



NOMAD
COFFEE GROUP

**SUSTAINABILITY REPORT
& CORPORATE SOCIAL
RESPONSIBILITY
2023**



ACKNOWLEDGEMENT OF COUNTRY

IN THE SPIRIT OF RECONCILIATION, NOMAD COFFEE GROUP
RECOGNISES THE TRADITIONAL CUSTODIANS OF THE LAND
THROUGHOUT AUSTRALIA AND THEIR CONNECTIONS TO THE LANDS
ON WHICH WE OPERATE.

WE SHOW OUR RESPECT TO THEIR ELDERS, BOTH PAST AND PRESENT, AND EXTEND
THAT RESPECT TO ALL ABORIGINAL AND TORRES STRAIT
ISLANDER PEOPLES TODAY.

THE NOMAD COFFEE GROUP



NOMAD
COFFEE GROUP

COFFEE HIT

BLACK BAG
ROASTERS

VENEZIANO
COFFEE
ROASTERS

Flight
Coffee

HANGAR

Blend Co
Coffee | Tea | Machinery



CERTIFIED B CORP



CLIMATE ACTIVE
CARBON-NEUTRAL
ORGANISATION



TOITŪ NET CARBON ZERO
CERTIFIED ORGANISATION



MESSAGE FROM OUR CEO

I am thrilled to share the highlights of our sustainability journey over the past year, a testament to the dedication and hard work of the entire team.

Our new roasting facility in Melbourne's west is a great example of our commitment to sustainability. Designed to be best in class for energy efficiency and waste reduction, this project saw an incredible all-hands-on-deck effort. Everyone rolled up their sleeves to contribute to this major milestone.

The opening of this facility also created new opportunities for our team, with three of our long-standing members answering the call to embrace new challenges roasting at our largest facility to date. This is a testament to our commitment to nurturing talent within our organisation, which is something we are very proud of.

We proudly achieved B Corp certification, a recognition that reflects many years of diligent effort and adherence to the highest standards of social and environmental performance, accountability, and transparency. Congratulations to Nick Percy for leading this project.

We continued to reduce our carbon footprint, whilst maintaining our Toitu Carbon Net Zero (NZ) and Climate Active (Aust) carbon neutral certifications. We took a significant step towards fostering inclusivity and respect with the endorsement of our Reconciliation Action Plan. We also expanded our footprint in Melbourne, enhancing our brand recognition by opening our new Veneziano Coffee Roasters outlet at the airport. This new location allows us to share our passion for exceptional coffee with even more people.

And we are not stopping here. As we look forward to the future, we begin projects on sustainable packaging, continuing our journey towards true sustainability with further reductions in emissions, and working to achieve true equity and equality.

Thank you for your support and for being a part of our journey.

Craig Dickson,
CEO - Nomad Coffee Group

CORPORATE SOCIAL RESPONSIBILITY EXECUTIVE SUMMARY 2023

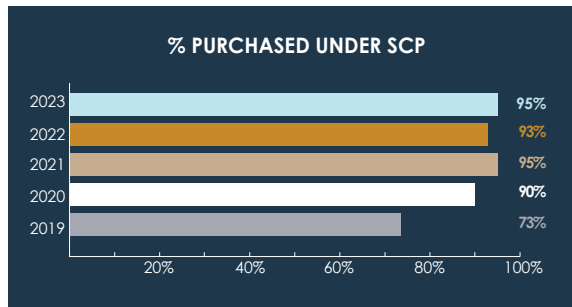
POSITION STATEMENT

'WE WILL EMBED SUSTAINABILITY IN DECISION MAKING, SO OUR BUSINESS, AND ALL OUR PARTNERS ARE ABLE TO ACHIEVE ECONOMIC SUCCESS WHILST PROTECTING THE ENVIRONMENT AND STRIVING FOR SOCIAL JUSTICE AND EQUALITY FOR ALL.'

