SUSTAINABLE COFFEE CHALLENGE

Rooted

2025

Rooted in Resilience

The Sustainable Coffee Challenge

Annual Report

CONSERVATION INTERNATIONAL

Contents

MESSAGE FROM THE DIRECTOR 01

On December 12th, 2015, nearly 200 countries adopted the Paris Agreement—an unprecedented global call to action to respond to the threat of climate change. Riding this wave of global momentum on climate action, we—together with 18 founding partners—launched the Sustainable Coffee Challenge alongside the Paris climate talks, rallying the coffee sector around a joint aspirational vision to make coffee the world's first sustainable agricultural product.

Fast forward ten years, we're a strong community of more than 120 partners! Yet, today's world begs the question: what has changed? The warnings that coffee would be on the front lines of the "poly-crisis" are now playing out in real time. While we celebrate the momentum and impact we've created together, we also recognize the sobering reality of global climate action and the immense challenges still facing the world, coffee included. However, our persistence is rooted in optimism and hope—what's happening now doesn't change where we need to go.

Back to Paris... Legendary cyclist, Greg LeMond (Tour de France winner, 1986), was famously quoted "It never gets easier, you just go faster." The parallels between cycling and the Challenge recently dawned on me during one of my own bike rides. For the past 10 years, coffee sustainability has not gotten easier. On the contrary, it has become an existential imperative. Strong head winds, unexpected terrains, and steep climbs result in increasingly challenging conditions to ride. Despite these non-stop setbacks (and Brussels-driven delays) we don't stop pedaling but rise to the occasion—we "just go faster"! United by our collective vision, we see more industry commitment that is cascading into collective action to sustain supply, conserve nature, and advance prosperity of farming communities.

To keep coffee Rooted in Resilience, our ride requires focus and pace. We must stick to the Peloton—our community—to shape a resilient coffee future that restores nature, achieves net-zero emissions, and uplifts communities!

We invite you to join us on the ride... and don't forget to disclose your whereabouts #IYKYK!

Niels Haak

Director, Sustainable Coffee Partnerships

Our Sponsors

Special thanks to our 2025 Sustainable Coffee Challenge sponsors.

The impact of the Sustainable Coffee Challenge is made possible by generous sponsorship from our partners. This voluntary and catalytic support helps power our coalition, allowing us to uplevel industry ambition, provide best-practice guidance and alignment, and unlock place-based investments at scale in key coffee producing landscapes. We are grateful for the trust and partnership from these organizations and encourage any participant in the Sustainable Coffee Challenge to consider becoming a supporting partner.

Platinum
JDE Peet's · NESCAFÉ · NESPRESSO · Starbucks

Gold
DUNKIN' · Keurig DrPepper · McDonald's · THE J.M. SMUCKER Co · Tchibo

Silver
Neumann Kaffee Gruppe

Bronze
CARAVELA · ofi make it real · nca · PUR · RAINFOREST ALLIANCE · S&D · SUPRACAFÉ · SUSTAINABLE FOOD LAB

With additional support from: FOLUR Food Systems · Land Use · Restoration · GOOD GROWTH PARTNERSHIP Led by UNDP · idh transforming markets · SUSTAINABLE FOOD LAB

Powered by: CONSERVATION INTERNATIONAL

"COFFEE HAS THE POWER TO CONNECT, SAFEGUARDING THE RESOURCES NEEDED TO UNLEASH A RESILIENT FUTURE."

RAINA LANG
SENIOR DIRECTOR, SUSTAINABLE COFFEE
CONSERVATION INTERNATIONAL

02

INTRODUCTION

Introduction

Led by Conservation International, the Sustainable Coffee Challenge is a dynamic coalition of more than 120 partners from across the coffee sector, united in driving bold, innovative solutions to create a nature- and people-positive future for coffee.

As a community, the Challenge is guided by a set of 2050 goals and interim 2025 targets across four compass points: COFFEE – Resilient Supply, PLANET – Conserve Nature, MARKETS – Strengthen Market Demand, and PEOPLE – wellbeing and prosperity. These shared targets, along with aligned metrics, were co-developed by partners in 2020.

A core strategic pillar of the Sustainable Coffee Challenge is to foster transparency and ambition among partners working toward shared sustainability goals. To support this, the Challenge hosts the Commitments Hub, a secure online platform where partners publicly state their coffee sustainability commitments and report annual progress, by June 30th each year. The annual reporting cycle helps track sector-wide momentum and ensures alignment with the Challenge's four focal areas.

This 7th iteration of our annual report provides an analysis of the data in the Hub, illustrating the overall reach and direction of the Challenge's community. Beyond providing a state-of-play on our shared 2025 targets and key developments since last year, this year's report also endeavors to capture and reflect on trends and evolutions around transparency and disclosure on sustainability commitments since the Challenge was initiated. You'll note that this report subsequently shows industry partner alignment with frameworks like SBTi, CDP, and GRI. This evolution from volume-based metrics to policy integration, "just transition" planning, and framework alignment marks a maturing sector.
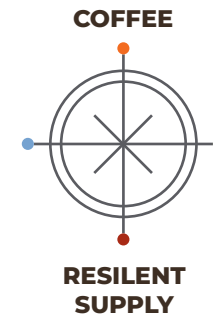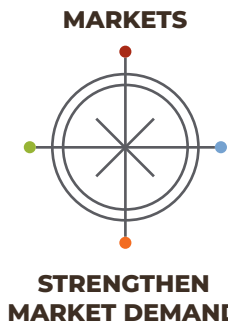
COFFEE

RESILENT SUPPLY

Increase smallholder production by 11.9 million bags, through renovation, rehabilitation, and technical investments on existing areas, to adequately meet long-term demand from a diversity of origins.

PEOPLE

IMPROVE WELL-BEING & PROSPERITY

Fully protect the rights and well-being of coffee workers and establish living income/ wage benchmarks in at least 80% of ICO member producing countries and initiate public-private interventions to close and surpass living income/ wage gaps.

PLANET

CONSERVE NATURE
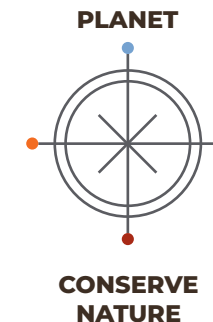
Restore 1.5M hectares of tree cover + conserve 500,000 hectares of forest and secure 100 million tonnes of carbon.

MARKETS

STRENGTHEN MARKET DEMAND

Ensure at least 50% of global coffee purchased by roasters and retailers is sourced according to sustainable practices.

The year 2025 is marked with significant disruption, where volatility is the "new normal." The impacts of global geo-political instability (see call-out box on U.S. import tariffs), a skyrocketing C-price and the looming—yet last-minute shifting—deadlines of deforestation regulation in the EU have set the tone of the coffee industry's sustainability discourse.

As we mark a decade of collective action, this report, "Rooted in Resilience," reflects on the progress we've made and opportunities for continued energy and action toward our united vision. Resilience has become a defining theme for the coffee sector, as it faces mounting challenges from climate change, market volatility, and social inequities. The 10-year milestone offers an important moment to celebrate the strength of our community and to level-up commitment and action to secure coffee's sustainable future.

U.S. Tariffs Aggravate Disruption and Volatility

Alongside Earth Day, April 22nd, the Challenge published a thought-piece reflecting on key trends around transparency and accountability for the year. Major themes identified included the rise of greenhushing, brands as public advocates, capturing sustainability ROI, and the power of collaboration. These trends are tightly connected to the rapidly evolving dynamics and market uncertainty, in which the turmoil about unfolding U.S. import tariffs is a relevant case. At the time of publishing that article, the United States tariff 'roller coaster' had not yet reached its pinnacle.

While impending coffee-related tariffs could be revoked or revised, in 2025, U.S. tariff news and discussions have been causing significant turmoil across the industry and contributed to market volatility. As of this report's writing, coffee from Brazil, the world's largest coffee producer (37% of supply and largest exporter of 2024), faces a 50% tariff in the United States. Notably, 27 commitments made by 15 Challenge partners target Brazil and require a market for uptake of sustainable coffee purchases. However, early signs show that U.S. coffee roasters have started to shift sourcing away from Brazil due to tariffs. Compared to 2024 levels, coffee exports from Brazil to the U.S. were down by over 75% in August of this year. As a response, early indications of mutating trade flows are showing, with the European Union and China pushing policies and trade deals that provide favorable market conditions to redirect coffee originally flowing to the U.S. to their markets. It is largely understood that tariffs disproportionately burden importers and small roasters, with small roasters facing 21% import cost increases. Small-medium roasters and importers encompass nearly 1/3 of Challenge industry partners.[iv] Absorbing these high costs temporarily may seem feasible, but it is not functional in the long term, with the ultimate outcome equaling closure, or consolidation to offset costs. The additional costs in the supply chain inevitably trickle down into retail prices, with U.S. retail coffee prices increasing by 15% year-over-year.

An obvious compounding factor to the U.S. tariffs—and with added global relevance—has been the record-high C-price level in 2025. The increasing frequency and intensity of climate extremes affecting coffee production around the world are now translating into clear supply shocks in the market. In 2025 alone, Brazil's harvest either slowed down due to abnormally cold temperatures and soil humidity changes in Minas Gerais and Sao Paulo, or entirely halted in other regions, from severe drought during the summer season. While a high C-price suggests that producers benefit, irregular climatic conditions often also result in higher cost of production for farmers. For instance, additional costs of inputs and labor offset any financial gains.

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SEEDS OF CHANGE: THE HUB AT A GLANCE

Seeds of Change: The Hub at a Glance

As of today, the Commitments Hub features a total of 176 active commitments from across 101 partners, ranging from roasters and retailers (45%), to traders (21%), NGOs (14%) and many more. About half of Hub commitments are scheduled for completion at the end of this year (2025). The 176 pledges primarily target environmental topics, and most commonly claim to deliver on SDG 12 (Responsible Consumption and Production). This section provides a bird's-eye view on the reach of commitments.

Commitments cover various sustainability topics, target 53 countries in total, and endeavor to impact 38 coffee-producing origins. Most commitments target Central and South America, followed by Africa and then Asia. Partners targeted Colombia most frequently—with 47 commitments active in the Hub—followed by Honduras with 42 commitments, and Mexico with 35.

