

It All Starts With a Seed

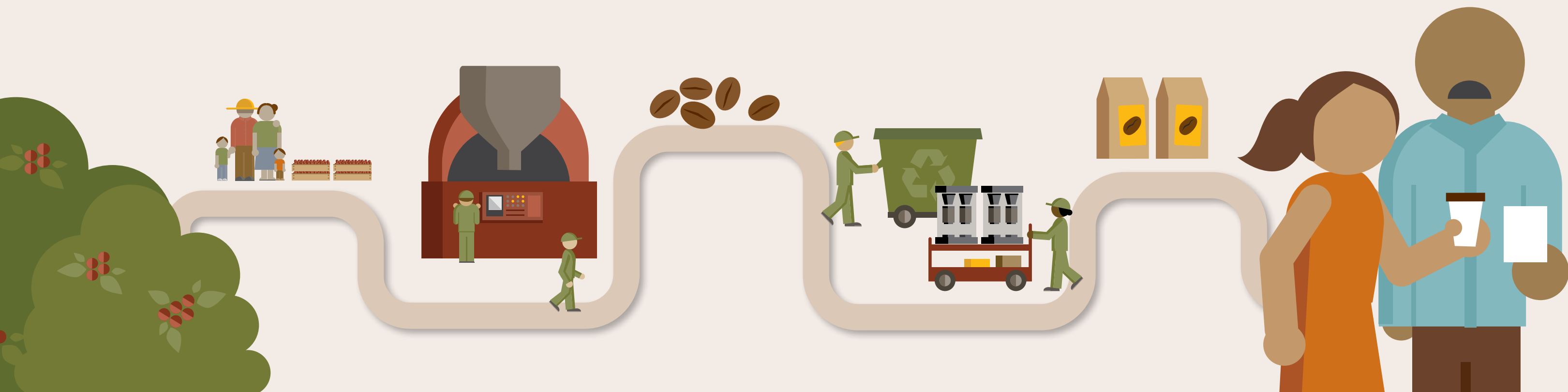
*How we're driving social, environmental,
and economic development*

2014 SUSTAINABILITY REPORT



OUR VISION TAKES ROOT

Imagine a single Farmer Brothers coffee bean, sustainably harvested at the height of ripeness, equitably traded to provide livable wages, roasted and packaged with zero waste to landfill, and carefully and efficiently delivered to coffee lovers everywhere. This is our interpretation of real quality. It's a vision for measuring the full cost of doing business, including our impact on the people we serve and the earth we share. In 2014, we worked to share this vision throughout our entire organization and to set tangible social, environmental, and economic development (SEED) goals for making it a reality. Have we hit all our targets? Not yet. But we're committed to getting there—and we won't stop until all our partners, suppliers, and employees are fully empowered to make a difference for our customers, our communities, and our planet.





Mike Keown
President and CEO

"In our decision-making, the board of directors is carefully considering global mega-trends such as population growth, demographic change, an expanding urban middle class in emerging markets, resource scarcity, and climate change."

Guenter Berger
Chairman, Farmer Brothers Board of Directors

DIGGING DEEP TO UNEARTH THE ISSUES

Since the earliest days of Farmer Brothers, face-to-face relationships have been at the heart of our business. Today, these personal connections stretch farther than ever as we work to create a profitable and responsible company where the interests of our shareholders overlap with the needs of society. At the core of this philosophy is a commitment to treating our growers like partners, our employees like family, and our customers like friends.

In 2014, we took this commitment deeper than ever by creating a clear vision for sustainability—so that we could begin making it a company-wide priority. The first step? Asking a whole lot of questions. We interviewed Farmer Brothers' customers and suppliers, and we also talked with industry associations, research organizations, and relevant nonprofits. Together, their voices and insights helped us to identify the environmental, social, and economic issues that are most important to our business—and to understand why and how they matter.

This rigorous process took nearly a year, but it was more than worth it. By early 2014, 16 Material Aspects had emerged from our assessment, allowing us to set our goals around the specific SEED targets that we believe have the greatest power to impact our business, our communities, and our world. We focused on eight of these Material Aspects in 2014, and we'll focus on the remaining eight in 2015.

The biggest decision we made in 2014—the decision to relocate our headquarters and distribution from the West Coast to the central U.S.—will almost certainly make the biggest impact on our environmental goals in the coming years. We are designing our new headquarters, roastery, and distribution center in Northlake, Texas, to achieve a decrease in our energy consumption and lower operating costs. We'll also have a substantial portion of our distribution located in the central U.S., which we believe will significantly shorten delivery routes and decrease fuel consumption. We expect these efficiencies to significantly reduce our carbon emissions.