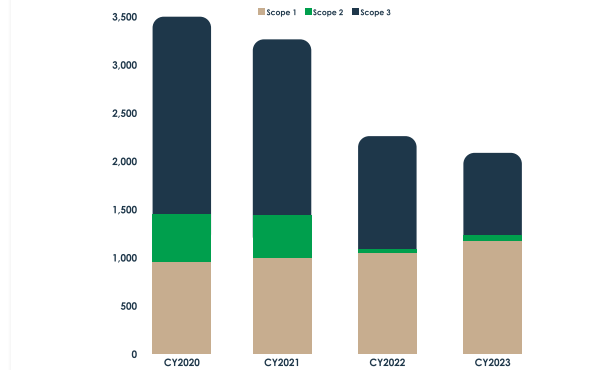
'WE UNDERSTAND THAT IT IS ONLY BY IMPLEMENTING SUSTAINABLE AND SOCIALLY RESPONSIBLE BUSINESS PRACTICES TODAY, THAT FUTURE GENERATIONS WILL BE ABLE TO ENJOY COFFEE TOMORROW.'

2023 HIGHLIGHTS

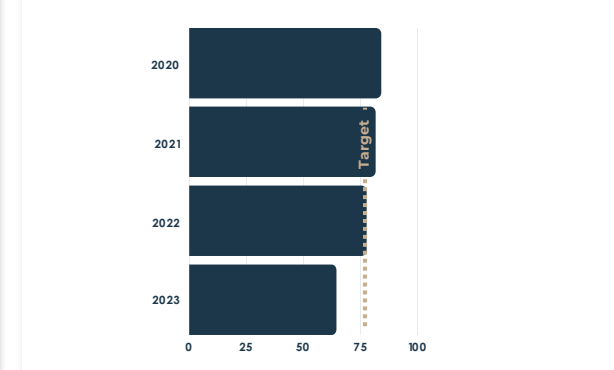
95% SUSTAINABLE COFFEE PROGRAM PURCHASES



35% REDUCTION IN EMISSIONS



65% EMPLOYEE ENGAGEMENT RATE



FUTURE GOALS



ALL PACKAGING TO BE FULLY RECYCLABLE BY END OF 2025



IMPROVE B CORP SCORE TO 100+ BY 2026



REDUCE EMISSIONS 45% BY 2030



LOCATIONS



ROASTERY



TRAINING STUDIO



HEAD OFFICE



ESPRESSO BAR/CAFÉ

AUSTRALIA

NEW SOUTH WALES

EORA NATION

352 BOURKE STREET,
SURRY HILLS, 2010



RICHMOND, VICTORIA

WURUNDJERI COUNTRY

16-18 RIVER STREET,
RICHMOND, 3121



QUEENSLAND

MEANJIN

369 MONTAGUE ROAD,
WEST END, 4101



SOUTH AUSTRALIA

KAURNA COUNTRY

111 MELBOURNE STREET,
NORTH ADELAIDE, 5006



TRUGANINA, VICTORIA

BUNURONG COUNTRY

41 PAULJOSEPH WAY,
TRUGANINA, 3029



AUSTRALIAN CAPITAL TERRITORY

NGUNNAWAL COUNTRY

2/131 LYSAGHT STREET,
MITCHELL, 2911



NEW ZEALAND

TĀMAKI MAKAURAU, AUCKLAND

222 DOMINION RD,
MT EDEN, 1024



WHANGANUI-A-TARA, WELLINGTON

30 GARRETT ST,
TE ARO, 6011



WHANGANUI-A-TARA, WELLINGTON

119 DIXON STREET,
TE ARO, 6142



For regional sites and distributors visit website <https://venezianocoffee.com.au/regional-partners>



PEOPLE, CULTURE AND SUSTAINABILITY AT NOMAD

With one of the most challenging yet rewarding years behind us, we're excited to share the remarkable progress we've made together. Opening our new, state-of-the-art roasting facility in Truganina wasn't without its hurdles. It was a massive undertaking, and everyone from our sales team to our executives rolled up their sleeves to ensure a smooth transition. This collaborative, in it together spirit is truly what defines our company culture.

