their harvest immediately.

As part of the project, the women were able to further develop their production and trading capacities. Targeted training courses ranged from questions about coffee production to promoting the role of women, from the distribution of agricultural materials and products to technical support in improving cultivation techniques and the coffee harvest.

The first samples tasted by the CSC experts confirmed the high quality of the harvest. The project participants at Doña Lucero received a considerable bonus, which corresponded to an increase in income of almost 50%. This shows that efforts to do a good job are recognised and rewarded. This is an incentive for continuing on the path we have chosen.

Blasercafé is the only non-Italian roasting plant to be a member of the CSC. We bought some of the green coffee from this project and used it to launch the "Maya" blend.

continued on page 28



"Maya" coffee blend that resulted from the project

*CSC Caffè Speciali Certificati

In 2007, we were the first Swiss company to be accepted into the Italian organisation Caffè Speciali Certificati (CSC) with its strict quality criteria. The Rosso & Nero espresso blend sold by Blasercafé is popular, fulfils all the criteria and proudly bears the CSC label. The blend is characterised by a perfectly balanced flavour.



BEST COFFEES FOR ESPRESSO

3.3 Our measures at the origin



Doña Juanita is 40 years old. After separating from her husband, she began managing the land of her brother, who emigrated to the United States. This job enables her to support her three children and become financially independent after years of economic dependence on her ex-husband. She has been producing 100% organic coffee for years and is now the president of the group of 80 women, motivating them time and again.

"As women, we have the right to participate and organise, even if we are often denied this. But if we fight back, we can achieve anything."



Doña Cipriana is 48 years old and has three daughters. She works in her coffee fields together with her husband. The nearest piece of land is an hour away and can only be reached on foot, over muddy and slippery terrain. She is mainly responsible for fertilising and processing, while her husband works in the small workshop he has set up in his house.

"The labour involved in growing coffee is expensive: Think of all the journeys we have to make with sacks of manure on our shoulders. You wouldn't think it's a woman's job, but with effort and dedication we can do it all, even if we don't have the same physical strength as men."



Doña Antonia is 42 years old and has two daughters. She learnt how to grow coffee from her father. She got married and separated after a few years; a difficult decision for her. When she got together with her new partner, she had the opportunity to work with coffee again because he owns a small field. She is an enterprising woman. Around her house, there are many different small business fields that need to be cultivated - from fruit trees and chickens to running a small shop with a variety of products.

"The production of coffee is very complex. But I like this work. If we treat it well, the land is generous with us, it's all we have."

3.3 Our measures at the origin

Long-standing relationships with suppliers

The Blaser Group has no subsidiaries outside Switzerland and no coffee plantations of its own. However, since its founding by coffee pioneer Walter Blaser in 1922, the company has maintained long-standing partnerships with cooperatives and coffee farms in almost all coffee growing countries. We attach great importance to fair trade relations with our business partners. We procure a large proportion of our green coffee directly from producers and cooperatives. For example, there is a long-standing partnership with the two cooperatives Minasul in Brazil and La Florida in Peru. We were able to support both cooperatives significantly in building up their export business.

Our coffee traders visit various producers and suppliers every year to gain an impression of the coffee plants, the cultivation and processing methods and the working conditions on site. We focus on transparent and long-term business relationships, which play a key role in minimising our sustainability risks.



Green coffee trader Marie-Luise Millemaci visits the Fazenda Samambaia in Brazil, June 2024 (photo archive Blaser-Group)



Visit to the Fazenda Monte Alegre in Brazil, June 2024 (photo archive Blaser-Group)

3.3 Our measures at the origin

Reconstruction project of a health centre in El Boquerón

As part of our partnership with the Lindenhof Group, Blasercafé and the Lindenhof Group donated a contribution to support a social project. Thanks to the long-standing, friendly relationship between Blaser Trading and the Guatemala-based green coffee supplier Fedecocagua, we became aware of a very special project to which the support contribution was awarded after careful consideration:

In 2020, a small health care centre in Guatemala was completely destroyed by tropical storms. The residents immediately organised the construction of a new building. The village development committee bought a piece of land and contacted those organisations and institutions that might be able to contribute to the new building.

The project was supervised and supported by the Ulrich Gurtner Kappeler UGK Foundation, which was set up by Fedecocagua many years ago. We were in direct contact with the local project managers throughout the entire rebuilding process.