As we work to finalize our plans for the relocation, we have also begun the journey to align and execute our management process with the Global Reporting Initiative (GRI) and Carbon Disclosure Project (CDP) programs, which will hold us accountable to a worldwide sustainability audience. This effort requires real involvement at our highest levels of governance, including our board of directors. Leveraging their expertise and leadership, we'll invest in issues that we believe build stronger partnerships and a stronger business—like providing technical assistance to growers, embedding interventions in the value chain, and supporting research to sustain a quality coffee supply worldwide. We're even shifting the timing of this report, so it aligns with our fiscal calendar and our annual financial report. This will enable us to tie more closely our economic performance to our social and environmental achievements.

Every step of the way, we'll be communicating our goals and progress to employees, partners, suppliers, and customers—challenging ourselves and the entire industry to do business in better ways. Our long-term vision is to make the SEED strategy so clear that sustainability is something each and every one of us thinks about in our daily decisions at work and in life. It's an ambitious goal, and we've still got a long way to go, but we've always been fierce in our resolve. It's a huge part of what's kept us in business for over a century, and it's how we'll drive our future forward—by empowering every Farmer Brothers employee, partner, and supplier to be a force for good in our world.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mike Keown". The signature is fluid and cursive, written in a professional style.



Putting SEED into practice

As we continue to build economic strength, Farmer Brothers expects to have more resources to put toward our goal of making a truly positive social and environmental impact and further weaving sustainability into our business strategy. In 2014, we focused specifically on eight Material Aspects that span across human capital, natural capital, and financial capital.



SOCIAL

Empowering everyone in the Farmer Brothers family to lead healthful, happy, and prosperous lives.





-  **Strengthen local communities**
-  **Enhance occupational health and safety**

SEE OUR SOCIAL GOALS IN ACTION



ENVIRONMENT

Reducing our environmental footprint across all Farmer Brothers operations and throughout our supply chain.



-  **Optimize energy use**
-  **Conserve water**
-  **Minimize emissions**
-  **Reduce effluents and wastes**

SEE OUR ENVIRONMENTAL GOALS IN ACTION



ECONOMIC

Maintaining a competitive advantage with quality products, concierge service, and eco-efficient business practices.

-  **Optimize economic performance**
-  **Establish responsible procurement practices**

SEE OUR ECONOMIC GOALS IN ACTION



SOCIAL

At Farmer Brothers, our community roots run deep. From Colombian hillsides dotted with bright, red coffee cherries to bustling distribution facilities located across the U.S., we're working to extend ethical business practices to our entire family of growers, partners, and employees. Our 2014 social investments helped us get a few steps closer to this goal. With initiatives focused on understanding local values, constraints, and needs, we were able to collaboratively identify a path to further impact.



Foster vibrant and viable growing communities

PROGRESS

In 2014, we launched our Direct Trade Verified Sustainable program, which uses transparent and science-based decision-making, combined with independent measurement and verification, to understand local issues and work collaboratively to identify the most appropriate strategies and interventions. [Read our complete Material Aspect brief](#)

1,386

Colombian growers participated in the Direct Trade Verified Sustainable program.



Create healthful and safe workplaces

PROGRESS

At Farmer Brothers' roasteries and distribution centers, we measured environmental health and safety through internal and external audits, conducted monthly environmental health and safety trainings, and benchmarked our results. [Read our complete Material Aspect brief](#)

4.22 OF 100 EMPLOYEES

Our OSHA total recordable occupational injury and illness rate was compared to the Bureau of Labor Statistics rate of 4.80 for the manufacturing industry.

Cultivating excellence from farm to cup

Carmen Cecilia Montoya is changing the face of coffee. As a female grower running her own farm in a man's world, she quips that "a man's place is in the kitchen." But she's serious in her belief that women can and should lead.

Working with Farmer Brothers' Direct Trade Verified Sustainable (DTVS) program at the Cooperativa de Cafes Finos de Salgar in Colombia, Doña Carmen and her husband practice sustainable farming through one-on-one training, small-group workshops, and community meetings on everything from coffee harvesting and business profitability to team building and quality assurance. They also work on the ground and on the phone with Farmer Brothers' technical assistants, who give them guidance on issues like composting and recycling, improving productivity, and milling for optimal quality.

Doña Carmen became the talk of Salgar, and all of Colombia, when her coffee won first place in the 2014 Cup of Excellence competition. Judged on taste and quality, each entry is assigned numerical point scores on a scale of 0-100 for the coffee's quality attributes. The top coffees are then available for purchase at a live Internet auction and are bid on by interested roasters—Carmen's coffee sold for over \$45 per pound, the highest price

ever paid for a Colombian Cup of Excellence coffee. "All of my neighbors have been really proud," she said, "and they're curious about how I've been able to achieve this." The answer? Hard work, determination, and the ability to put the technical assistance she received into practice.