On a momentous note, we became the largest B Corp certified coffee business in Australia and New Zealand. This achievement reflects our unwavering commitment to ethical sourcing, environmental responsibility, providing positive employee experiences and community investment. Furthermore, we've seen a significant reduction in our emissions for the third year running, which brings us closer to our ambitious sustainability goals.

We recognise that employee engagement has reduced during 2023, this is reflective of the rewarding yet challenging task we faced with the significant expansion of our organisation. We couldn't have done it with our wonderful Nomad Tribe.

We remain dedicated to improving our engagement, and returning it to its 2022 and earlier levels, by fostering a thriving work environment through innovative programs and initiatives. We're confident that by working together, we can address this challenge and continue building a sustainable future for both our business, and our communities.

Amie Jacobson - HR Director

Nick Percy - Group Sustainability Manager





VENEZIANO BRINGS MELBOURNE COFFEE CULTURE AIRSIDE

Melbourne Airport is eager to showcase brands that intrinsically represent Melbourne, and we're excited to be a part of that. The dreaded wait at the airport before an interstate flight departs has just gotten a whole lot more enjoyable for those leaving Victoria from Melbourne Airport in Tullamarine. Long-standing coffee roaster Veneziano Coffee Roasters now has a café in Qantas Terminal 1 to keep travellers caffeinated. Our purpose is to improve everyday lives, so we love the idea of sending people off on their journey with the best coffee they've ever had.

