



**IMPACT  
REPORT  
2020**

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# FOREWORD

Undoubtedly 2020 was a year full of challenges, uncertainty and insecurity. But also a year that presented us with the opportunity to know ourselves better and test some of our limits. A year that made us lighter and stronger.

In 2020, we were forced to rethink about anything and everything around us. Suddenly, all that was very concrete became abstract and in a glimpse we were fearful that our history could disappear without knowing where the turbulence would take us.

As a Brazilian saying describes it, no evil can last forever, just like there is no good that will always endure.

With this spirit, Sancoffee has taken advantage of these conditions to make progress in several areas. We have revisited our history and strategic planning in a work that resulted in a new brand image, deeply rooted in our values. This also opened the way for a new website and enhanced communication, including social media.

Looking inwards, investments have been made to conclude expansion and renovations of the warehouse, dry milling and q-lab facilities. More importantly, we have been able to dedicate even more time to social projects, member farms and partner small growers associations, all of which are covered later in this report. Even so, the highlight of 2020 has been the Carbon Neutrality attained by Sancoffee for the first time, at the same time that we intensify our efforts with growers to regenerate degraded areas in the farms.

Coffee-wise, the year was marked by a record harvest in Brazil, which combined with a demand that proved very resilient, has enabled us to grow our business even under very unpredictable market conditions. We are certainly grateful for our partners and friends around the world, whose trust and support have been fundamental to weather this storm.

Without further due, please enjoy the reading and look forward to seeing you all in person very soon!

Yours sincerely,  
**Henrique Dias Cambraia**  
Sancoffee's President



# ABOUT SANCOFFEE

Sancoffee was born in 2000 out of a dream shared by a group of coffee growers located around the town of Santo Antonio do Amparo, State of Minas Gerais. Very early, these growers had a vision for the nascent specialty coffee market and for advancing coffee farming in the region.

With great support and encouragement from Mr. Fernando Paiva, pioneer of specialty coffees in Campo das Vertentes since the 60's, these producers acquired a warehouse and founded the cooperative. Over time, this infra-structure has evolved to state-of-the-art, automated, dry milling machinery and warehousing solutions. Since its inception, Sancoffee has been a major driving force for the development of specialty coffee in the Campo das Vertentes region.

Deeply inserted in the local community, Sancoffee is a proud supporter of initiatives to generate progress and prosperity through the coffee business. Along with the member farms, the coop is engaged in several projects aiming social and environmental responsibility to ensure the sustainability of the coffee activity in the long term. As a result of these efforts, Sancoffee has been awarded the B-Corp seal in 2019.

In commercial terms, Sancoffee has always been guided by transparency and trust, resulting in long lasting relationships around the world, with most customers over 10 years.

Nowadays, consistency, innovation, integrity, stewardship and transparency, still govern the actions of Sancoffee, seeking to constantly adapt to new market trends and using coffee as carrier to create a better life for all those involved.



## COOP MEMBERS

Fazenda Arco Íris . Fazenda Boa Vista and Fazenda Santa Bárbara . Fazenda Bom Jardim . Fazenda Café Citro . Fazenda Bom Jardim . Fazenda Cerrado Grande . Fazenda Cruzeiro and Fazenda Sobrado . Fazenda Curral de Minas . Fazenda Faria . Fazenda Guariroba . Fazenda Mumbuca . Fazenda Pinhal and Fazenda Santo Antônio . Fazenda Samambaia and Fazenda Campo Alegre . Fazenda Santa Clara . Fazenda São Carlos . Fazenda São Paulo . Fazenda São Sebastião . Fazenda Serra Negra . Fazenda Taquaral . Fazenda Vila Boa.



## GROWER'S WORD

It is with great satisfaction that Fazenda São Paulo participates as a member of Sancoffee's Impact Committee. We believe in a balanced relationship between man and nature and therefore we have been working to provide our team and community with better quality of life. Simple measures in our work environment can contribute to improve our daily lives. Its up to us to take care of nature and ensure future generations can also enjoy it!