$376M USD of investment was dedicated across the lifespan of 79 active commitments. By continent, South America surpassed Africa compared to last year in terms of total estimated funds. Additionally, Peru exceeded Colombia with the highest amount of investment by country this year, at $46M. Following were Colombia: $39M, Honduras: $36M, Uganda: $22M, and Vietnam: $20M. It is important to note that if stakeholders selected multiple countries, investment was divided equally across the number of countries.[i]

Data Notes: In this year's data analysis, 6 commitments were retired and removed from the Hub. Like previous years, commitments were retired if they were: (1) successfully achieved (100%) prior to the year 2023 with annual reporting; (2) set to mature prior to the year 2023 with no annual reporting; (3) commitments from an organization that is no longer in business or stated in error. Importantly, stating and reporting on commitments relies entirely on self-disclosure by partners. CI does not conduct audits or verifications of commitments or reported progress.

Key Points

101
partners with commitments

176
commitments

38
coffee- producing countries targeted

58%
commitments reporting progress

16
commitments achieved in 2025 (100%)

22
new commitments

Estimated Funds Allocated for Lifespan of Active Commitments

$107 M
Africa

$91 M
North & Central America

$104 M
South America

$65 M
Asia-Pacific

Between 2024 and 2025, the most substantial increase in commitments came from stakeholders identifying as traders, exporters, and importers, rising by 26% year-over-year. Roasters and producers/cooperatives also saw meaningful increases of 11% and 13% year-over-year, respectively. Nonprofits and institutions experienced modest growth at 8%, while commitments from retailers declined slightly by 3%. Other stakeholder categories, including multi-stakeholder initiatives and associations, remained stable (0% change year-over-year). Noteworthy is the new commitment stated in support of the Peru country projects under the Global Environment Facility (GEF) Food Systems, Land Use and Restoration Impact Program (FOLUR) program (see call-out box on page 14).

Commitments by Targeted Geography

1
54
#Commitments
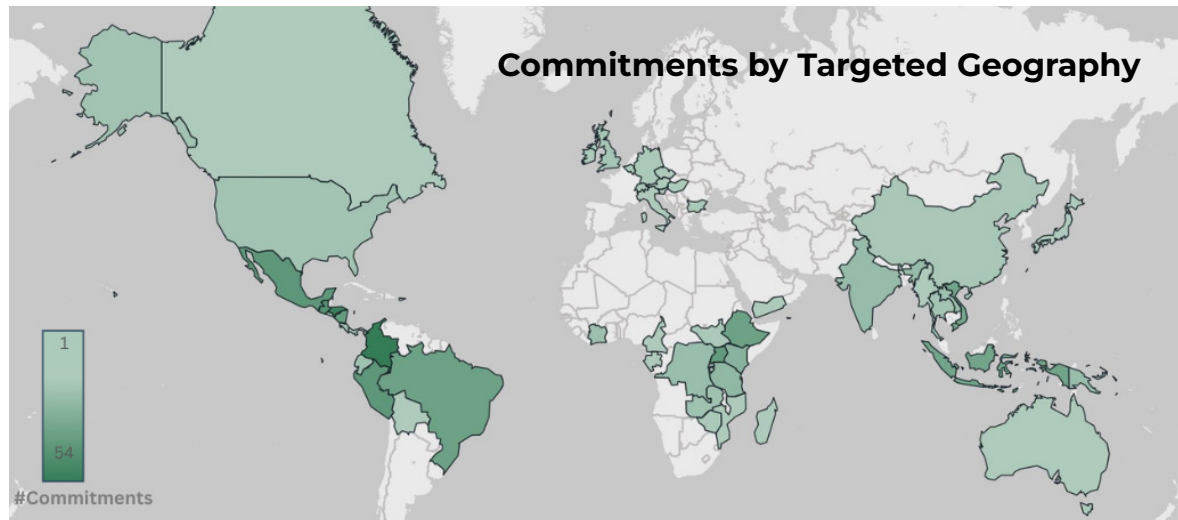
Commitments by Stakeholder Type

5%
Producers/Co-Ops

34%
Roasters

15%
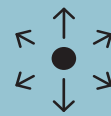Nonprofits/ Institutions

21%
Traders/ Exporters/ Importers

15%
Nonprofits/ Institutions

6%
Multi-stakeholder Initiatives or Associations

10%
Other

1%
Government Agencies

15	3	2	3	17	12	71	8	11	4	35	5	5
On-Going	2020	2021	2022	2023	2024	2025	2026	2027	2029	2030	2033	2050

Commitments by Target Year

In terms of timelines, 67% of commitments now target 2025, followed by 20% that target 2030. This reflects alignment with the Challenge's shared sector targets as well as with broader global climate and sustainability goals and frameworks which help reinforce the urgency for short-term action, e.g. UN Sustainable Development Goals (SDGs), Accountability Framework Initiative (AFi), Science Based Targets initiative (SBTi), etc.


Commitments by United Nations SDG

While foundational SDGs like 12 (Responsible Consumption and Production), 15 (Life on Land), and 8 (Decent Work) remained dominant in 2025, a rising year-over-year change in SDGs related to health, water, and community resilience signal a potential industry broadening of sustainability priorities. SDG 12 led in 2025 with 84 commitments, representing 48% of all SDG-tagged efforts. Following closely were SDGs 15, 8, and 13 (Climate Action), each tagged in over 60 commitments, highlighting a dual focus on nature and economic resilience. SDG 1 (No Poverty) rounds out the top five, underscoring the sector's concern for farmer livelihoods.

In terms of momentum, SDG 11 (Sustainable Cities and Communities) saw the highest year-over-year growth at 29%, despite being tagged in only 9 commitments. This suggests emerging interest in community-level sustainability. SDG 3 (Good Health and Well-being) and SDG 6 (Clean Water and Sanitation) also showed strong growth (23% and 21%, respectively), indicating increasing attention to social infrastructure and water-related challenges in coffee landscapes. Notably, SDG 17 (Partnerships for the Goals) grew by 20%, reflecting the sector's collaborative approach to sustainability.

This year's report highlights a significant shift toward more robust assurance and verification practices among coffee stakeholders. While the number of commitments reporting
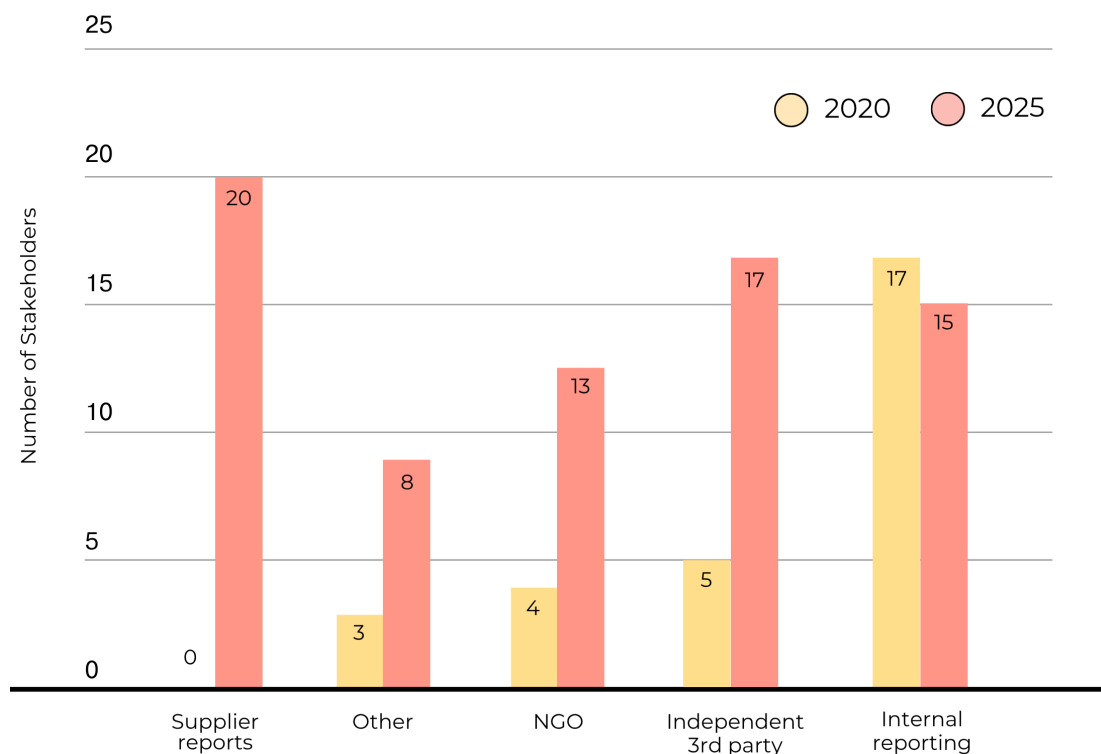
Evolution of Assurance Methods Reported by Challenge Partners

progress declined by 14%, the quality of assurance improved markedly.

The reliance on internal reporting dropped by 12%, with a notable move toward external validation, such as third-party audits and supplier reports. Stakeholders using supplier reports[ii] have surged through the years, and references to independent third parties increased by 240%. These trends suggest growing maturity in sustainability reporting and may reflect the positive influence of the Challenge in promoting credible assurance methods.

GEF FOLUR: The Food Systems, Land Use and Restoration Impact Program (FOLUR) is a $345 million, seven-year initiative funded by the Global Environment Facility and led by the World Bank. FOLUR seeks to make production systems, value chains and landscapes more sustainable – greening commodity value chains and improving the conditions for sustainable land use practices and landscape restoration. The program targets sustainable production landscapes in 27 country projects of which nine focus on coffee: Burundi, Ethiopia, Guatemala, Indonesia, Kenya, Madagascar, Mexico, Peru and Uganda. Conservation International, through its role in the UNDP-led Good Growth Partnership, supports the FOLUR Knowledge to Action Global Platform by connecting these nine FOLUR Country Projects with global coffee sustainability dialogues through the Sustainable Coffee Challenge and the ICO Coffee Public-Private Task Force.

04

SPROUTING RESULTS: TRACKING 2025 TARGETS

Sprouting Results: Tracking 2025 Targets

The 2025 targets for COFFEE, PLANET, MARKETS and PEOPLE offer a shared framework for tracking collective progress and identifying where deeper action is needed. Co-created with partners in 2020, these four compass points help the sector understand how commitments are shaping sustainability outcomes across livelihoods, the environment, coffee supply, and market demand for sustainability. Each year, the Challenge analyzes how partner efforts align with these compass points to surface trends, gaps, and opportunities for greater impact.