With the prize money she's earned for her efforts, Doña Carmen says she'll invest in more coffee—as well as a solid education for her daughter, who, at age four, has already learned the importance of only picking the best cherries. While her early aptitude for farming is impressive, Doña Carmen has even higher expectations. "I want her to be a smallholder farmer with a broader view of the world."

Lending a hand up

Building on our ten-year partnership with Mercy Corps, and in an effort to assist more growers like Doña Carmen, we've joined with the Aldea Global Cooperative and Mercy Corps to create a microloan program tailored specifically to rural female coffee farmers in Nicaragua. With loans ranging between \$100 and \$200, women can purchase the supplies, tools, and machinery they need to manage their coffee plots.

"The most important thing women can do is take positions of leadership, so they can show other women what it looks like to be independent and work for themselves."

Carmen Cecilia Montoya



RIGHT: Carmen Cecilia Montoya and her husband pose with Molly Laverty of Farmer Brothers at a group training workshop in Antioquia, Colombia.

GIVING SPIRIT

Nurturing a culture of sustainability means recognizing an opportunity—even when it comes in the form of "another man's trash." So when employees at our Northlake, IL distribution center suggested that lucrative rebates from scrap metal could be used to support our charitable giving at Ronald McDonald House Charities, there was no hesitation. And when a team of employees wanted to run the Chicago Marathon to fundraise for RMHC, we were all-in. This partnership is just one example of how the people of Farmer Brothers are giving back so families in need can find a home away from home—including a place to share a meal, cope with treatments, and heal together.

\$20k raised for Ronald McDonald House Charities

ENVIRONMENTAL HEALTH AND SAFETY

Our investment in on-the-job training goes beyond just teaching employees how to do a job well. It also includes how to do it safely. All manufacturing and distribution employees receive job-specific Environmental, Health, and Safety training based on standards from the Occupational Health and Safety Administration and Environmental Protection Agency. This includes detailed procedures for roasting, specific protocols for building maintenance, best practices for driving, and proper techniques for lifting—to name just a few. It's all part of our vision to create a workplace where every employee feels protected and safe.

100% of our forklift drivers have Power Industry Truck Operator certification



ENVIRONMENT

Our coffee growers are witnessing the impacts of climate change first-hand — whether it’s warming temperatures that make once-fertile land barren or unpredictable rainfall that damages soil quality. With the viability of our central offering threatened and the health of our planet in jeopardy, we’re fighting climate change at every level of our business, from teaching sustainable farming practices to growers to meticulously routing our deliveries for maximum fuel efficiency.



Invest in renewable energy and reduce consumption across the company

PROGRESS

In 2014, we focused on company-wide energy reduction awareness, including town hall meetings and on-site visits from our VP of Sustainability. We also purchased renewable energy credits for 100% of the electricity at our headquarters and our three roasteries. [Read our complete Material Aspect brief](#)

9%

Reduction in electricity usage.



Reduce water consumption across the supply chain

PROGRESS

During 2014, Farmer Brothers started an enterprise-wide water measurement and management initiative. Using a baseline of all of our sites, we were able to gauge the positive impact of local and company-wide efforts and revise our production processes to further reduce water usage. [Read our complete Material Aspect brief](#)

32%

Reduction in water usage per unit of production.



Reduce carbon intensity by 4% each year

PROGRESS

As part of our long-term goal to achieve an 80% reduction in carbon intensity by 2050, we measure our carbon footprint monthly and quarterly, and invest in a multitude of short-term initiatives to help minimize our impact. In order to capture our complete impact, we began work to formalize our monitoring and evaluation process. [Read our complete Material Aspect brief](#)

16%

Reduction in on-road fuel consumption from 2013 to 2014.



Achieve zero waste to landfill by 2017

PROGRESS

In 2014, we completed our phased approach to centralizing our waste management program. With a more standardized program, every Farmer Brothers site now has recycling resources and many have composting. For these efforts, we were awarded McDonald’s 2014 Best of Sustainable Supply Award in the Waste Management category. [Read our complete Material Aspect brief](#)

12%

Increase in landfill diversion



Measuring the tread of our carbon footprint

At Farmer Brothers, it's easy to see the devastating effects of climate change first hand, because it's already impacting our partners' coffee production. Researchers at World Coffee Research report that as weather patterns have become increasingly unpredictable, farmers will need to adapt their practices and their varieties to the changing conditions, challenging them to maintain quality, taste, and consistency of supply. They are not alone. The agricultural productivity of other sensitive crops, like cacao, is threatened. Hundreds of species are on the verge of extinction. Inhabitants of some coastal regions could soon be flooded out. That's why we're taking aggressive action to curb our greenhouse gas emissions—and it all starts by accurately measuring our footprint.