Remarkable result

The new clinic was inaugurated in March 2022. The “Puesto de Salud” has become a place where staff and patients feel safe and comfortable and where the care of the sick and injured is guaranteed to a high standard. The constant power supply, which is guaranteed by a new solar energy system, is also particularly appreciated.

« the el Boquerón project seemed almost surreal to me: the promises were kept, clear progress could be seen every month and the gratitude was evident. The contribution of Blasercafé was particularly highlighted because it made the final finishing phase possible after the completion of the main construction work, which makes the Puesto de Salud a well-functioning small health centre...



Jurik Rockenbach
Representative of the UGK Foundation on-site

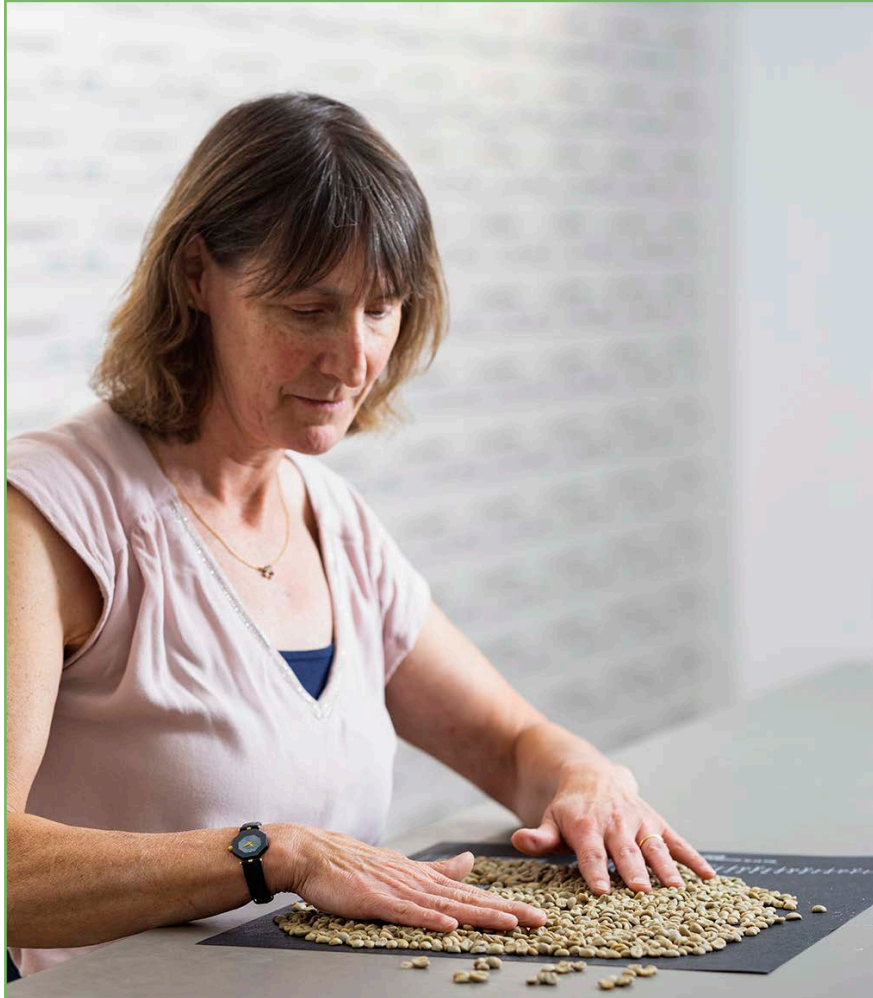


Adín, Chairman of the Committee for the Development of the Town of El Boquerón, with his daughters in 2022



Devastated health care centre in El Boquerón 2020

3.4 Quality control



Marlies Kurzo, Licensed Q Arabica Grader, Quality Assurance Blaser Trading checking for defects in green coffee

Effects

The trade and procurement of green coffee are subject to strict food safety standards and influence the product safety and quality of the coffee.

Measures

Our top priority is to guarantee food safety and the impeccable quality of our green coffees. We have a quality assurance department that ensures compliance with the usual market standards and guidelines. Visual (defect grading) and non-visual (screening, moisture, density measurement) testing are part of our quality control standards for green coffee.

Every day, several pre-shipment and arrival samples are tasted by our certified Q-Arabica Graders in our own cupping room and quality lab. In addition, our green coffee samples are systematically tested for pesticide residues, OTA and other contaminants in an external laboratory. Depending on customer requirements, further special tests are carried out.