Out of the 176 active commitments in the Hub, 88% contribute toward measurable progress toward our shared 2025 targets, mostly related to PLANET. This prioritization is also reflected in the primary strategic intention areas selected by partners: PLANET (26%), followed by COFFEE (19%), PEOPLE (10%), and MARKETS (7%). Year-over-year, MARKETS-attentive commitments grew by 30% (from 10 to 13), COFFEE commitments by 22% (from 27 to 33), PLANET commitments grew by 10% (from 42 to 46), and PEOPLE commitments grew by 6% (from 17 to 18). Notably, forest conservation and restoration (41%) and climate change (39%), both under the PLANET compass point, were the most popular intervention pathways.[iii]

The following section presents dashboards that highlight partner progress toward the 2025 targets, alongside key updates and resources from the Challenge. With an average completion rate of 55%, the data reflects both momentum and areas where continued collaboration and innovation are needed. Overall, despite the necessity to accelerate action, progress to date illustrates how early seeds of sustainability ambition have taken root and are now sprouting tangible branches of action across the sector.

> "Bringing diverse sector commitments into one shared perspective through the Challenge's Commitments Hub and the Commitments Hub reports, fosters a sense of common mission, helping us in the coffee sector to align efforts, uncover synergies, and amplify our collective impact. Participation in the Challenge has enabled us to identify relevant topics early on and leverage pre-competitive collaboration where possible—strengthening our ability to act with purpose and foresight.
>
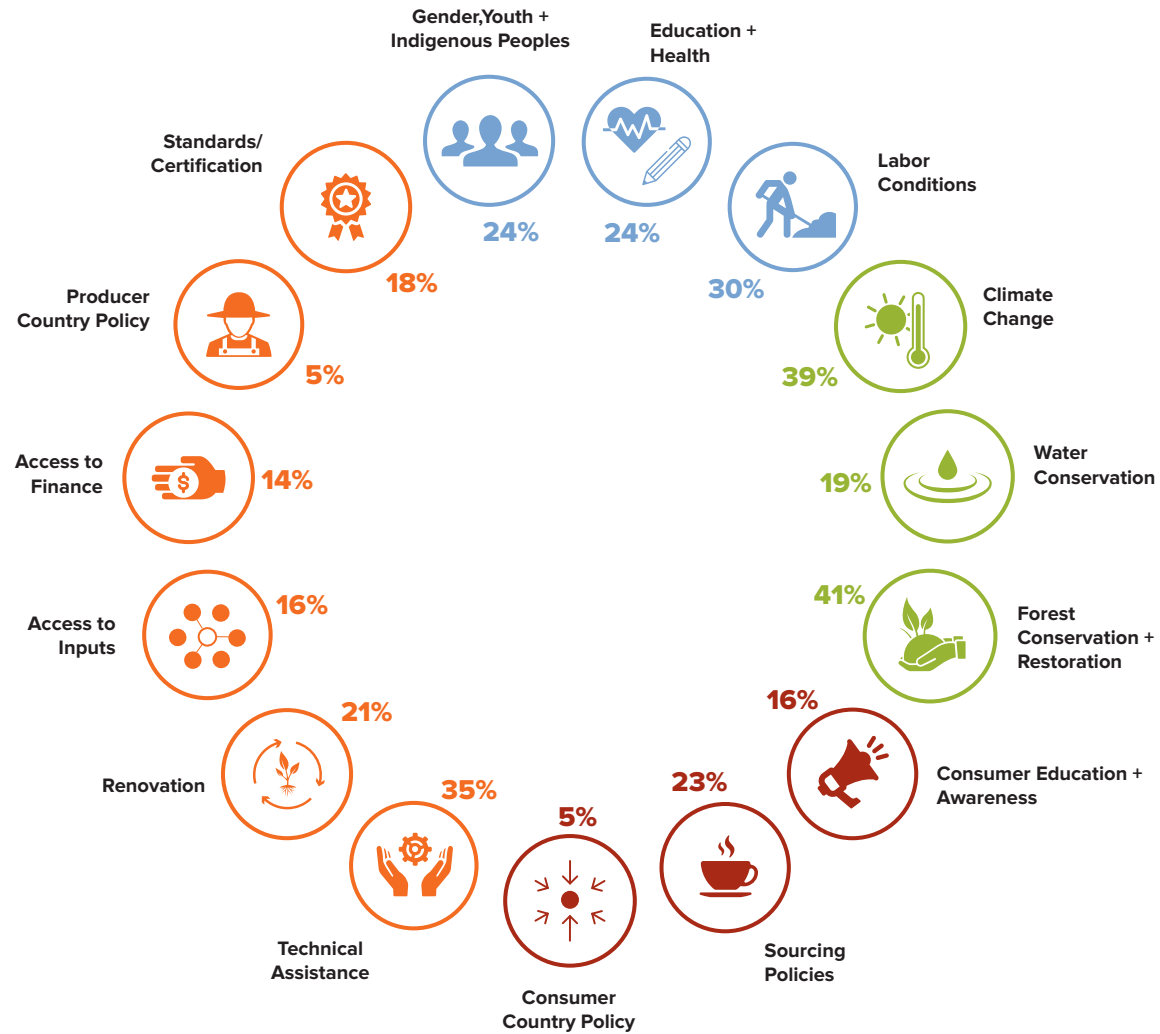> **Carolin Ehrensperger, Head of Group Sustainability, Neumann Kaffee Gruppe**"

> "The Challenge creates space to incubate ideas, share resources, and build a common vision for a resilient coffee future. As the coffee industry faces ever more complex and shifting pressures, a shared framework for action is essential to achieve impact at scale. The Challenge' shared goals—fortified by the Commitments Hub—bring this impact to life. At Keurig Dr Pepper, we leveraged these shared goals and the Hub to shape a measurable goal around regenerative agriculture and conservation, and we're proud to report our progress each year to contribute to the sector's collective ambition.
>
> **Allie Stauss, Sustainability Manager, Keurig Dr Pepper**"

Commitments by Intervention Pathway

- Gender,Youth + Indigenous Peoples — **24%**
- Education + Health — **24%**
- Labor Conditions — **30%**
- Standards/Certification — **18%**
- Producer Country Policy — **5%**
- Climate Change — **39%**
- Access to Finance — **14%**
- Water Conservation — **19%**
- Access to Inputs — **16%**
- Forest Conservation + Restoration — **41%**
- Renovation — **21%**
- Consumer Education + Awareness — **16%**
- Technical Assistance — **35%**
- Consumer Country Policy — **5%**
- Sourcing Policies — **23%**

COFFEE
DASHBOARD

63% Average total progress

2025 Target: *Increase smallholder production by 11.9 million bags, through renovation, rehabilitation, and technical investments on existing areas, to adequately meet long-term demand from a diversity of origins.*
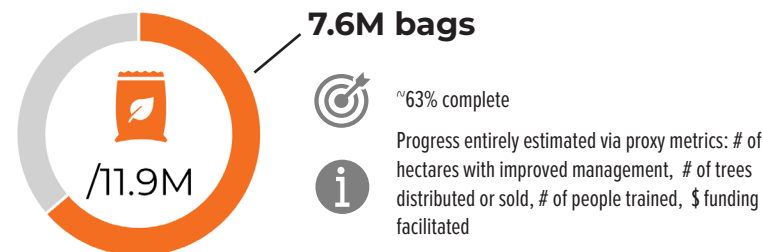
Related to the COFFEE compass point—resilient supply—through the years, partners have stated 111 commitments, 94 of which are currently active, and 31 of which have been reported on using the standardized metrics for the 2025 COFFEE target.

Overall, taking the cumulative progress of the COFFEE-related commitments that use the aligned metrics, Challenge partners have achieved 63% of the 2025 target for the industry.
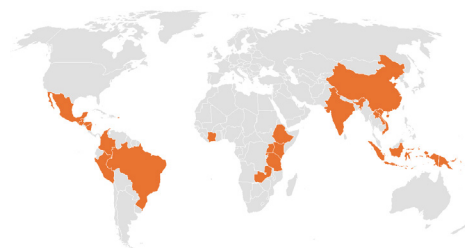
Specifically, partners have:

- Increased production by an estimated ~7.6M bags (63%) of the 11.9M bag target. This increase is roughly estimated (see Appendix A for data assumptions and notes) based on the expected impact on production of partners' progress on the following proxy metrics:
  - Improved the management of 716K hectares of coffee farms
  - Distributed 135M coffee trees
  - Trained 789K people on improving agronomic practices
  - Provided $12.7M in funding for farm renovation, rehabilitation, and technical assistance

Estimated additional volume produced due to renovation, rehabilitation, or technical assistance

7.6M bags

/11.9M

~63% complete

Progress entirely estimated via proxy metrics: # of hectares with improved management, # of trees distributed or sold, # of people trained, $ funding facilitated

Countries where technical &/or financial support was provided

Brazil, China, Colombia, Cote d'Ivoire, Ethiopia, Guatemala, Honduras, India, Indonesia, Kenya, Laos, Mexico, Nicaragua, Papua New Guinea, Peru, Puerto Rico, Rwanda, Tanzania, Uganda, Vietnam, Zambia

Resilient supply proxy metrics 2020-2025 progress
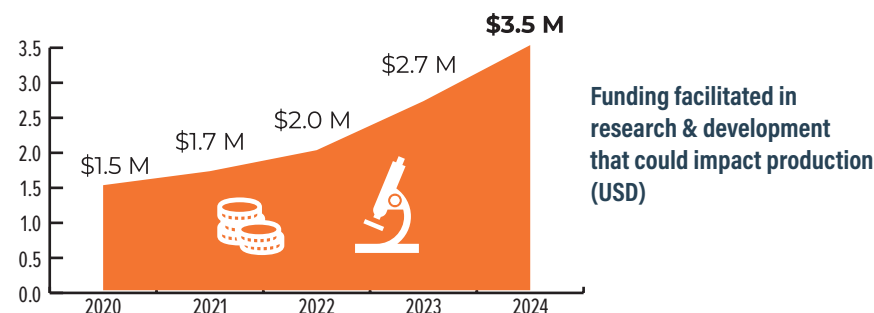
716K # of hectares with improved management

135M # of coffee trees distributed or sold

789K # of people trained

12.7M $ funding facilitated in renovation, rehabilitation, and technical assistance

$3.5 M
$2.7 M
$2.0 M
$1.7 M
$1.5 M

3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0

2020   2021   2022   2023   2024

Funding facilitated in research & development that could impact production (USD)

Additionally, over the years, partners have:

- Disbursed $3.5M in funding for research and development that could impact production. In comparison, World Coffee Research (WCR) has estimated that $425M per year in additional investment would be needed over the next decade to secure supply from a diversity of origins in the face of yield and suitable land losses expected due to climate change.
- Beyond the standardized metrics, reported on efforts related to diversifying farmer incomes and regenerative and sustainable practices embedded in sourcing according to voluntary sustainability standards.