**Gilmar Rodrigues**

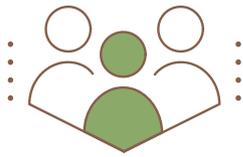
Production Director at Fazenda São Paulo



José Carlos Cepera (Fazenda São Paulo's grower) and Gilmar Rodrigues (Fazenda São Paulo's Production Director)

# FACTS AND FIGURES

- Key numbers of our business operations -



**177**

GROWERS



**08**

MUNICIPALITIES



**8,368**

HECTARES OF COFFEE



**33**

WORKERS



**8,100**

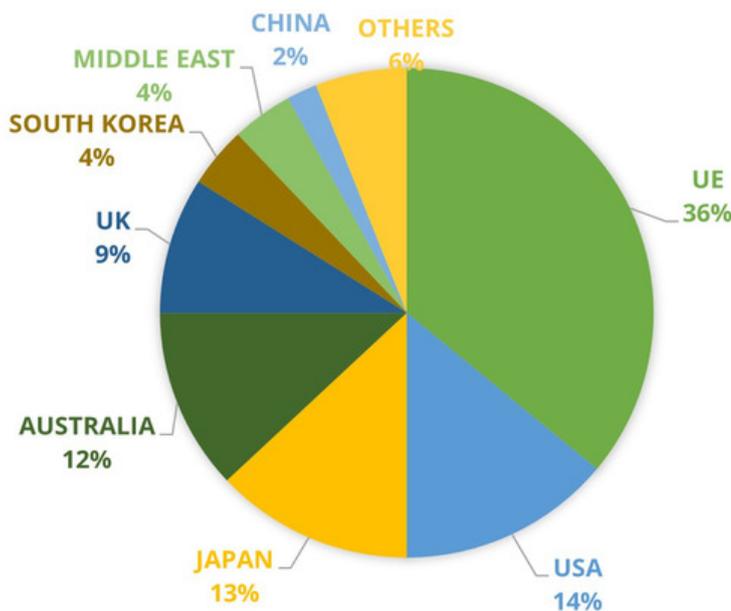
M<sup>2</sup> OF WAREHOUSE



**188,117**

TOTAL COFFEE PRODUCTION IN BAGS (60KG)

## MAIN MARKETS



**52,519**

EXPORTED BAGS (60KG)



# COMMUNITY

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# BEYOND BORDERS PROGRAM

The Beyond Borders is a small coffee holders program created in 2012 with the purpose of promoting prosperity among growers from Campo das Vertentes region and their families, in order to provide them with access to the specialty coffee markets.



## KEY NUMBERS

**03**

Associations

**157**

Small growers

**3,497**

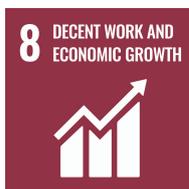
Exported bags (60kg)