The roasted beans left over from the cuppings are collected and utilised by coffee machine and coffee grinder manufacturers as test coffee. We donate green coffee samples that are no longer needed to social projects via www.partage.ch.

3.5 Transport

Effects

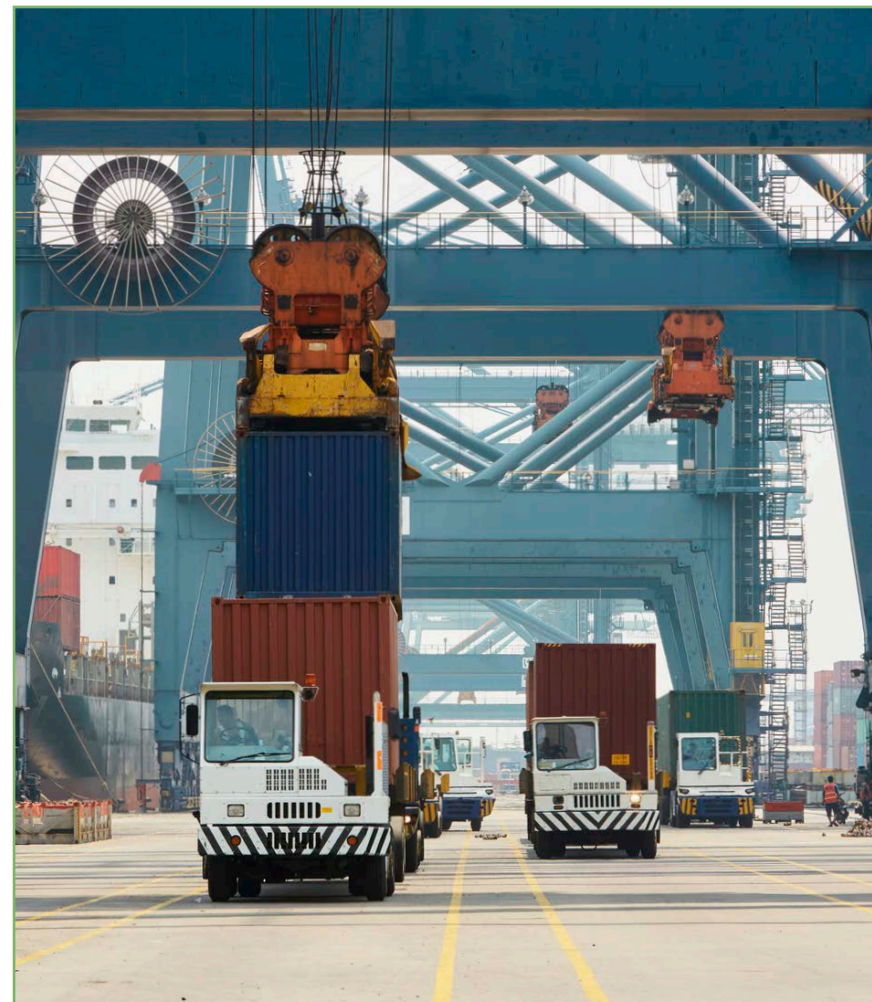
CO₂ emissions are also generated during the transport of the coffee beans. After the harvest, the coffee bags are transported from the farm to the processing plants and then to the warehouses. At the harbour, the coffee bags are shipped and transported by container ship to the port of destination. In the final step, the coffee bags are then transported to the roasting plant by lorry or train. Depending on the calculation, origin and destination, the entire transport accounts for between 10 % and 25 % of the total CO₂ emissions of the coffee value chain.

We are aware that, in addition to the environmental impact, there are also potential social risks: for example, when loading and unloading the bags on the lorries or the working conditions of the crews on the container ships.

CO₂ reduction measures

In cooperation with our partner Camiontransport, the Blaser Group saved over 11,000 kg of CO₂e (equivalents) in 2023 thanks to a targeted shift of transport to rail. In this way, we can make a small contribution to reducing CO₂ emissions.

Our influence on making transport at origin or by sea more socially and ecologically sustainable is limited. However, the International Maritime Organisation (IMO) has set itself ambitious goals: by 2050, shipping companies should be transporting CO₂-neutral goods.