Call to Action

While the 2025 COFFEE target has not yet been met, there has been relatively strong progress on efforts to sustain supply. Renovation and rehabilitation (R&R) was a major initial focus of the Challenge, resulting in an extensive R&R guidebook and other resources, galvanizing the industry around a target to distribute 1B new coffee trees (which was later absorbed by the 2025 COFFEE target), and a successful crowdfunding campaign to act on this target.

The relevance of this thematic area has only increased in the face of climate and economic shocks. Regenerative agriculture—though not a new concept—has been gaining traction as a framework of practices to not only minimize harm to, but replenish, the natural resources required for coffee production and human flourishing (e.g. soil health, freshwater, and biodiversity).

In the past year, Challenge partners have developed resources that provide a solid foundation for companies to ramp up these essential investments, such as the Global Coffee Platform (GCP) RegenCoffee Guidance as well as Regenerative Coffee Investment Case developed by Technoserve. While the former provides industry guidance and alignment, the latter provides clear pathways to finance the transition to regenerative practices, boosting farm economics and coffee exports while improving biodiversity, soils, and carbon sequestration in the process.

> " With Sucden Farmer Trainings, we're helping farmers build the skills and tools they need to improve productivity, and strengthen their livelihoods. By embedding agroforestry and regenerative practices, we're reducing risks like soil degradation and income instability while ensuring a reliable supply of quality coffee. Our commitment is about long-term resilience—supporting farmers on the ground and safeguarding coffee's future. This commitment pushed us to focus our efforts where they matter most. Instead of one-off trainings, we now provide regular, structured support directly within our supply chains. It's no longer an add-on—it's a core part of how we deliver our sustainability strategy.
>
> **Veronika Semelkova, Head of Sustainability, Sucden** "

An emerging opportunity for public-private investment to accelerate the transition is through the Alternative Response Options for Mitigation & Adaptation of Coffee Farms (AROMA) program. Global design for the program is coordinated by Conservation International in partnership with local governments and executing entities, and with support from the Green Cli-

mate Fund (GCF) through its Project Preparation Facility. Once approved, the >$100M AROMA program will be implemented over seven years to pursue structural changes across the coffee sector. It will respond to the priorities of participating governments by working with smallholder coffee farmers to better adapt to the impacts of climate change and achieve emissions mitigation outcomes by improving on-farm practices and reducing deforestation from expanding coffee production. The program aims to include globally replicable investment mechanisms for place-based public-private investment into specific coffee landscapes.

PLANET
DASHBOARD
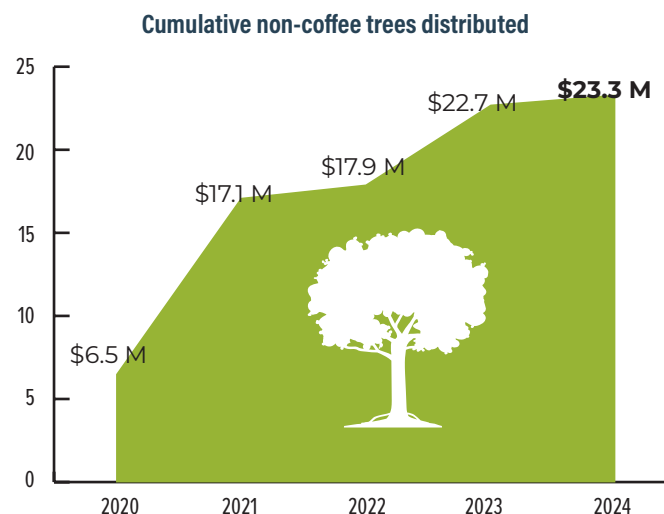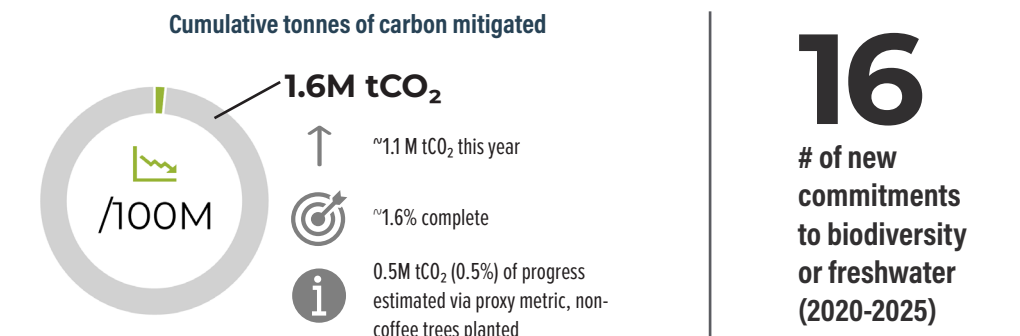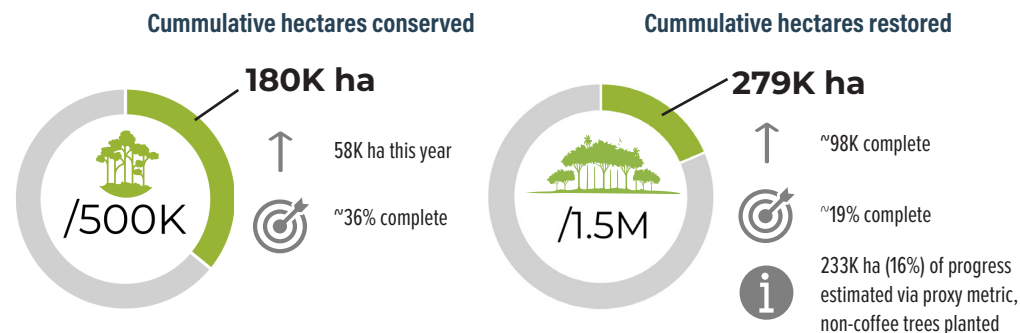
19% Average total progress

2025 Target: *Conserve 500K hectares of forest, restore 1.5M hectares of tree cover, and secure 100M tonnes of carbon.*

Related to the PLANET compass point—conserve nature—through the years, partners have stated 118 commitments, 96 of which are currently active, and 41 of which have been reported on using the standardized metrics for the 2025 PLANET target.

Based on this reporting, overall, partners have delivered ~19% of the target. Specifically, partners have:

- Conserved 1180K ha of forest (36%) of the 500K ha target, up by 58K ha since last year
- Restored ~279K of tree cover (19%) of the 1.5M ha target, up by ~98K ha since last year (including non-coffee trees planted as a proxy; see Appendix A for data assumptions and notes).
- Mitigated ~1.6M tonnes of carbon (1.6%) of the 100M tCO2 target, up by ~1.1M tCO2 since last year, largely due to the addition of cross-year progress by a single partner (including non-coffee trees planted as a proxy; see Appendix A for data assumptions and notes).

Cummulative hectares conserved

180K ha

/500K

↑ 58K ha this year

◎ ~36% complete

Cummulative hectares restored

279K ha

/1.5M

↑ ~98K complete

◎ ~19% complete

ⓘ 233K ha (16%) of progress estimated via proxy metric, non-coffee trees planted

Cumulative tonnes of carbon mitigated

1.6M tCO$_2$

/100M

↑ ~1.1 M tCO$_2$ this year

◎ ~1.6% complete

ⓘ 0.5M tCO$_2$ (0.5%) of progress estimated via proxy metric, non-coffee trees planted

16

# of new commitments to biodiversity or freshwater (2020-2025)

Cumulative non-coffee trees distributed

$6.5 M — $17.1 M — $17.9 M — $22.7 M — **$23.3 M**

(2020, 2021, 2022, 2023, 2024)

Additionally, since 2020, partners have:

- Distributed 23.3M non-coffee trees on and around coffee farms, up by 591K since this year.
- Made 16 new commitments to biodiversity &/or freshwater, one of which is new this year.
- Reported on efforts adjacent to the standardized metrics, including improvements in on-farm freshwater and wastewater management, funding provided to farmers or cooperatives for nature protection and restoration activities, and environmental efforts embedded in on-farm technical investments and procurement policies.
- Taken strides—particularly those serving the EU market—to assess and address coffee-driven deforestation, to prepare for EUDR compliance and/or to deliver on company-wide no-deforestation policies as required by SBTi. A significant portion of the shared targets to mitigate 100M tonnes of carbon by 2025 was anticipated to be delivered through avoided deforestation. However, while companies are poised to disclose progress (e.g. through broader industry frameworks) on actions that directly drive emission reductions in their supply chains, capturing avoided GHG emissions by preventing deforestation is not commonly included in corporate activity-based reporting. Practically speaking, a corporate no-deforestation target is largely focused on actions that aim to halt or remediate deforestation incidents, rather than to account for avoided impacts. As such, it has become evident that the aligned metrics for Hub insufficiently captures and aligns with corporate action on avoided deforestation. This contributes to the significant gap in reaching the shared 2025 to secure 100M tonnes of carbon.

"At Nescafé, we recognize that industry collaboration facilitates our ability to deliver on our sustainability commitments—sourcing 100% of our coffee responsibly by 2025 and 50% through regenerative agriculture by 2030. We are proud to work together with our peers across the industry on a pre-competitive coffee carbon footprint study for five Latin American countries, enabled by the Sustainable Coffee Challenge. This collaboration helps align the industry on a science-based approach to measuring emissions and strengthens our collective ability to mitigate risks to coffee-growing communities and ecosystems.

Orlando Garcia, Latin America Nescafé Plan Regional Manager, Nestlé"

Call to Action

A significant gap remains between partners' efforts and the 2025 PLANET target, while at the same time, climate and nature loss risks to coffee are becoming increasingly tangible.

Evolving standards and complex accounting continue to be cited as a barrier to climate action. To address this, the Challenge has been leading a large-scale, industry-supported study to establish national carbon footprint baselines in Brazil, Colombia, Honduras, Mexico, and Peru. Results expected later this year will inform industry alignment on methodologies and fill critical data gaps. It is imperative that collaboration on *measurement* evolves into even more ambitious industry collaboration and coordinated investments on *mitigation*, for instance leveraging the AROMA program (see call-out box).

Additionally, the Challenge—alongside IDH, Solidaridad, and others—has been exploring a system for coordinated investment in climate resilience at the sourcing region (or supply shed) level, starting in Huila, Colombia. Partners are invited to co-design this system to accelerate impact.