**US\$ 23,985.46**

Contribution given  
by the buyers

**61 %**

Premium paid  
above local market



# DONATION TO NURSING HOME

First initiative financed by our Sustainability Fund

**Institution:** Nursing Home "Vovô Nunuca" at Santo Antônio do Amparo - MG

**Assisted people:** 35

**Monthly payments BRL1,500.00** used for medicines and COVID-19 prevention materials

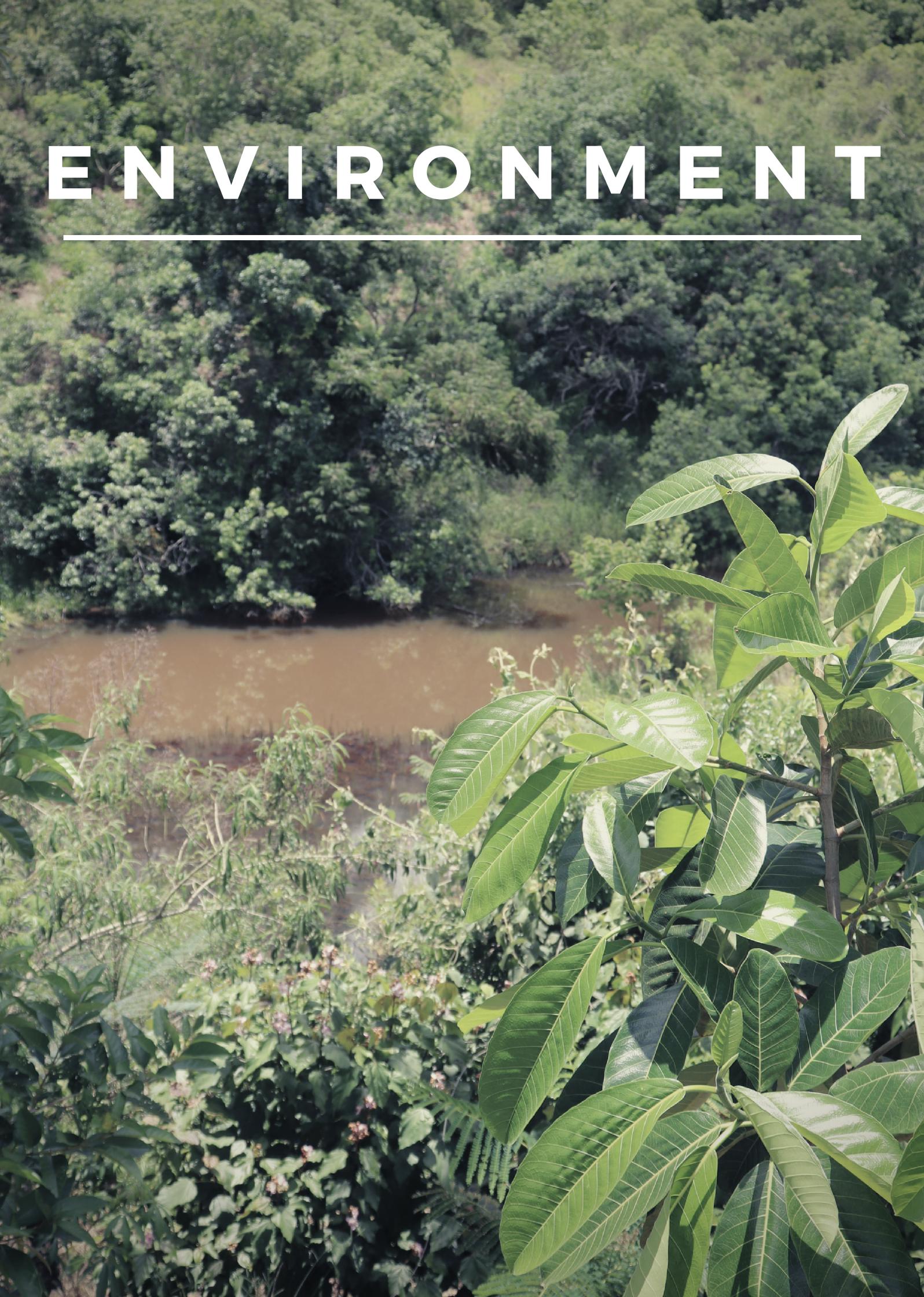


# EDUCATION



# ENVIRONMENT

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# CARBON NEUTRALITY

Sancoffee has long been committed to the sustainability of its activities, whether in terms of environmental preservation or social responsibility, aiming to improve living conditions in the surrounding communities and contribute to the future of generations to come.

As coffee growers, we are deeply connected with nature but also involved with the most important economic activity in our region. Thus, we strongly believe we can collaborate more with the planet and our people.

Climate change is undoubtedly one of the major issues we are facing, it poses a real threat to the future of coffee growing, agriculture and our very livelihoods.



Therefore, we see it as a natural evolution to start working on our carbon footprint. In 2020, for the first time, we have been able to offset 100% percent of greenhouse gases emissions corresponding to the year of 2019, to become one of the first coffee coops to achieve Carbon Neutrality in Brazil.