In the past, we've limited our analysis of climate change-causing greenhouse gas emissions to those occurring in our own operations. While this helped us identify actions to reduce emissions within our manufacturing and transportation business units, it simply wasn't enough. In 2014, we expanded our assessment to include the full value chain, all the way from growing our coffee to serving it to consumers. This year, we submitted our first CDP report, which provides global transparency into our environmental risk data. And with our carbon inventory third-party audited and verified with limited assurance, we plan to make CDP reporting an annual event.

Our 2014 base year provided a starting point from which we will be able to compare our emissions year over year. To determine whether we're improving, we now report our emissions relative to total kilograms of coffee roasted. We refer to this as our "carbon intensity." Of course, our business includes products and services beyond this, but because coffee is our primary offering, it's the most reliable indicator of how we're progressing in our ambitious goal to achieve an 80% reduction in carbon intensity by 2050.



TOP: Picking coffee on a drought-ravaged farm in Tanzania. Irregular rainfall patterns have made harvest and cultivation of coffee unpredictable. BOTTOM LEFT: Lelis Garcia Armijos of San Ignacio, Colombia works hard to keep his farm disease-free and productive. Here, he integrated food crops and three levels of shade cover with his new coffee. BOTTOM RIGHT: As climate conditions change, coffee farms must relocate to higher altitudes to adapt. Mountainous terrain is difficult for coffee pickers to navigate, making coffee production more perilous and more expensive.

Setting new standards for e-waste

Where do old computers go to die? We've made it our mission to find out—so we can make sure that worn-out keyboards, screens, and printers don't find their final resting place in the landfill. This requires some serious sleuthing. Increasingly, rather than simply hiring a recycling company to haul our e-waste away, we systematically check haulers' permits, investigate their compliance history, and verify their electronic dismantling

processes—which helps ensure that recyclable metal and plastic actually get converted into reusable materials and that toxic scrap doesn't leach into our groundwater and streams. It's just one example of how we're striving to understand what's happening upstream and downstream from our business, so we can verify whether everyone we work with meets our high standards for environmental safety.

Environmental safety initiatives

We're stepping up our environmental safety efforts and communicating our goals across the company, laying the foundation now as we prepare for more ambitious goals going forward.

SAYING NO TO TOXIC CHEMICALS

We evaluate every product we use, identify those with potentially toxic or undesirable ingredients, and find safer, non-toxic substitutes if they're putting our employees, partners, customers, or business at risk.

PROTECTING THE OZONE

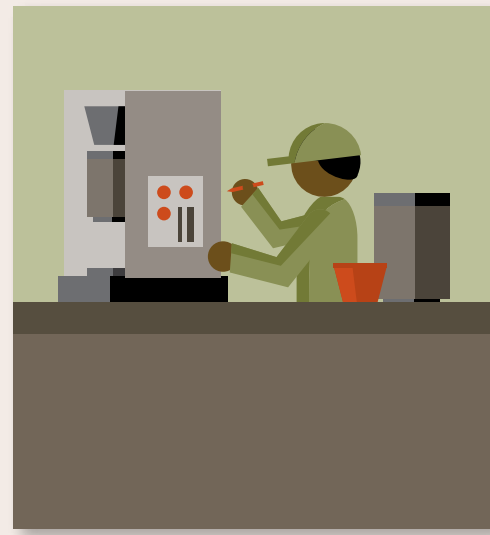
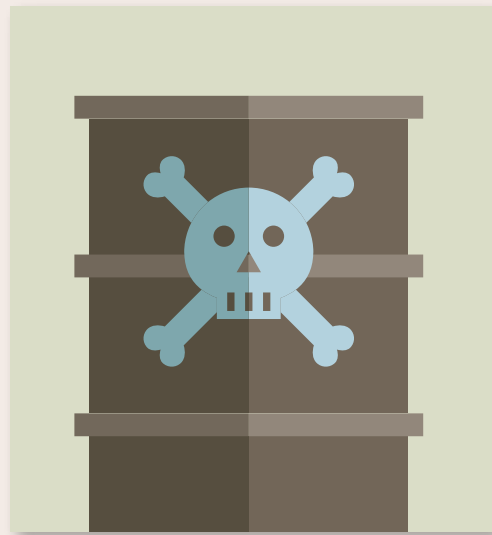
Compressed gases can deplete the ozone. That's why we make sure the gas in our retired juicers is properly evacuated before the equipment is sent to the scrap yard for recycling.

SURVEYING OUR SCRAP YARDS

We're increasing our onsite scrap yard inspections to verify that vendors are actually doing what they say they're doing with the mercury, cardboard, metal, and other materials we send them.

PREVENTING MERCURY EXPOSURE

We recycle every compact fluorescent bulb through an authorized vendor, so toxic mercury can be removed properly and kept out of our air and water.