On forests, recent data shows forest loss doubled between 2023 and 2024, for the first time driven primarily by fires rather than agricultural expansion (though the two are related), highlighting the compounding effects and risks of climate breakdown. Relatedly, new research on how "Carbon payment strategies in coffee agroforests shape climate and biodiversity outcomes," reveals that conserving mature shade trees far outweighs the carbon storage abilities of planting new ones. While regenerative practices are rightfully generating interest, protecting existing forests and agroforestry systems remains critical. In addition to and beyond regulatory compliance, partners are encouraged to implement high-quality no-deforestation policies and—in support—the Challenge is also exploring developing a coffee-specific NDC methodology and innovative ways to incentivize protection.
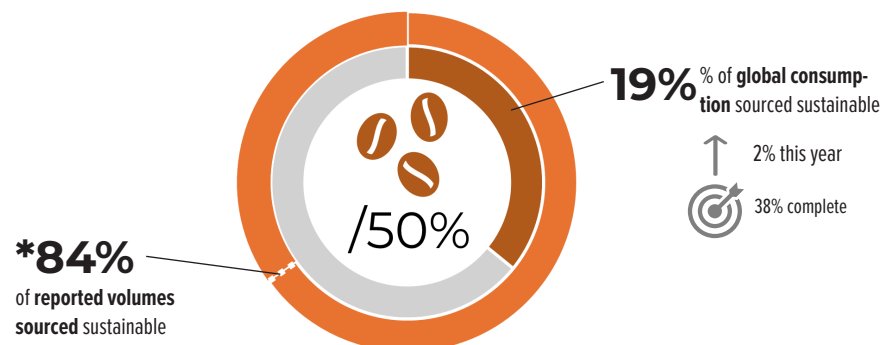
MARKETS
DASHBOARD

38% Average total progress
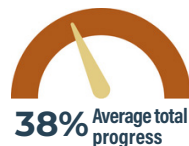
2025 Target: *Ensure at least 50% of global coffee purchased by roasters and retailers is sourced according to sustainable practices.*

Since 2020, Challenge partners have stated 68 commitments related to sustainable sourcing (i.e. MARKETS compass point), of which 54 are currently active and 34 of which have been reported on using the standardized metrics for the 2025 MARKETS target.
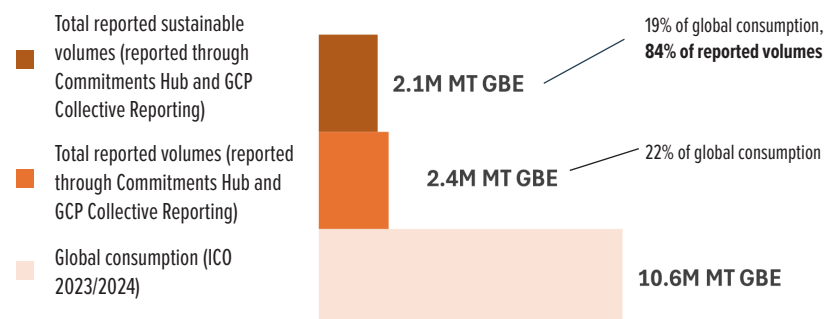
To understand progress toward our shared 2025 sector target for the MARKETS compass point, progress data from commitments in the Hub, reported on using the standardized metrics, is combined with other publicly available market data on sustainable sourcing. This shows:

- In 2024, approximately 19% of total global consumption, or 28% of total global exports, of green coffee was purchased by roasters and retailers through recognized Voluntary Sustainability Schemes (VSS).
- This percentage reflects the sourcing efforts and volumes from 16 companies, aggregating reported data by 11 roasters and retailers through the Hub complemented with additional data from the GCP's Sustainable Coffee Purchases Report 2023.[v] The 16 companies together sourced ~2.4M MT, around 22% of global coffee consumption. See Appendix A for data assumptions and notes.
- This shows a gap in progress toward our collective 2025 MARKETS target—and the aligned 2030 target under the ICO CPPTF Roadmap—to ensure at least

% of coffee purchased by roasters & retailers sourced according to sustainable practices

19% % of **global consumption** sourced sustainable

↑ 2% this year

🎯 38% complete

*84% of **reported volumes sourced** sustainable

/50%

Coffee purchased by roasters & retailers sourced according to sustainable practices vs. total reported volumes vs. global consumption

■ Total reported sustainable volumes (reported through Commitments Hub and GCP Collective Reporting)

■ Total reported volumes (reported through Commitments Hub and GCP Collective Reporting)

■ Global consumption (ICO 2023/2024)

2.1M MT GBE — 19% of global consumption, **84% of reported volumes**

2.4M MT GBE — 22% of global consumption

10.6M MT GBE

(2020-2025) # of new commitments to...

16 sustainable sourcing

7 increasing % of total value across the supply chain returned to origin

9 increasing the volume of coffee or % of a company's supply chain fully traceable to farm

50% of global coffee purchased by roasters and retailers is sourced according to sustainable practices.

Additionally, since 2020:

- Partners have stated 19 new commitments to sustainable sourcing, as well as 7 new commitments that seek to increase the percent of total value across the supply chain returned to origin, and 9 new commitments focused on increasing the volume of coffee or percent of a company's supply chain fully traceable to farm.
- At least 9 companies have met their sustainable sourcing commitments and explicitly stated they will be upheld indefinitely.
- There has been a surge in sustainable sourcing commitments among suppliers and private label roasters, indicating proliferation throughout supply chains from roasters and retailers.
- Partners are extending these commitments beyond compliance with VSS to encompass 1) leveraging sourcing to promote the uptake of regenerative agriculture and agroforestry practices at farm-level; 2) enacting policies to increase supply chain transparency and traceability; &/or 3) exploring innovative price mechanisms related to pushes to (re) distribute value in coffee supply chains.

Call To Action

Despite the obvious gap in reaching our 2025 sector-wide target, it is noteworthy that more than 84% (2.1M MT) of the total volume purchased by the 16 reporting roasters and retailers is purchased through sustainability schemes.

This reinforces the critical need to uplevel transparency and disclosure on sustainable sourcing across the industry. To understand industry-wide progress and drive alignment, many more companies should publicly disclose sustainable sourcing efforts through industry reporting initiatives such as the Challenge Commitments Hub, the GCP's Collective Reporting initiative, and/or the Coffee Barometer.

PEOPLE
DASHBOARD

100% Average total progress

2025 Target: *Establish living income/living wage benchmarks for 80% of ICO member producing countries; contribute to public and private partnerships to close living income and wage gaps and fully protect the rights and wellbeing of coffee farmer households.*

Challenge partners have stated 107 commitments since 2018 to farmer and worker wellbeing and prosperity, 83 of which are currently active, and 34 of which have been reported on using the standardized metrics for the 2025 PEOPLE target.

Overall, taking the average progress across the core metrics for PEOPLE-related commitments, Challenge partners have achieved 100% of the 2025 target for the industry; however, this refers only to the portion of the target with a quantifiable end-goal, whereby partners:

- Surpassed the goal to develop Living Income Benchmarks for 80% of ICO member producing countries, up by 6% since last year (reported in collaboration with the ICO; see Appendix A for more details)

Additionally, since 2020, partners have:

- Affected more than 300,000 farmers and farm workers with investments at the farm level, which more than doubled since last year
- Impacted 96k farmers and farm workers in

Countries &/or regions in which SCC members participate in the development of new Living Income/ Living Wage Studies[vi]
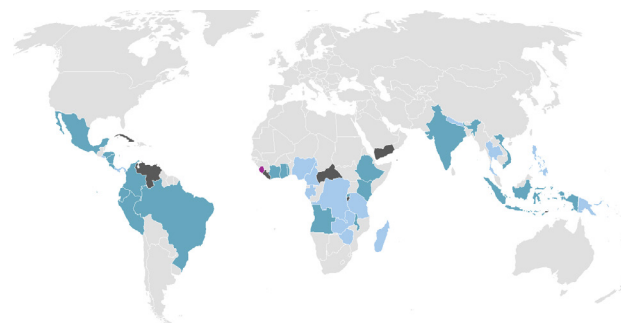
■ Benchmark Exists ■ No Benchmark Exists ■ Reference Value or other Study Exists ■ Forthcoming

% of ICO member producing countries (highlighted above) with living income benchmarks completed or under development
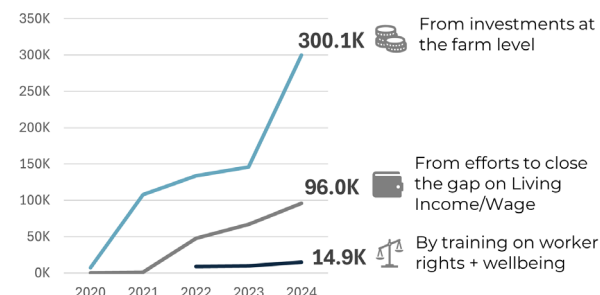
/80%

83%
↑ 6% this year
◎ 104% complete
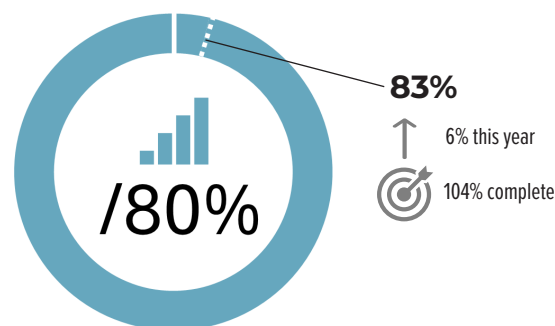
Total funding facilitated toward programs, projects, or facilities— beyond certifications—at the farm level

$57.0M
$83.3 M
$262.8M
$361.5M
$364.6M

2020 2021 2022 2023 2024
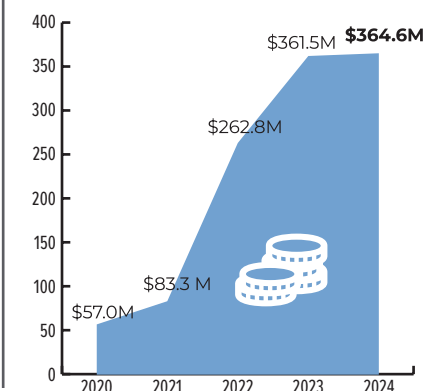
10

# of new commitments that support new and verifiable steps to close the gap on living income and living wage(2020-2025)

Total farmers & farm workers impacted

300.1K From investments at the farm level

96.0K From efforts to close the gap on Living Income/Wage

14.9K By training on worker rights + wellbeing

2020 2021 2022 2023 2024

efforts to close the gap on living income and living wage

- Funded more than $365M to programs, projects or facilities—beyond certification—at the farm level.
- Trained 15k farmers and farm workers on worker rights and wellbeing.
- Made 10 new commitments that support new and verifiable steps to close the gap on living income and living wage.
- Beyond the standardized metrics, reported on efforts related to attracting the next generation of coffee farmers (e.g., youth-centric vocational training in agriculture), fortifying coffee community education, access and security (e.g., number of students educated in secondary education classroom), and developing local leadership (e.g., number of jobs created, number of producer groups and local leader partners participating).