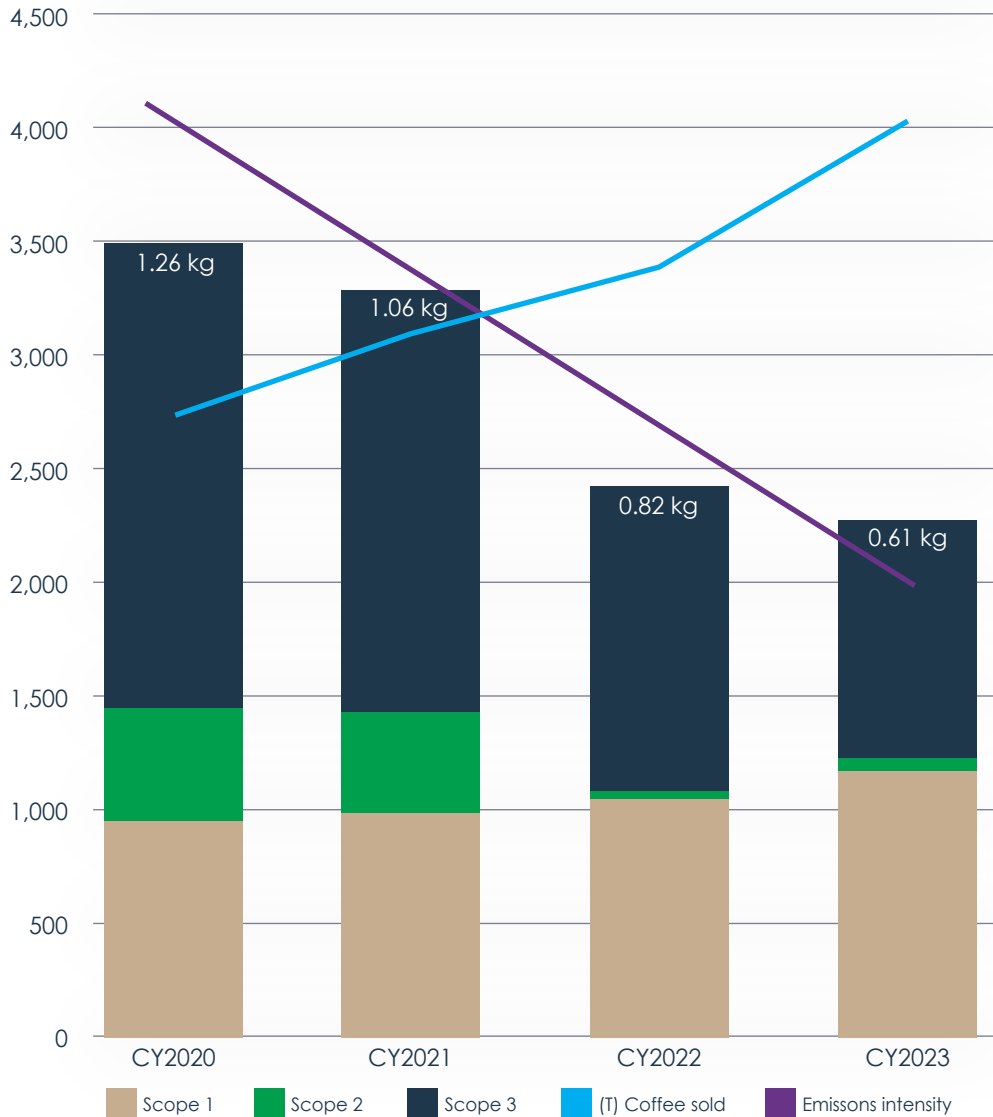


From the left; Kate, Sarah and Michael celebrating the achievement on opening day, while Lachlan (far right) is ensuring the coffee is pouring perfectly.



EMISSIONS PROGRESS

EMISSIONS OVER TIME



COMPARED TO 2020 WE:

- Reduced our emissions per kilo of coffee by **51%**.
- Increased our production by nearly **1 million kgs**.
- Reduced overall emissions from 3,600 to **2,300 per year**.

YEAR	2020	2021	2022	2023
Scope 3	2030.90	1778.76	1356.25	1005.97
Scope 2	568.37	515.06	26.44	63.47
Scope 1	997.66	1015.21	1148.40	1214.68
Emissions intensity (kgCO2e/kg of coffee sold)	1.26	1.06	0.82	0.61

SCOPE 1

Direct emissions from natural gas use, company vehicle fuel and refrigerants

SCOPE 2

Indirect emissions from electricity use

SCOPE 3

Indirect emissions from all other business activities



LONG-TERM REDUCTION STRATEGY

Due to a combination of growth, gaps in suppliers' capabilities and other external factors, we are expecting a plateau, or even an increase in emissions over the next couple of years. In the past three years, we have seen good progress with our emissions reduction progress; this has been driven by the following:



The move to **100%** renewable electricity. More than **1,300 tonnes** of emissions avoided over four years.



Investment in highly efficient roasting technology reduced our gas usage by **30%** per kilo of coffee produced



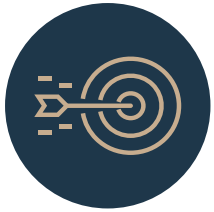
Increased waste diversion practices diverted more than **500 tonnes** from landfill over four years.



Consolidating freight into lower impact methods, as well as better freight tracking practices saved over **1,800 tonnes** of emissions over four years.



Our long-term emission reduction strategy is aligned with the goals of the Paris Agreement, which aims to limit global warming to 1.5 degrees Celsius above pre-industrial levels. We aim to reduce our scope 1, 2, and 3 emissions by 45% by 2030, compared to our baseline year of 2020.

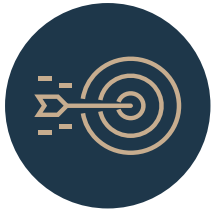


NOMAD ENVIRONMENTAL KPI PERFORMANCE



ENVIRONMENT	COMMITMENT	KEY INDICATOR PERFORMANCE	2020	2021	2022	2023
CLIMATE CHANGE, ENERGY AND EMISSIONS	We aim to achieve and maintain 100% renewable electricity across our business.	Percentage of kWh procured or generated from renewable sources.	0%	12%	100%	100%
	By 2030, we aim to reduce the emissions intensity by 45%.	Percentage of reduction of CO ₂ equivalent emissions per kg of coffee sold.	N/A	16%	35%	51% (ACHIEVED)
	By 2030 we aim to reduce our absolute emissions by 45%.	45% Reduction in scope 1, 2 and 3 emissions by 2030.	N/A	8%	25%	35%
PACKAGING	We aim to avoid at least 50,000 single-use items per year.	Number of items either reused or captured and recycled via a bespoke recycling stream.	1,695	41,065	31,836	29,339
	*By 2025 we aim to reach the "Beyond Best Practice" ranking within the APCO framework.	Percentage of packaging reduced, by size or thickness.	N/A	56%	60%	70%
WASTE	We aim to achieve and maintain 75% diversion.	Waste re-used or recycled at 75% of total waste. Maximum landfill usage no greater than 25% of total waste.	28%	53%	73%	72%