ZERO WASTE TO LANDFILL INITIATIVE

With our strategic, company-wide approach to diverting waste from the landfill, many Farmer Brothers sites have already dramatically downsized their landfill containers.

Where does the waste go?

At least
42,782 kg
of packaging tailings and shrink
BAILED AND UPCYCLED

At least
2,299 kg
of scrap metal
RECYCLED

At least
420,000 kg
of near-expired food to
SECONDARY MARKETS





The trickle-down effect

Coffee uses water throughout its journey from farm to cup—starting with irrigation of the plants, continuing with the washing of beans, and ending with the brewing of an excellent cup of coffee. Careful use of this increasingly precious resource will help to ensure there’s enough clean water available—not only for our value chain, but also for other industries and for people everywhere.

With California facing one of the most severe droughts on record, our Torrance headquarters became an increasing liability from a water risk standpoint—one that we were determined to lower as we considered the location for a new Farmer Brothers facility. Using the World Resource Institute Aqueduct Water Risk Atlas to guide our decision-making, we analyzed our Torrance location based on 12 water risk indicators, including access to water and water quality. As we suspected, our southern California headquarters received a high-risk rating. Our new headquarters in Northlake, Texas will be situated in a medium-risk area that is estimated to have “near normal” water conditions between now and 2095, which we believe will help us reduce the risk of supply interruptions.

Water reduction plans for new headquarters

As we finalize architectural plans for our new office and distribution center in Northlake, Texas, we’re making use of technology and building elements to reduce our water consumption. And, we’ll continue proactively assessing and responding to notifications from our utility districts around the country regarding water consumption—paying close attention to when we exceed consumption as compared to the previous months. Empowered with information, we work with our branch managers to identify potential leaks or equipment failures causing increased consumption, then resolve those issues as quickly and efficiently as possible.

TOP LEFT: “Natural” coffee processing techniques reduce water use in coffee production. BOTTOM LEFT: Washed coffee uses more water; however, some farms such as this one in Acatenango, Guatemala recycle the water they use to reduce their consumption. RIGHT: In El Salvador, our direct trade partners are always looking for ways to reduce water use in coffee processing.



ECONOMIC

With our first profitable year in a decade, 2014 proved that a focus on culture change, continuous improvement, excellent products, and awareness and accountability can contribute to the bottom line. Whether we were streamlining our inventory or taking the first steps toward holding suppliers responsible, we saw that transparency and collaboration can lead to better business practices that stretch our dollars farther.



Increase economic viability to support the needs of our employees, suppliers, and customers

PROGRESS

In 2014, we defined and aligned upon demanding company-wide goals. We integrated systems and processes to reduce complexity across the business, made strides toward creating a universal resource system for all production facilities, and created a unified national account selling organization. [Read our complete Material Aspect brief](#)

\$530+ Million

Total economic value generated in 2014.



Achieve 100% participation in our supplier accountability survey by 2017

PROGRESS

We improved our basic Sustainable Purchasing Policy this year as part of our journey toward building a cohesive, cross-functional strategy for supplier qualification and code of conduct. We worked to set clear standards and good governance practices and incorporated them into a new supplier qualification survey, which eventually all suppliers will be required to participate in. We are following an awareness, assessment, verification framework. [Read our complete Material Aspect brief](#)

KPIs to be reported by suppliers will include: food safety, risk, and sustainability.

Turning a sharp eye on eco-efficiency

Inside a company with 125 facilities spanning the U.S., excess inventory can lurk in all kinds of places, wreaking havoc on the bottom line. Ron Powers was determined to lure stray products and supplies out of their hiding spots. As Farmer Brothers Senior Manager of Distribution Centers and Inventory, Ron knew that tighter inventory management could lead not only to a more profitable business, but also a less wasteful one.

With the integration of an enterprise resource planning system that tracks and reports inventory across all facilities, Ron found what he was looking for. "Now, we're analyzing data from across all sites. We can run a report that will identify product and packaging that are sitting on the shelf costing us money and make proactive decisions about how to handle that inventory."

Through this project, Ron and his team have identified other opportunities for eco-efficiency projects. And at that intersection of efficiency, economy, and environment lies a major sweet spot for sustainability.

Extending the lifecycle of our pallets

The traditional one-and-done lifecycle of a pallet is not only costly but potentially wasteful. We continue to eke more life out of the pallets and rarely put a pallet in the landfill. We're exploring other solutions—such as a composite, cradle-to-cradle pallet made from our packaging waste.

Re-energizing our lighting

One of the simplest ways to improve energy efficiency and cut costs in our facilities is with high-efficiency light bulbs. In Oklahoma City, we're switching from a 400-watt bulb to a 200-watt bulb—resulting in reduced consumption of 40% in the warehouse.

Reducing equipment inefficiency for big returns

When we fixed leaks and over-production of air in our compressed air system, the payback on our investment was only half a year and the energy savings are more than 10%.