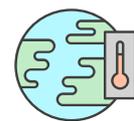
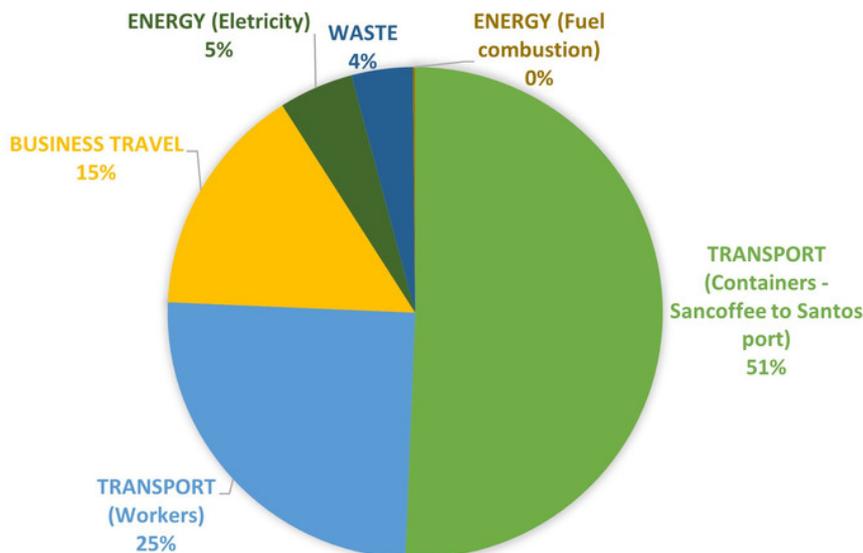
## First Step

### Calculation of Greenhouse Gases Emissions (GHG)

**Methodology used:** Greenhouse Gases Protocol (GHG protocol) following the guidelines of UN's Intergovernmental Panel on Climate Change (IPCC).

### Sancoffee's emissions

(% per sector)



**185,81**

Sancoffee's total emissions  
(Tons of CO<sub>2</sub>)



## Second Step Carbon emissions Offsetting

**186**  
Carbon credits  
purchased



### OFFSETTING

1 ton of CO2 emitted = 1 carbon credit



### SELECTED PROJECT

#### "Protected area of tropical forest in the Amazon"

Located in Paragominas, State of Pará.

This conservation area of 27,434.9 ha is continuously monitored to prevent any deforestation taking place.

**Methodology:** VMD0007



**Project Register:** <https://registry.verra.org/app/projectDetail/VCS/832>



# CARBON NEUTRALITY



## CERTIFICATE



The **AMIGO DO CLIMA PROGRAM** certifies that **SANCOFFEE - COOPERATIVA DOS PRODUTORES DE CAFÉS ESPECIAIS SANTO ANTÔNIO ESTATE COFFEE** offset the Greenhouse Gases (GHG) emissions related to their operations in the year of **2019**. **186 tCO<sub>2</sub>e** were offset by voluntary cancellation under the Verified Carbon Standard (VCS). Details on this climate responsibility action can be accessed on the program website [www.amigodoclima.com.br](http://www.amigodoclima.com.br), using the tracking code **AC20204**.

Belo Horizonte, November 26, 2020.

*Felipe Bittencourt*  
Felipe Bittencourt  
Amigo do Clima Program

# BIO RECOVERY PROJECT

This project has the purpose of ensuring the improvement and conservation of the environment within Sancoffee member farms. By doing so, we expect to protect water resources as well as the fauna and flora of our region. We also work on the regeneration of degraded pasture areas and gullies.

## Pilot Farm Fazenda Campo Alegre

Total area  
**500 hectares**  
Conservation area  
**107 hectares**  
Degraded area  
**24 hectares**

## Key numbers

**18 hectares**  
Permanent preserved  
area monitored

**3.9 hectares**  
of Gullies  
recovered

**05**  
Spring recovered

**05**  
Dam recovered

**5,395**  
Native trees  
planted

**12,000**  
Vetiveria Zizanoides  
(grass) planted



2018



2021

13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



# FUTURE OUTLOOK

With 2020 in our rear-view mirror, going through challenging times, we can look confidently towards the future.

The pandemic has exposed the fragility of the human condition and we have taken this opportunity to reconnect with our purpose as a company and to strengthen our position of an agent of transformation, seeking to increase prosperity around us.

Hence, in 2020, we focused a lot of attention and effort to better coordinate and organize our initiatives in the social and environmental domains, creating the necessary framework to expand these actions further afield. As a consequence, we have plans to integrate more farms in the carbon neutrality, bio recovery program and b-corp certification.

In addition, Sancoffee has put in place a Sustainability Fund which will allow us to better plan the financial flows towards social projects, such as the public Nursing Home and Kindergarten of Santo Antônio do Amparo.

The journey has only started, the road was bumpy in 2020, but we are eager to take new adventures together in coming years.

All the very best,  
**Sancoffee team**



Sancoffee  
BRASIL