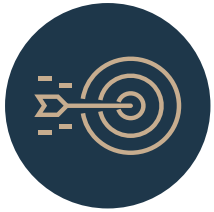
* Goal supersedes previous goal "By 2025 we aim to reduce our primary packaging material by 15%"



NOMAD SOCIAL KPI PERFORMANCE



SOCIAL	COMMITMENT	KEY INDICATOR PERFORMANCE	2020	2021	2022	2023
FAIR PRICE PAID TO FARMERS	We aim for 95% of our coffee purchases to be 3rd party certified or purchased under our Sustainable Coffee Program.	Percentage of total coffee purchases, that is either Rainforest Alliance, Fairtrade or from a direct relationship.	90%	95%	93%	95%
	We aim to have 100% of our key suppliers commit to our Supplier Code of Conduct.	Percentage of key suppliers that have signed and agreed to our Supplier Code of Conduct.	N/A	N/A	40%	45%
	We aim to keep our supply chain free of all forms of modern slavery.	Number of occurrences of modern slavery identified via our whistleblower channel or any other method.	0	0	0	0
COMMUNITY	We aim for at least 700 volunteering hours, or equivalent donations per year.	Number of person hours, or the equivalent monetary donation, the equivalent monetary value of 1 person hour, equating \$50.	N/A	N/A	612	715



NOMAD GOVERNANCE KPI PERFORMANCE



GOVERNANCE	COMMITMENT	KEY INDICATOR PERFORMANCE	2020	2021	2022	2023
STAKEHOLDER EDUCATION ON SUSTAINABILITY	We aim to have each of our teams have at least one sustainability-aligned KPI.	Number of active goals, reported on quarterly.	N/A	N/A	0	4
	We aim to deliver training to all of our hiring managers on topics in diversity, unconscious bias and reconciliation annually.	Percentage of total hiring managers that have completed all initial or refresher training.	N/A	N/A	53%	56%
GENDER EQUALITY, DIVERSITY AND HEALTH AND SAFETY AND WELLBEING	We aim to achieve and maintain an engagement score of 78% or higher.	Percentage of engaged employees, as collected from our anonymous engagement survey.	84%	82%	78%	65%
	We aim to keep Lost Time Injuries to 38 hours total or less per year.	Number of hours taken due to injury.	N/A	16	38	18



PACKAGING

While 2023 presented challenges in soft plastic recycling, we're proud to announce our APCO performance remains well above the industry average at 60%. This reflects our commitment to sustainable packaging. We are constantly testing and investigating new options, like those emerging in the area of plant-based and compostable materials. Our goal is to significantly reduce our environmental footprint and ensure our packaging remains as sustainable as possible.

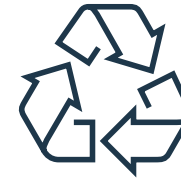


Criteria Performance Levels

The chart below indicates your organisation's performance against each of the Packaging Sustainability Framework criteria in the 2024 APCO Annual Report. Each band represents a performance level with the green indicating your level of performance for each.



[Learn more](#)