Decreasing inventory waste

New inventory processes allow us to better manage our products so they don't sit on the shelf, waiting to expire. But when products are close to expiration, we work to donate them to local food banks that are Feeding America network partners.

Optimizing for the long haul

When we see some of our trucks coming back to distribution centers empty, we realize we're not using our fleet to 100% of its efficiency potential. So we're working with our logistics team to plan better round-trip routing for fuller trucks.



Working with sustainable suppliers

We know that we cannot complete our sustainability journey until we have a clear line of sight into the actions of our suppliers. By holding our partners accountable for their practices, we're asking that our social, environmental, and economic goals be carried out at every level of our business. And we do this with the goal that everything we offer—from our direct trade coffees to the paper cups they're served in—comes with the same high standards for sustainability.

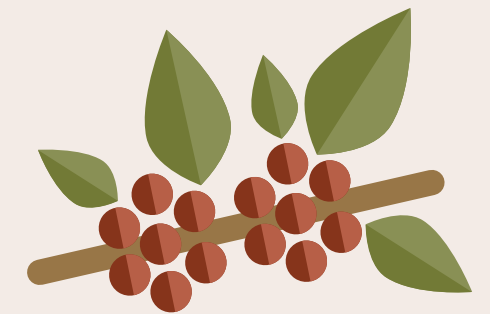
With our new supplier audit methodology, we're beginning the process of verifying the certification, facilities management, environmental standards and labor practices of every partner in our supply chain. Working together with our procurement, risk management, quality assurance, and sustainability departments, we're striving to reduce our own business risk while boosting our collective performance as sustainable businesses. Because we believe that quality is no longer defined only by what you do, but also how you do it.



We strive to select supplier partners who care about both quality and sustainability.

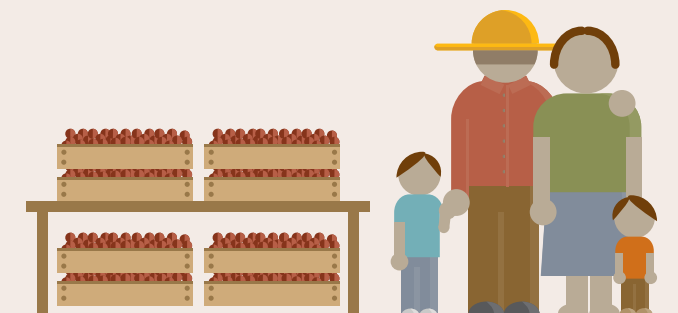
COLLECTIVE IMPACT

Working together to boost sustainability and economic resiliency for coffee communities, we are committed partners with the Coalition for Coffee Communities. A hub for thought leadership, investment, and action, CCC joins forces with organizations that are intent on advancing economic development and influencing policy in areas of critical importance to the future of coffee. It's another opportunity for us to preserve our resource of coffee by playing a vital role in influencing its future.





WHERE DOES OUR FOOD COME FROM?

We believe everyone deserves to know the answer to this question. That's why we have created clear expectations for food safety and communicated them with our suppliers, so we can track the quality, safety, and social responsibility of every product we purchase.



Scorecard

| GOAL | UNIT OF MEASURE | 2013 INTENSITY | 2014 INTENSITY | YEAR/YEAR CHANGE | STATUS |
|--|------------------------|----------------|----------------|------------------|---|
| Reduce CO ₂ emissions | metric tons/roasted kg | N/A | 0.0127 | NA | |
| Reduce on-road fuel consumption | liters/roasted kg | 0.4793 | 0.4012 | ▼ 16.29% |  |
| Reduce on-site fuel consumption | kWh/roasted kg | 1.3881 | 1.4567 | ▲ 4.94% |  |
| Reduce electricity consumption | kWh/roasted kg | 0.8691 | 0.7884 | ▼ 9.28% |  |
| Increase percent of renewable energy equivalent to electricity | % of total kWh | 40.57% | 71.27% | ▲ 30.70% |  |
| Reduce water consumption | liters/roasted kg | 2.5831 | 1.7445 | ▼ 32.46% |  |
| Increase percent of responsibly sourced coffee in portfolio | % of total green kg | 6.86% | 11.88% | ▲ 5.02% |  |
| Shift waste ratio toward zero waste to landfill (landfill diversion) | % of total waste kg | 31.00% | 43.00% | ▲ 11.80% |  |
| Shift waste ratio toward zero waste to landfill (landfill) | % of total waste kg | 69.13% | 57.33% | ▼ 11.80% |  |
| Increase percentage of biodegradable/recyclable packaging (finished) | % of total pkg kg | 29.88% | 62.19% | ▲ 32.30% |  |
| Increase percentage of biodegradable/recyclable packaging (shipping) | % of total pkg kg | 73.26% | 99.21% | ▲ 25.96% |  |
| Increase investment in supply chain stability and food security | dollar/roasted kg | 0.0223 | 0.0117 | ▼ 47.41%* |  |

 Improved
 Working on it

*Substantial decrease is related to decline in product donations because of better inventory management and food waste prevention measures.