Call to Action

To keep progressing, the coffee sector must deepen its commitment to measuring and improving outcomes, including aligning around action related to topics such as living income and gender equity. The sector should continue to strengthen the systems required to foster social compliance and improved farmer and worker wellbeing, counting corporate innovation with transparent and adopted grievance mechanisms, and/or provision of land tenure security.

As outlined in the Challenge's pocket guide to living income (pg. 13), leading companies embed rights-based approaches within their sourcing strategies. With evolving policy frameworks like the EU Corporate Sustainability Due Diligence Directive (CSDDD) prioritizing transparency, accountability, and inclusive impact, is vital.

> "
> *Achieving living income is often misunderstood as charity, and transparency mistaken as showcasing perfection. In reality, it's about building traceable, direct-to-farmer and direct-to-roaster supply chains that expose real gaps, drive change, and enable producers to reach economic prosperity and make independent decisions. When income is stable, prosperous, and traceable, and uncertainty is reduced harvest to harvest, farm-level investments and long-term commitments stop being a risk and become part of how communities grow stronger. Caravela generates robust data frameworks and impact assessments to build relationships that make this possible, where producers no longer choose between sustainability and profitability.*
>
> **Pedro Luis Manga Chavez, Leader, Prosperity and Impact, Caravela Coffee**
> "

Investing in Living Income: Living income is a crucial consideration for investment in coffee landscapes because it directly impacts the sustainability and resilience of coffee production. Farmers who earn a living income—enough to cover basic needs such as food, housing, healthcare, education, and savings—are more likely to invest in their land, adopt sustainable farming practices, and remain in coffee cultivation. Without a living income, farmers may be forced to abandon coffee farming, switch to less sustainable crops, or engage in environmentally harmful activities to survive. This leads to supply chain instability, quality degradation, and long-term risks for investors. Supporting living incomes not only promotes social equity and economic development in rural communities but also safeguards the future of the coffee industry by ensuring a stable, motivated, and capable producer base.

05

PROCESSING A
DECADE OF EVOLVING
COMMITMENTS

Processing a Decade of Evolving Commitments

Over the past decade, the corporate sustainability landscape in the food and beverage industry has undergone a profound shift. Topics like climate change—back in 2015 sometimes sidestepped in industry discussions—are now accepted realities, prompting solutions-oriented conversations around regenerative agriculture and just transition. A sector-wide paradigm shift is emerging, moving from a *"do-no-harm"* mindset to one focused on actively "doing good" in addressing sustainability risks.

Driven by mounting regulatory pressure and stakeholder expectations (e.g. activist shareholders or conscious citizens), sustainability is increasingly viewed as core business and a license to operate, rather than a reputational or marketing tool. Corporate leaders across industries now recognize the growing threat of environmental risks, particularly extreme weather events, even as geopolitical instability continues to fragment global cooperation, as highlighted in the World Economic Forum's 2025 Global Risks Report. Transparency, once motivated by CSR and branding, is now enforced through mandatory climate and nature-related disclosures.

In 2015, when the Sustainable Coffee Challenge was born, the coffee sector was arguably already more mature than many of its commodity peers (e.g., cocoa, palm oil) in terms of sustainability efforts (especially when referring to voluntary sustainability standards). At the same time, the industry was seemingly "stuck" on setting a unified vision for how to move the needle on coffee sustainability. Many companies were still riding bikes with training wheels, on their own sustainability journeys, and most public commitments were largely volume-based sourcing goals. The past decade shows a clear evolution in the reach, scale, scope, and sophistication of commitments in the Hub as well as emerging underpinning strategies. This shift is evident in the sector's growing alignment around shared coffee metrics (e.g., the Challenge-aligned metrics process[vii] between 2020-2025), and willingness to collaborate pre-competitively to address complex challenges such as carbon footprints and landscape-level reporting. At the same time, companies have become more cautious about making public claims, balancing ambition with the need for credibility, traceability, and compliance with emerging regulatory frameworks.

Rising tide of commitments

Building on a Beta version in 2016, the Commitments Hub was introduced in 2017 with more than 20 commitments [viii] stated by 18 partners. The first annual Hub Report was published in 2019. Since then, partners that stated public commitments in the Hub grew by 85%, from 55 partners and 83 commitments to coffee sustainability in 2019, to 101 partners and 176 active commitments this year. Moreover, since 2019, 50 sustainability commitments have reported successful completion, with 14% still active via on-going reporting. These initiatives have collectively unlocked $28M to support coffee-growing communities.

Additionally, while in 2019 just 10 partners tracked their commitments, in our last reporting cycle 48 partners reported progress, almost 500% growth. While the percentage of partners reporting annual progress has been consistent (~50%) across the past 3 years and a dip in reported commitments was noted this year, the general upward trend in the uptake of the Commitments Hub has encouraged and influenced companies in their transparency and disclosure of sustainability efforts that ladder up toward collective sector targets.
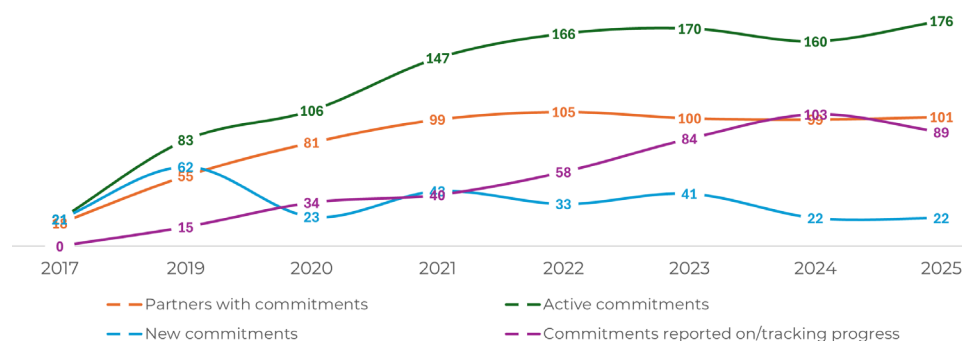
Growth in Hub participation the past 10 years

Across the six years of Challenge's Commitments Hub reports (2019-2024), the Sustainable Coffee Challenge has steadily strengthened its data stewardship by formalizing the process for retiring commitments. Since 2019, almost 40 commitments were retired due to a lack of annual reporting, being stated in error, or originating from organizations that are no longer active.

Spike in trader commitments and schemes

Related to the overall increase in commitments, the diversity of stakeholders stating and reporting has also evolved significantly throughout the years. Most notably, the number of commitments stated by actors within the trade category (i.e. traders, exporters, importers) jumped from 6 to 31 between 2020 and 2022. Today, the 43 commitments from the trade represent a quarter of all active commitments in the Hub, of which 28% are related to sustainable sourcing and 35% to topics like technical assistance to tackle key challenges within their supply chains. The uptick in commitments stated by traders reflects a pivot by these companies

Sustainable Coffee Challenge Commitments Hub Trends

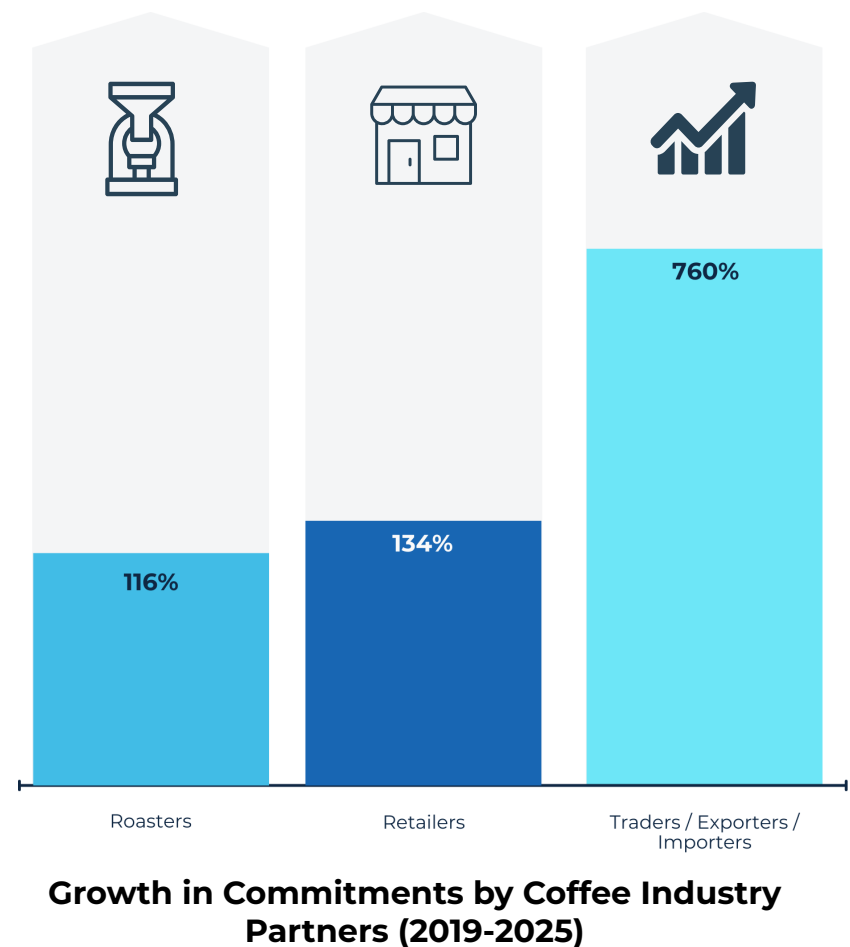|	2017	2019	2020	2021	2022	2023	2024	2025
Partners with commitments	21	55	81	99	105	100	103	101
Active commitments	21	83	106	147	166	170	160	176
New commitments	21	62	23	46	33	41	22	22
Commitments reported on/tracking progress	0	15	34	46	58	84	99	89

towards developing and implementing their own sustainability programs and strategies rather being merely reactive to demands from roaster and retail customers.

The increase in commitments by traders neatly ties to significant emergence of novel B2B trader-operated sustainability schemes throughout the past years. These 2nd party assurance programs run alongside the traditional 3rd party certification schemes. This trend is reflected—and arguably driven by—the rapidly increasing number of sustainability schemes recognized through the GCP Equivalence Mechanism. Through this framework, the GCP determines whether individual sustainability schemes—2nd party or 3rd party— sufficiently align with a set of baseline principles and practices captured in the Coffee Sustainability Reference Code (CSRC – version 3.0). The 30 sustainability schemes currently recognized by the GCP include four 3rd party schemes and 26 schemes with 2nd party schemes that are largely operated by traders.