4.1 Roasted coffee production - Facts ☕

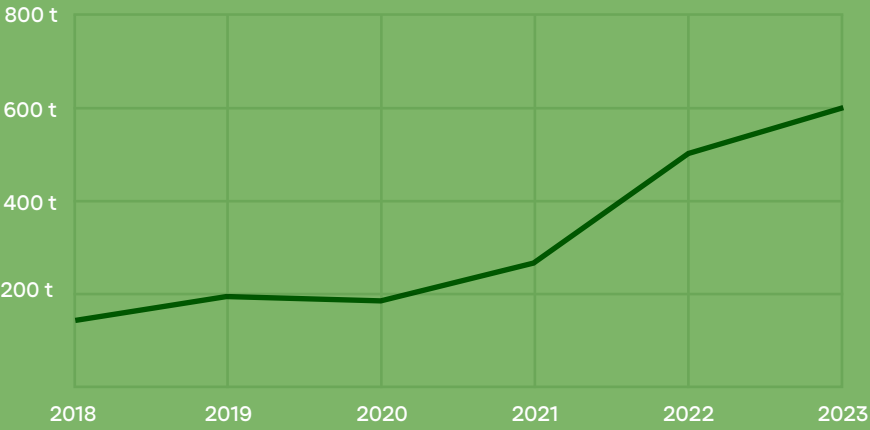
5.1

601 tons of certified coffee roasted

2023: 28,042 kWh of energy saved, despite higher production volume*

Production of certified roasted coffees

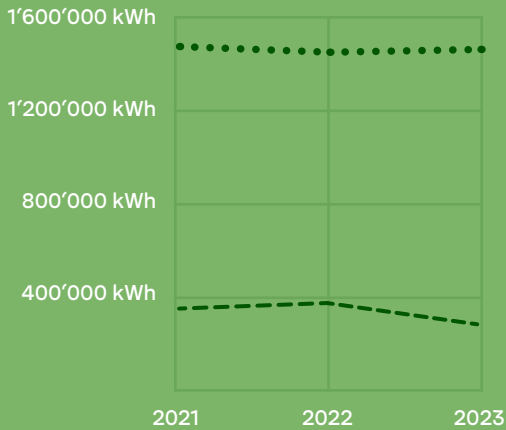
Total quantity certified



Energy consumption*

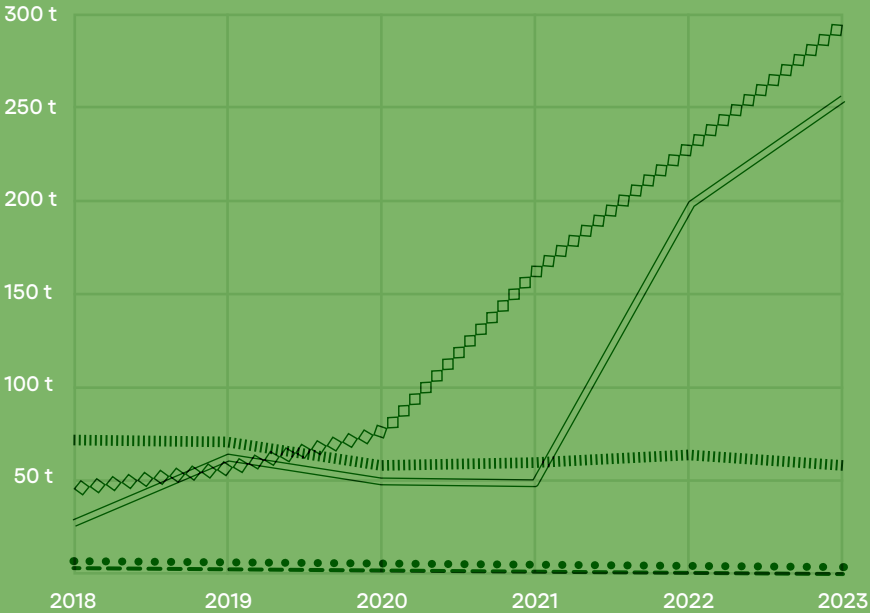
Natural Gas
Electricity

*Consumption of production, administration and buildings



Coffee production divided according to certification

Fairtrade
Organic
Fairtrade and Organic (double-certification)
Rainforest Alliance
Caffé Speciali Certificati



4.2 Challenges

In our production facility in the city of Bern, we roast fresh coffee every day, which is then ground or packaged as coffee beans and ultimately ready for sale to our customers. These process steps present us with various challenges in terms of sustainability. We cause CO₂ emissions through the roasting process, the processing and packaging machines as well as the transport of the finished roasted products to the customer.

We focus on the impeccably high quality of our coffees and attach great importance to fulfilling the high quality standards of our customers. We ensure that food safety standards are met. Our quality assurance department, which works hard every day to produce the best coffees, is crucial.

