

CHARTING THE ISSUES WATER

OUR VISION: ENOUGH CLEAN WATER FOR EVERYONE

It's a sad reality: clean, accessible freshwater that was once an abundant resource is harder to come by today. At Farmer Brothers, we're working to counteract this crisis by reducing the amount of water we consume and to return as much clean water back to our watersheds as possible. From farm to cup, a coffee beverage uses water throughout the journey — 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 precious resource should enhance the security of water supply not only for our supply chain, but for other populations and industries.

WHY IS WATER IMPORTANT TO US?

Due to population growth, industry growth, and the expected effects of climate change, it is estimated that by 2050, more than half of the world's population will live in water-stressed areas and about a billion or more will not have sufficient water resources.¹ In an effort to mitigate our contribution to worldwide water stress, we are dedicated to doing our part to reduce water consumption and water pollution from farm to cup. With this commitment to global water preservation and conservation, we hope to improve the availability of water resources at each stage of our supply chain, so we can deliver high-quality products without unnecessary water supply limitations.

WHAT OUR FRIENDS SAY ABOUT IT

"Coffee requires water in the wet mill process, and water stress and contamination are major issues in South America. There is certainly room for improvement given the affordability of technologies that reduce water use and improve water treatment."

Michael Sheridan, *Borderlands Coffee Project Director, Catholic Relief Services*

"Everything we know about how coffee is distributed in next 20 years will be radically different due to changing climate conditions and water availability."

Ric Rhinehart, *Executive Director, Specialty Coffee Association of America*

HOW WE MEASURE IT

Farmer Brothers manages our water use in our operations by measuring the amount of water we purchase. Analysis of utility bills helps us track and review the water used by our facilities. We report the volume on a monthly basis and review change on an annual basis. For our certified coffee supply, farmers are trained in efficient water use and methods for reusing and recycling water. For our Direct Trade Verified Sustainable coffee supply, we understand specifically what percentage of farms use water conservation methods and the volume of water that they consume. The next step will be to seek to help producers with their local water management.

WHAT WE'RE DOING ABOUT IT

During 2014, Farmer Brothers started an enterprise-wide water measurement and management initiative. Using a baseline of all of our sites allowed us to gauge the positive impact of local and company-wide efforts.

Through employee engagement, we've encouraged sustainable behavior with water in production, tap, toilets, and landscaping. In Houston, for example, we've reduced water usage per unit of production by lowering the moisture used to cool the product after roasting.

We used the World Resource Institute Aqueduct Water Risk Atlas to guide our decision-making in selecting a site for our new

¹ <http://newsoffice.mit.edu/2014/predicting-the-future-of-global-water-stress>

Farmer Brothers facility. This resource uses 12 water risk indicators to map where water risk may be more prevalent. The high-risk rating of our Torrance, California headquarters is one reason that we are choosing to relocate to a region with lower water risk. Our new headquarters in Northlake, Texas will be in a medium-risk area that is estimated to have “near normal conditions” between now and 2095.² Additionally, at our new headquarters we plan to use technology and building elements to reduce water consumption. Some of these elements could include low-flow toilets, bioswales, native landscaping, smoke suppression, and grey water capture. Bioswales are storm water runoff conveyance systems that provide an alternative to storm sewers. They can absorb low flows or carry runoff from heavy rains to storm sewer inlets or directly to surface waters. Bioswales improve water quality by infiltrating the first flush of storm water runoff.³

Because our products are sold and served at more than 90,000 businesses, we have the opportunity to influence the water management of a large numbers of cafes and restaurants. In our Public Domain café, our sink includes a solar-powered sensor that minimizes the time that the water is left on, and our protocols require that leaks be attended to immediately. At Public Domain, we’ve also eliminated cold-dipper water wells and replaced them with an on-demand pitcher rinser that saves approximately 984,207 liters of water, annually.

“Water is the next big issue in our country. And while our company’s energy impact is much greater than water, we still must consider our impact on the water crisis by looking at consumption and water stress.”

Mike Keown, *CEO, Farmer Brothers*

HOW WE’RE DOING

Water is an essential component of the coffee supply chain. Without clean, accessible water, there is no coffee to enjoy. Growing and pulping the plant can use tremendous volumes of water, cooling the roasted beans is water intensive, and brewing coffee requires a significant amount of water. In 2014, we made water part of our overall resource management plan and revised our production processes. These steps have reduced water usage per unit of production by approximately 32% and lowered the moisture content and the weight in our finished coffee product.

2015 METRICS

Total water withdrawal by source

16,156,000

Gallons



100%

from municipal water

² <http://www.wri.org/applications/maps/aqueduct-atlas>

³ <http://www.nrcs.usda.gov>