Additionally, growing regulatory headwinds—particularly EUDR—have likely also been a driving factor for traders, exporters, and importers to develop and mature in-house programs and schemes, including with subsequent public commitments stated and tracked. In addition to ensuring their own compliance, there is an increasing commercial need and benefit to not only "bake" compliance, but also due diligence, with/for emerging regulation into offerings and services to customers.

Growth in Commitments by Coffee Industry Partners (2019-2025)

Pivot towards outcomes-based monitoring

Through the years, commitments have become more mature—i.e. SMART (Specific, Measurable, Achievable, Relevant, Time-Bound)—in their formulation and desired results. In 2019/2020, most commitments were short-term, project-based, and lacked detailed implementation plans or assurance beyond self-reported validation. Particularly since 2020, when the Challenge started to rally around and track the shared 2025 targets, partners increasingly adopted aligned common metrics allowing the Challenge to aggregate progress across individual commitments. This ties to a broader maturity trend of how success is measured. In 2016, the Sustainable Coffee Challenge, in collaboration with the GCP and the Specialty Coffee Association (at the time SCAA), published "The Coffee Sustainability Catalogue" (see call-out box). This report mapped the landscape of sustainability actions and investments across the coffee industry at the time, laying the foundation for the Commit-

ments Hub. It provided a snapshot of ongoing efforts, categorized by focus area (e.g., livelihoods, environment, market access), and pointed to gaps and opportunities for collaboration. Success at the time was largely measured by activity-based metrics, such as hectares certified, farmers trained, and volumes sourced. While these types of metrics remain relevant and are still frequently used by partners to report on commitments, there is an increasing appetite and desire across the sector to tie success to outcomes or impact metrics such as carbon emissions (reduced or removed), living income, farmer resilience, or the adoption of regenerative agriculture and ecosystem restoration (e.g., biodiversity, soil health).

Integrating commitments into holistic strategies and disclosure

Arguably one of the biggest trends related to transparency and accountability across the food and beverage industry throughout the past decade, is that public sustainability commitments—like those captured through the Challenge's Hub—are increasingly embedded within holistic enterprise-wide strategies and transition plans as well as subsequent progress reporting.

Increasingly, companies are guided by cross-sectoral industry initiatives and frameworks in setting science-based targets and disclosing impacts and actions across their operations and supply chains. A myriad of initiatives and frameworks (e.g., SBTi, SBTN, AFi, CDP, TCFD, TNFD, GRI[ix]) have rapidly gained traction in the past decade. For instance, today, more than 9,000 companies have set science-based targets through SBTi to cut GHG emissions (incl. 2000+ with net-zero targets), representing more than 39% of the global economy.

As a recurring thread, the rise of mandatory due diligence and standardized reporting requirements, is pushing companies to establish rigorous processes and internal policies that identify and address adverse risks and impacts, both human rights and environmental. By 2025, over 35 countries and regions are mandating climate disclosure requirements, which represents more than 50% of global GDP. These duties compel companies to treat climate mitigation and risk management as compliance imperatives rather than voluntary initiatives.

Driving the transition: The 2016 Coffee Sustainability Catalogue estimated a total investment need of approximately $4B to make the transition to sustainable production possible by 2045. Coincidently, in Technoserve's recent Regenerative Coffee Investment Case, $4B is also identified as the required investment necessary to transition coffee production toward regenerative agriculture within a 7-year timeframe, across 9 countries. Complementing and leveraging the Technoserve study, and other available industry data, the Challenge is currently conducting a study that sets out to provide tangible insights and guidance on what it will take to achieve a net-zero and nature positive future for the coffee industry. Informed by rigorous climate risk scenarios and economic modelling, the study aims to identify and prioritize on-farm and off-farm actions and investments needed to ensure a sustained supply of coffee from a diversity of origins, while protecting and restoring nature and enhancing resilience and prosperity across coffee producing communities.
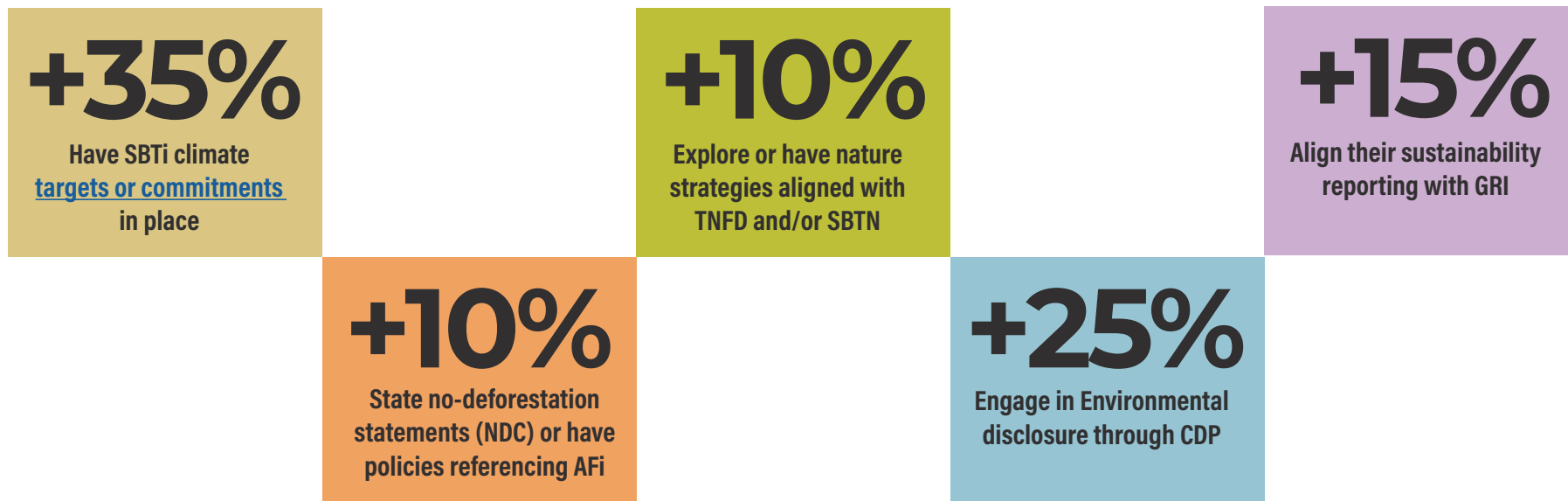
> "At JDE Peet's, we recognize that climate change and biodiversity loss pose serious risks to the future of coffee. That's why we're committed to advancing regenerative agriculture and aligning with global frameworks like TNFD and SBTN to turn nature-related risks into measurable, science-based action that helps shape a resilient, nature-positive coffee sector."
>
> **Hugo Schuurman, Global Sustainability Program Lead, JDE Peet's**

Despite valid concerns around red tape and changing political waves, increased scrutiny has undoubtedly contributed to the maturity of corporate transparency and accountability on sustainability efforts. At the same time, a notable, yet concerning, reversed trend of the increased scrutiny and legal pressure is that companies may shy away from setting and communicating ambitious public goals and innovation areas—a trend also known as _greenhushing_.

In the early days of the Challenge Commitments Hub, public pledges too often skimmed the surface and lacked strong accountability. Today, commitments tend to be more holistic, cross-cutting, and tie into broader underlying corporate sustainability strategies. For instance, commitments that promote shade-grown coffee or agroforestry often ladder up into regenerative agriculture or GHG emissions reduction targets that are embedded within sustainable sourcing policies. Beyond climate targets, partners explore and develop nature strategies—i.e. biodiversity and water—referencing actions focused on pollinator protection, native species restoration, water-use reduction, or soil health.

A snapshot analysis[x] was conducted to assess how industry partners in the Sustainable Coffee Challenge align with emerging initiatives and frameworks that support science-based target setting and disclosure in the nature and climate space.

+35%
Have SBTi climate targets or commitments in place

+10%
State no-deforestation statements (NDC) or have policies referencing AFi

+10%
Explore or have nature strategies aligned with TNFD and/or SBTN

+25%
Engage in Environmental disclosure through CDP

+15%
Align their sustainability reporting with GRI

Overall, throughout the past decade, a shift is visible from siloed public pledges to integrated enterprise-wide sustainability strategies. While public commitments—the pudding—address the tip of the iceberg, the supporting underlying strategies, policies, governance mechanisms, and transition plans are found beneath the surface. This is often where the *"proof in the pudding"* is found. At the same time, as the snapshot shows, opportunities for further uptake and alignment with cross-sectoral initiatives and frameworks remain across the industry.

06

**CONCLUSION:
CONTINUING TO BREW
COFFEE'S FUTURE**

Conclusion: Continuing to Brew Coffee's Future

As we mark a decade of catalyzing collective action through the Sustainable Coffee Challenge, this report underscores the evolution of sustainability in the coffee sector. Sustainability is no longer a peripheral concern—far from a "check-the-box" exercise— it is a shared journey that demands continuous evolution, radical collaboration, and deep accountability.

The data from the Commitments Hub reveals a maturing sustainability discourse: while early commitments were often isolated or fragmented and relying on internal assurance, recent commitments often capture strategic efforts – increasingly underpinned by external assurance methods – aiming to holistically address social and environmental risks across coffee value chains and landscapes, keeping farmer prosperity core measure of success.

Public commitments are becoming the tip of the iceberg, embedded within core business sustainability strategies and transition plans beneath the surface. Increasingly in line with cross-sectoral initiatives and frameworks for target-setting and disclosure, these approaches essential to accelerate impact and transition.

Yet, the urgency for action has never been greater. Climate extremes and biodiversity loss are no longer distant threats, they are reshaping coffee production today. While regulatory and investor pressure has accelerated corporate sustainability efforts, global disruption risks reversing hard-won progress. In a world where government actions on climate and nature are increasingly overshadowed by geopolitical instability, companies should uphold—and even uplevel—ambitions and actions to safeguard nature and ensure long-term resilience. Coffee still has the opportunity to lead the way, swiftly and boldly!

The Challenge will continue to inspire leadership in the sector in the years ahead. Building on the progress and trust across community, it's vital to collectively focus on where the challenge(s) gets challenging. Our path forward demands deeper alignment, innovative financing, and place-based investments that restore nature, reduce emissions, and uplift communities across coffee producing landscapes.

The next chapter of coffee's sustainability story is ours to write—and the time to act is now.

Let's keep the pace. Let's ride together!

07

OUR PARTNERS

Our Partners

The following list highlights current Challenge partners, with those bolded (48 partners) having completed annual reporting and those italicized (12) having made a new public sustainability commitment in the Hub between July 2024 and June 2025.