Green coffee prices are very volatile and that poses major challenges for us at times. We must be able to offer the high quality of our coffees at consistently attractive market prices.

Our product range includes a wide selection of high-quality coffees for the catering trade and for private coffee lovers. Our catering customers are facing a growing demand for organic & Fairtrade-certified coffee from their guests. It is difficult to fulfil this wish at a competitive price. We see a growing need here for the future, which we would like to cover with our product range.



Marc Käppeli
Managing Director
Blaser Café AG

«There is still a lot to do in terms of sustainability. We're tackling the problem.»

4.3 Our Measures



Giuliano Bartoli, master roaster, authorised SCA trainer and licensed Q Arabica Grader
(photo archive Blaser-Group)

FSSC certification

2022 was an important year for us because we met one of the highest internationally recognised food safety standards for the first time with the FSSC 22000 standard. This exceeds the legal requirements, not only in our company but along the entire roasted coffee value chain.

The FSSC 22000 standard is based on ISO 22000 certification and ensures that our internal self-assessment system and HACCP concept work properly and are regularly reviewed.

Continuous development of our quality system is therefore guaranteed. Measures to address complaints and feedback will be defined and integrated in the current system. This way, our internal operating procedures will be constantly reviewed and continuous further development ensured.

That will enable us to go on supplying our customers with safe products to the highest standard of quality and guaranteed taste in a dynamic environment.



4.3 Our Measures

Installation of a heat recovery system

During the roasting process, the roasting gas is heated with a gas flame and the odorous substances are then burnt off in the catalytic converter. Since 2024, we have been able to utilise the waste heat generated during the roasting process by means of a heat recovery system. The energy generated is used to heat the building and for hot water preparation. We store the hot water in large tanks in the cellar. Installing the space-intensive systems in our building was a major technical challenge and involved a high level of investment. We were able to secure the financing of the plant with the support of the City of Bern's eco-fund.

« The heat recovery system will minimise our energy consumption by around 200,000 kWh per year. This is roughly equivalent to the annual electricity requirements of forty four-person households. »

Christoph Lauper
Member of the Management Board

CO₂ emissions and energy consumption in roasted coffee production

We implemented various measures in 2023 to reduce the CO₂ emissions and energy consumption of our roasting operations. In total, we can save 3,400 kg of aluminium and 268,000 kWh of energy with the implemented innovations.



Heat recovery system at the production site in Berne (photo archive Blaser-Group)

4.3 Our Measures

Replacement air compressor

With the renewal of the roasting control system, both the compressed air lines and the compressor were replaced. This not only replaced part of the old compressed air network but also installed a much more energy-efficient compressor. These measures will save 18,000 kWh per year in future.

Commissioning of a photovoltaic system

The installation of the photovoltaic system on the building at Güterstrasse 6 laid the foundation for us to produce our own energy. This measure can produce 50,000 kWh per year. This covers the daily energy requirements of our Rösterei Kaffee und Bar (coffee roasting plant and bar) on Güterstrasse with its adjoining training room.



New air compressors at the production site in Berne (photo archive Blaser-Group)



Photovoltaic system at the production site in Berne (photo archive Blaser-Group)

Energy-efficient data centre - Green IT

Since 2023, our servers have been operated in an external data centre. The operating company is a member of the Energy Agency for Industry (EnAW), which is committed to environmental protection. All the data centres they operate are optimised for maximum energy efficiency and only use electricity from renewable energy sources (hydro, wind, biomass, solar). A PUE (Power Usage Effectiveness) of 1.20 and better is achieved. They achieve this with, among other things, heat recovery for heating the surrounding buildings and sophisticated air conditioning using state-of-the-art technology.

4.3 Our measures

New sustainable products

The focus on sustainability is increasingly shaping our own product range.

With the replacement of the organic and Fairtrade-certified “Pura Vida” blend, a universally popular “Terra Vita” blend was launched that has been adapted to new customer requirements. Our “Terra Vita” coffee is also certified organic and Fairtrade.

In addition, the new “Purista” blend is a Fairtrade-certified alternative that can compete in the price segment with conventional coffee and is therefore also interesting for the catering trade. With the launch of these two items, Blasercafé is injecting new vigour into its sustainability range and hopes to convince even more customers of the benefits of its Fairtrade and organic range.



Blaser Trilogie „certified coffees“



Purista Fairtrade-coffee

Megaposter for upcycling project

In 2022, a mega poster adorned the façade of our company building to celebrate our centenary.