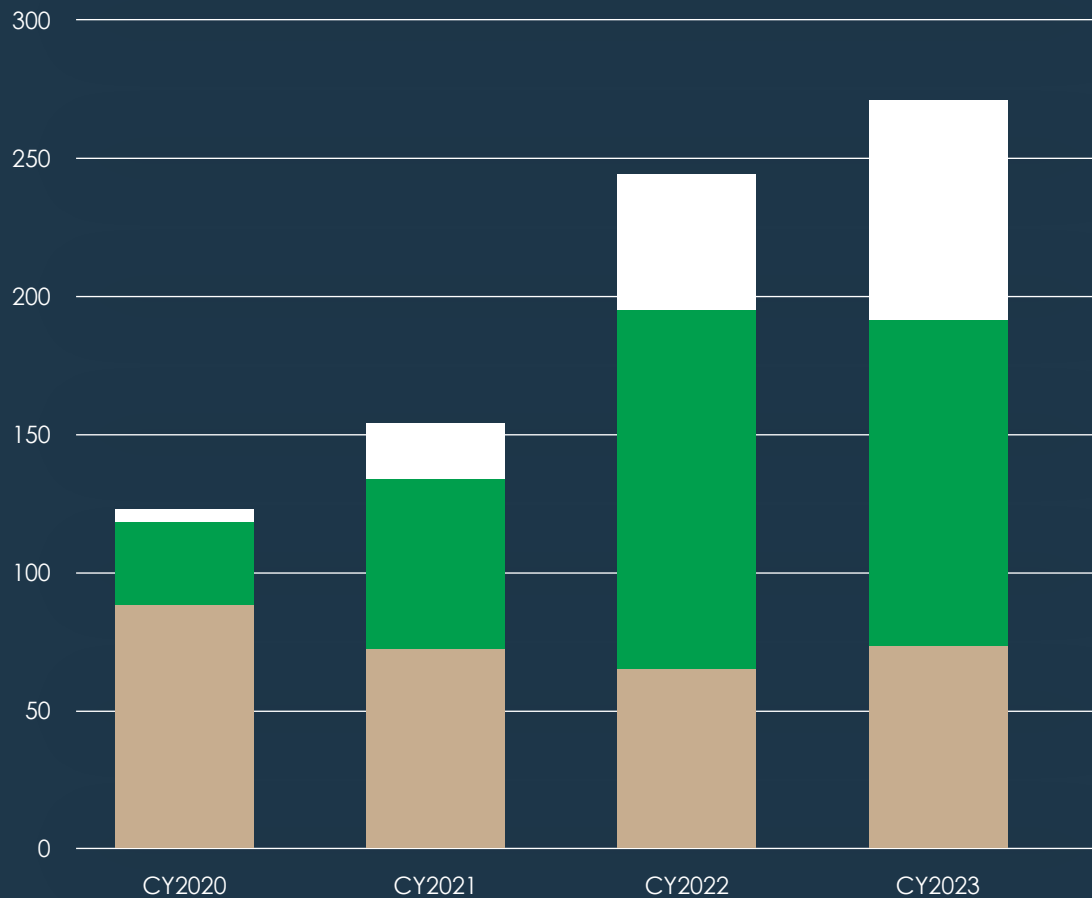
Sustainable packaging initiatives

By 2025, we will optimise 100% of our coffee packaging to use less materials and ensure that all packaging is reusable, recyclable, or compostable.





WASTE MANAGEMENT PROGRESS



WASTE DIVERTED FROM LAND FILL 2023



YEAR	2020	2021	2022	2023
GENERAL WASTE (Tonnes)	97.52	79.42	72.00	80.3
RECYCLING (Tonnes)	33.08	68.81	143.43	120.8
ORGANICS (Tonnes)	4.64	22.23	54.60	87.3
DIVERSION RATE	28%	53%	73%	72%

■ GENERAL WASTE

■ RECYCLING

■ ORGANICS



THE GLOBAL COFFEE MARKET

As we face another challenging year for coffee especially as we grow as a business it's important to ensure we work with our partners both supply chain and customers to maintain an equitable business model that values the hard work and intrinsic value that a cup of coffee represents. There's an obvious pressure on the local consumer and cafe owner through cost of living increases and business costs and as an industry we are not immune to it.

Global coffee demand has been outpacing production for the last 4 out of 5 years and is projected to do so again for 24/25. This is great meaning more people drinking the coffee we love, however points to challenging conditions for producers, exporters and roasters.