GRI G4 Content Index

● Completed for Core compliance ● Completion planned for 2015–In development for Core compliance ● In progress for future disclosures

| INDICATOR AND INDICATOR DESCRIPTION | | STATUS | EXTERNAL ASSURANCE | LOCATION |
|---|---|--------|--------------------|--|
| GENERAL STANDARD DISCLOSURES | | | | |
| Strategy and Analysis | | | | |
| G4-1 | Statement from the most senior decision-maker of the organization | ● | ● | This report, pg. 3 |
| Organization Profile | | | | |
| G4-3 | Name of the organization | ● | ● | General Standard Disclosures |
| G4-4 | Primary brands, products, and services | ● | ● | General Standard Disclosures |
| G4-5 | Location of the organization's headquarters | ● | ● | General Standard Disclosures |
| G4-6 | Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report | ● | ● | General Standard Disclosures |
| G4-7 | Nature of ownership and legal form | ● | ● | General Standard Disclosures |
| G4-8 | Markets served | ● | ● | General Standard Disclosures |
| G4-9 | Scale of the organization | ● | ● | General Standard Disclosures |
| G4-10 | Total number of employees by employment contract and gender | ● | ● | General Standard Disclosures |
| G4-11 | Percentage of total employees covered by collective bargaining agreements | ● | ● | General Standard Disclosures |
| G4-12 | Describe the organization's supply chain | ● | ● | General Standard Disclosures |
| G4-13 | Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain | ● | ● | General Standard Disclosures |
| G4-14 | Report whether and how the precautionary approach or principle is addressed by the organization | ● | ● | General Standard Disclosures |
| G4-15 | List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or endorses | ● | ● | General Standard Disclosures |
| G4-16 | List memberships of associations (such as industry associations) and national or international advocacy organizations | ● | ● | General Standard Disclosures |
| Identified Material Aspects and Boundaries | | | | |
| G4-17 | Entities included in the organization's consolidated financial statements or equivalent document | ● | ● | General Standard Disclosures |
| G4-18 | Explain the process for defining the report content and the Aspect Boundaries and how the organization has implemented the Reporting Principles for Defining Report Content | ● | ● | General Standard Disclosures |
| G4-19 | List all the Material Aspects identified in the process for defining report content | ● | ● | General Standard Disclosures |
| G4-20 | For each Material Aspect, report the Aspect Boundary within the organization | ● | ● | General Standard Disclosures |

| INDICATOR AND INDICATOR DESCRIPTION | | STATUS | EXTERNAL ASSURANCE | LOCATION |
|--------------------------------------|---|--------|--------------------|---|
| G4-21 | For each material Aspect, report the Aspect Boundary outside the organization | ● | ● | General Standard Disclosures |
| G4-22 | Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements | ● | ● | General Standard Disclosures |
| G4-23 | Report significant changes from previous reporting periods in the Scope and Aspect Boundaries | ● | ● | General Standard Disclosures |
| Stakeholder Engagement | | | | |
| G4-24 | Provide a list of stakeholder groups engaged by the organization | ● | ● | General Standard Disclosures |
| G4-25 | Report the basis for identification and selection of stakeholders with whom to engage | ● | ● | General Standard Disclosures |
| G4-26 | Report the organization's approach to stakeholder engagement | ● | ● | General Standard Disclosures |
| G4-27 | Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded | ● | ● | General Standard Disclosures |
| Report Profile | | | | |
| G4-28 | Reporting period | ● | ● | General Standard Disclosures |
| G4-29 | Date of most recent previous report | ● | ● | General Standard Disclosures |
| G4-30 | Reporting cycle | ● | ● | General Standard Disclosures |
| G4-31 | The contact point for questions regarding the report or its contents | ● | ● | General Standard Disclosures |
| G4-32 | The 'in accordance' option the organization has chosen | ● | ● | General Standard Disclosures |
| G4-33 | The organization's policy and current practice with regard to seeking external assurance | ● | ● | General Standard Disclosures |
| Governance | | | | |
| G4-34 | The governance structure of the organization | ● | ● | General Standard Disclosures |
| Ethics and Integrity | | | | |
| G4-56 | The organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics | ● | ● | General Standard Disclosures |
| SPECIFIC STANDARD DISCLOSURES | | | | |
| CATEGORY: ECONOMIC | | | | |
| Aspect: Economic Performance | | | | |
| G4-DMA | Generic Disclosures on Management Approach | ● | ● | Charting the Issues: Economic Performance |
| G4-EC1 | Direct economic value generated and distributed | ● | ● | |
| Aspect: Procurement Practices | | | | |
| G4-DMA | Generic Disclosures on Management Approach | ● | ● | Charting the Issues: Economic Performance |
| G4-EC9 | Proportion of spending on local suppliers at significant locations of operation | ● | ● | |