When planning the dismantling in spring 2023, it quickly became clear that disposing of so much high-quality material (mesh sheeting) would be unacceptable. This gave rise to the idea of recycling the material for the production of carrier bags. With the Terra Vecchia Foundation, we were able to realise this project and have beautiful carrier bags made from the mesh sheeting.

The idea that each bag was made by people who are on the path to professional integration makes each piece unique.

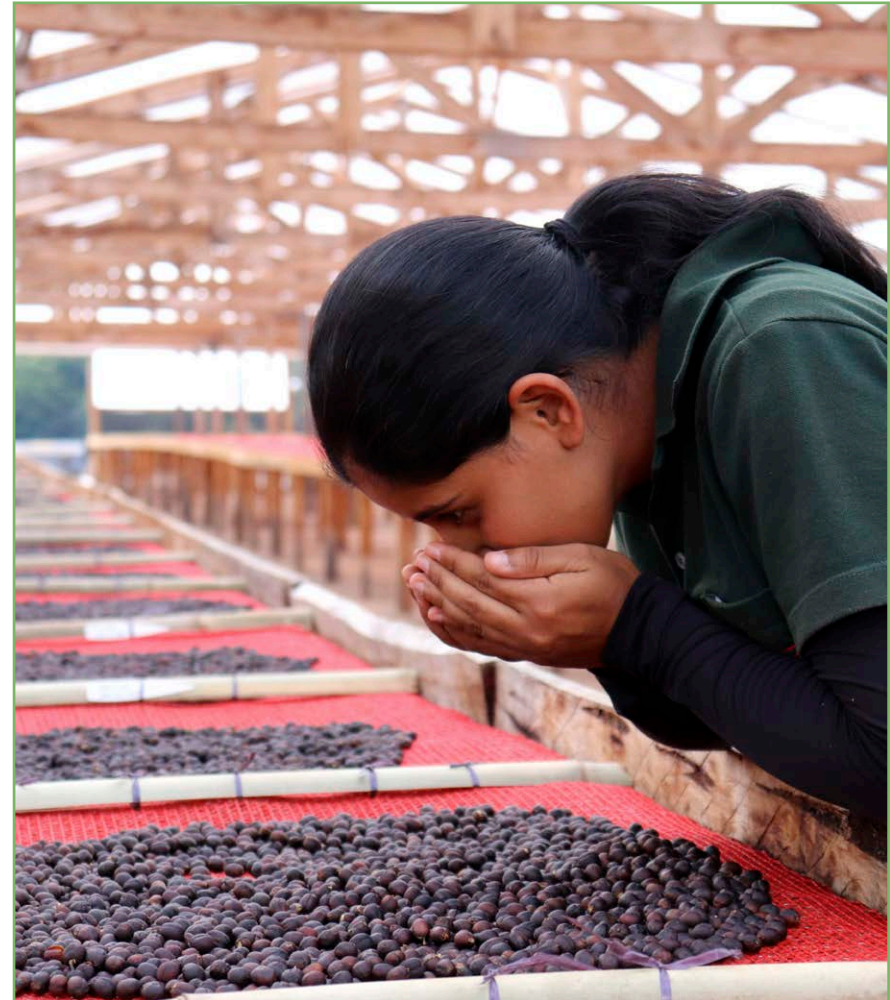


5.1 A look into the future

The EU Deforestation Regulation (EUDR) will be our main concern in 2024. It will become binding from 1 January 2025 and all coffee beans sold by us to EU countries must be EUDR-compliant by then.

In addition, important cornerstones for our sustainability management will be defined in 2024:

- Development of a primary sustainability strategy for the Blaser Group with separate targets for Blaser Trading AG and Blaser Café AG
- More systematic integration of sustainability into the corporate strategy and processes to ensure effective implementation of sustainability goals in the future.
- For Blaser Café, it is being examined whether the reference to the ISO 14000 series of environmental standards forms a suitable basis for the targeted integration of sustainability aspects into the production processes
- Strengthening our sustainability risk management system: among other things, important stakeholder groups are more closely involved in conducting our materiality analysis and selecting suitable measures
- Blaser employees are continuously informed about sustainability efforts and actively participate in the implementation of smaller sustainability measures



Green coffee during the drying procedure, Brazil 2021 (photo archive Blaser-Group)

6.1 Memberships & Certificates



BEST COFFEES FOR ESPRESSO



6.1 Memberships & Certificates