4C Services, ACDI/VOCA, African Fine Coffees Association, ALDI SOUTH Group, Almacena Platform, **Alsea**, Anthesis, Arizona State University (ASU), **Bon Appétit Management Company**, British Coffee Association, Buna Qela Charity Association, **Cafinco**, *Caravela Coffee*, Catholic Relief Services, CertifiCafé, ***Chesapeake Coffee Roasters***, Coalition for Environmentally Responsible Economies (CERES), Coffee Quality Institute, Committee on Sustainability Assessment, Community Coffee Company, Conservation International, **Copper Moon Coffee**, **Dunkin'**, **ECOM Agroindustrial Corp. Ltd.**, *Ecotierra*, **Efico**, Ekó Café Exportacao, *Enveritas*, Equal Origins, Fairfood, Fairtrade America, **Fairtrade International**, Falcon Coffees, Farm Africa, Farmer Brothers, Food 4 Farmers, Fundacion COHONDUCAFE, Global Coffee Platform, Global Risk Assessment Services (GRAS), Gorilla Conservation Coffee, *Hamburg Coffee Company HACOFCO*, Hanns R Neumann Stiftung (HRNS), ICAFE (Costa Rica Coffee Institute), ICO Coffee Public-Private Task Force, **IDH Sustainable Trade Initiative**, iFinca, International Center for Tropical Agriculture (CIAT), International Institute for International Development (IISD), International Women's Coffee Alliance (IWCA), Irrigation Technologies, **JDE Peet's**, Kauai Coffee Company, **Keurig Dr Pepper**, *Lidl US*, **Louis Dreyfus Company**, Lutheran World Relief, Mae Fah Luang Foundation under Royal Patronage, **McDonald's**, Meira, **Mesoamerican Development Institute**, Mexico - Secretariat of Agriculture and Rural Development (SADER), **Mi Cafeto**, **Mother Parkers Tea & Coffee**, ***Mountain Harvest***, National Agricultural Export Development Board (NAEB), National Coffee Association, **National Cooperative Business Association CLUSA International (NCBA CLUSA)**, **NESCAFÉ**, **Nespresso**, **Neumann Kaffee Gruppe**, **ofi**, Oikocredit, **Pelican Rouge Coffee Roasters**, **Philz Coffee**, **Progreso Foundation**, **PUR**, Qahwah Club, Rainforest Alliance, **Redstart Roasters**, *Reily Foods*, **RGC Coffee**, Root Capital, **SAKURA**, ***San Francisco Bay Coffee Co.***, San Martin Regional Government – Peru, Sustainable Commodity Assistance Network (SCAN), **Smithsonian Bird Friendly**, SNV, **Solidaridad**, Specialty Coffee Association, **Starbucks Coffee Company**, Strategies for International Development, **Sucafina**, ***Sucden Coffee***, Summit Coffee Co., Supracafe, Sustainable Food Lab, Sustainable Harvest Coffee Importers, Swiss Coffee Alliance, **Target**, Tata Coffee, *Tchibo*, TechnoServe, **The Chain Collaborative**, **The Coffee Source**, ***The J.M. Smucker Co.***, The Kroger Co., **The Sustainability Consortium**, **Touton**, Trilliant Food & Nutrition, United States Department of Agriculture (USDA), Walmart, **Westrock Coffee**, **Whole Foods Market**, **World Coffee Research**, World Resources Institute

Appendix A

Find the 2025 target metrics here and information about data assumptions and methodology below, organized by focus area.

COFFEE

Several proxy metrics were used to estimate additional coffee production supported by Challenge partners. Note that the following conversions are highly simplified and generate extremely rough estimates. Averages for seedling planting density, farm size, and per hectare cost of renovation and rehabilitation were used to convert the respective proxy metrics to an estimated number of hectares with improved management. These estimates were then multiplied by a global average for additional kg of coffee produced per hectare due to farmer training, tree provision, and agronomic technical assistance, assuming a 50% success rate of these actions: *267 kg/ha*, as defined in the Challenge metric guidance based on raw data collected in 2017 by Dalberg during the development of "Renovation & rehabilitation for resilient coffee farms: A guidebook for roasters, traders and supply chain partners." Please see the table below for a breakdown of these conversions and the specific data assumptions behind them. It should likewise be noted that the data available in the Hub does not disaggregate the productivity gains that occurred on smallholder farms vs. large farms, whereas the 2025 target specifically aims to address smallholder productivity on existing coffee area.

PROXY METRIC	PROXY METRIC REPORTED PROGRESS	CALCULATION TO CONVERT TO KG OF ADDITIONAL YIELD	DATA ASSUMPTIONS	PROXY METRIC AS HECTARES WITH IMPROVED MANAGEMENT	PROXY METRIC AS 60KG BAGS OF COFFEE
OF HECTARES WITH IMPROVED MANAGEMENT	715,564	reported # of ha *(average additional yield, kg/ha)	Assumed increase in yield =267 kg/ha	=715,564	=(715,564*267)/60 =3,184,259
# OF COFFEE TREES DISTRIBUTED OR SOLD	135,126,970	[(Reported # of trees)/(average planting density, trees/ha)]* (average additional yield, kg/ha)	Average planting density =3,500 seedlings/ha	=135,126,970/3,500 =38,607	=(38,607*267)/60 =171,804
# OF PEOPLE TRAINED	789,173	[(reported # of people trained) *(average farm size)]*(average additional yield, kg/ha)	Average coffee farm size =1.2 ha	=789,173*1.2 =947,007	=(947,007*267)/60 =4,214,183

$ FUNDING FACILITATED	12,744,625	[(Reported funding facilitated) / (average per hectare cost of R&R)]*(average additional yield, kg/ha)	Average per hectare cost of R&R = 3,175 USD* *Also via the R&R guidebook, pg. 61	=12,744,625/3175 =4,014	=(4,014*267)/60 =17,862
					Total = 7.6M

PLANET

The number of non-coffee trees planted by partners acts as a proxy metric for both hectares restored and carbon sequestered. Note that the following conversions are highly simplified and generate extremely rough estimates:

- To convert # of non-coffee trees planted to hectares restored, it is assumed that these trees are planted at a density of 100 trees per hectare, which is at the mid-low end for shade tree density in coffee agroforestry systems. As such, the 23.3M coffee trees planted by Challenge partners yield approximately 233K hectares restored.

- To convert # of non-coffee trees planted to tCO2 sequestered/removed, the average rate that trees sequester carbon is assumed to be 0.02 tons per year based on data from "Global carbon dioxide removal rates from forest landscape restoration activities." Applying this rate to the total number of trees planted by partners (23.3M) results in approximately 466K tCO2 removed.

MARKETS

To avoid double counting volumes reported by traders through the Hub were excluded from the analysis. Additional public disclosure (e.g. CDP Corporate Questionnaire) was used to triangulate and strengthen the dataset. Additionally, the aggregate figures do not include data on sustainable sourcing commitments in the Hub that are reported on using metrics such as percentages, SKUs, products, etc. Only commitments that report on volumes (i.e. MT or lbs) can be aggregated.

For this calculation, "sustainably purchased" considers coffee sourced through Voluntary Sustainability Schemes (VSS), which includes standards and programs recognized under the GCP Equivalence Mechanism complemented with a select set of additional schemes (e.g. C.A.F.E. Practices, Bird Friendly, Organic) that companies reported on through the Challenge' Commitments Hub and/or that historically have been included in recognized industry publications (e.g. Coffee Barometer).

It should be noted that a portion of the "sustainable" volumes reported by JDE Peet's and Nestle—who historically have reported both through the Challenge and the GCP—is sourced through schemes that are currently not recognized under GCP's equivalence mechanism. Since we did not have access to the updated GCP data, we were unable to consider and correct for this in our aggregation.

PEOPLE

In addition to companies reporting on the metric, data regarding the "percent of ICO member producing countries with Living Income benchmarks completed or under development" is provided directly by the ICO via the workstream on Living and Prosperous Income, which has been coordinating these efforts.

End Notes

i The total level of investment across the lifespan of active commitments in the Hub is $1.4B USD. Please note that Nescafé is publicly communicating their $1B investment by 2030 into the sector, leaving $393M from additional stakeholders, not necessarily targeting a specific geography. Some stakeholders selected countries targeted but did not indicate level of investment.

ii Annual reporting in the Hub opened in 2017 and 2019 marked the first annual Hub report. Assurance methods were analyzed in 2020's reporting cycle.

iii Small-medium companies were classified as roasting about 100,000 to 1 million pounds of green coffee annually.

iv Intervention Pathway percentages reflect multi-tagging, as partners often address multiple focal areas within a single commitment.

v The Challenge will update figures once the GCP publishes its forthcoming 2024 report in November 2025.

vi Benchmark exists: Angola, Brazil, Colombia, Costa Rica, Côte d'Ivoire, Ecuador, Ethiopia, Ghana, Honduras, India, Indonesia, Kenya, Malawi, Mexico, Nicaragua, Peru, Rwanda, Togo, Vietnam / Forthcoming: Sierra Leone / Reference value or other study exists: Cameroon, Democratic Republic of the Congo, El Salvador, Gabon, Madagascar, Nepal, Nigeria, Panama, Papua New Guinea, Philippines, Tanzania, Thailand, Zambia, Zimbabwe / No benchmark exists: Bolivia, Burundi, Central African Republic, Cuba, Liberia, Timor-Leste, Venezuela, Yemen

vii Over the past almost decade, the Sustainable Coffee Challenge has led an iterative, partner-driven process to define and align sustainability metrics across the coffee sector. Working closely with industry groups and technical experts, the Challenge developed standardized metrics tied to its four focal areas. Between 2020 and 2025, the Challenge Secretariat supported partners in mapping their existing metrics to these aligned frameworks through annual Commitments Hub reporting cycles, targeted guidance, and sector-wide convenings such as conferences and working groups.

viii At the inception of the first formal version of the Commitments Hub in 2017 (following a beta version in 2016), 18 partners stated more than 20 commitments to coffee sustainability. The first annual Hub report was published in 2019, which analyzed and combined data from between 2017 and June 2019.

ix Sustainability reporting initiatives and frameworks mentioned in this report include Science-Based Targets initiative (SBTi), Science Based Targets Network (SBTN), Accountability Framework initiative (AFi), CDP (formerly Carbon Disclosure Project, Taskforce on Climate Financial Disclosure (TCFD), Taskforce on Nature-related Financial Disclosures (TNFD), Global

Reporting Initiative (GRI).

x To assess figures in the snapshot analysis and to support drafting portions of this report, the Challenge team used a combination of AI tools, including but not limited to Microsoft Copilot. All outputs were reviewed and evaluated by the authors. For any questions, please contact scc@conservation.org.

SUSTAINABLE COFFEE CHALLENGE