| INDICATOR AND INDICATOR DESCRIPTION | | STATUS | EXTERNAL ASSURANCE | LOCATION |
|--------------------------------------|---|--------|--------------------|--|
| CATEGORY: ENVIRONMENTAL | | | | |
| Aspect: Energy | | | | |
| G4-DMA | Generic Disclosures on Management Approach | ● | ● | Charting the Issues: Energy and Climate Change |
| G4-EN3 | Energy consumption within the organization | ● | ● | Charting the Issues: Energy and Climate Change |
| Aspect: Water | | | | |
| G4-DMA | Generic Disclosures on Management Approach | ● | ● | Charting the Issues: Water |
| G4-EN8 | Total water withdrawal by source | ● | ● | |
| Aspect: Biodiversity | | | | |
| G4-DMA | Generic Disclosures on Management Approach | ● | ● | |
| G4-EN11 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | ● | ● | |
| Aspect: Emissions | | | | |
| G4-DMA | Generic Disclosures on Management Approach | ● | ● | Charting the Issues: Energy and Climate Change |
| G4-EN15 | Direct greenhouse gas (GHG) emissions (Scope 1) | ● | ● | Charting the Issues: Energy and Climate Change |
| Aspect: Effluents And Waste | | | | |
| G4-DMA | Generic Disclosures on Management Approach | ● | ● | Charting the Issues: Effluent and Waste |
| G4-EN22 | Total water discharge by quality and destination | ● | ● | |
| Aspect: Products and Services | | | | |
| G4-DMA | Generic Disclosures on Management Approach | ● | ● | |
| G4-EN28 | Percentage of products sold and their packaging materials that are reclaimed by category | ● | ● | |
| Aspect: Compliance | | | | |
| G4-DMA | Generic Disclosures on Management Approach | ● | ● | |
| G4-EN29 | Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations | ● | ● | |

| INDICATOR AND INDICATOR DESCRIPTION | | STATUS | EXTERNAL ASSURANCE | LOCATION |
|--|--|--------|--------------------|---|
| CATEGORY: SOCIAL | | | | |
| Sub-Category: Labor Practices and Decent Work | | | | |
| Aspect: Occupational Health and Safety | | | | |
| G4-DMA | Generic Disclosures on Management Approach | | | Charting the Issues: Occupational Health and Safety |
| G4-LA5 | Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs | | | |
| Aspect: Supplier Assessment for Labor Practices | | | | |
| G4-DMA | Generic Disclosures on Management Approach | | | |
| G4-LA14 | Percentage of new suppliers that were screened using labor practices criteria | | | |
| Sub-Category: Human Rights | | | | |
| Aspect: Supplier Human Rights Assessment | | | | |
| G4-DMA | Generic Disclosures on Management Approach | | | |
| G4-HR10 | Percentage of new suppliers that were screened using human rights criteria | | | |
| Sub-Category: Society | | | | |
| Aspect: Local Communities | | | | |
| G4-DMA | Generic Disclosures on Management Approach | | | Charting the Issues: Local Communities |
| G4-SO1 | Percentage of operations with implemented local community engagement, impact assessments, and development programs | | | |
| Aspect: Compliance | | | | |
| G4-DMA | Generic Disclosures on Management Approach | | | |
| G4-SO8 | Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations | | | |
| Sub-Category: Product Responsibility | | | | |
| Aspect: Customer Health and Safety | | | | |
| G4-DMA | Generic Disclosures on Management Approach | | | |
| G4-PR1 | Percentage of significant product and service categories for which health and safety impacts are assessed for improvement | | | |
| Aspect: Compliance | | | | |
| G4-DMA | Generic Disclosures on Management Approach | | | |
| G4-PR9 | Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services | | | |

What's next

We're committed to continual improvement in our business, our communities, and our world. This year, we'll proceed down our sustainability path by focusing on the next eight areas of development across our social, environmental, and economic goals.



SOCIAL

- Evaluate supplier human rights
- Strengthen social compliance



ENVIRONMENT

- Promote biodiversity
- Verify environmental compliance



ECONOMIC

- Improve products and services
- Assess suppliers and labor practices
- Protect customer health and safety
- Enforce product compliance

Tell us what you think of our 2015 goals—and let us know what else Farmer Brothers should be doing to create a more responsible business, and a better world.

Questions regarding this report can be directed to our sustainability team at: sustainability@farmerbros.com

Check out what's brewing on Facebook 