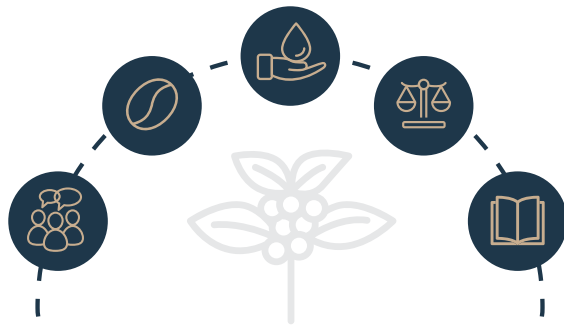
A clear shift in demand globally during the last 2 years to Robustas due to Arabica deficits as large players tried to control their cost of goods has moved dramatic demands to Vietnam, India and Brazil. Poor weather conditions in Vietnam this year mean many people are left short, coupled with rising ocean freight rates and congestion at transshipment ports has made for a challenging time in Australia. However, despite the cost of coffee drastically moving we have held firm on our stringent quality standards and continue to work with our long term partners to ensure delicious coffee.

Jack Allisey,
Head of Procurement - Nomad Coffee Group



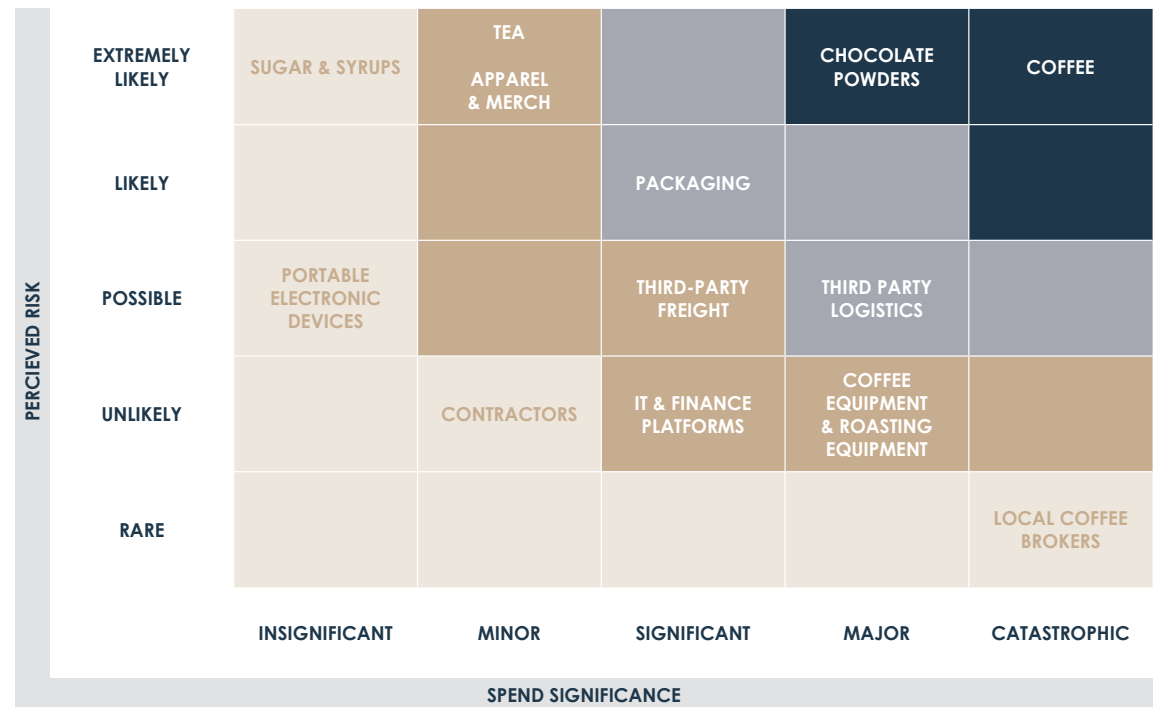


KEY 2023 PROJECT SUPPLIER CODE OF CONDUCT



As per our plan for the calendar year, a Supplier Code of Conduct was drafted and submitted to our key suppliers for review and signing. This document (found here) includes ethical standards and human rights standards and aligns with the UN Guiding Principles for Business and Human Rights. This is a valuable first step; however, this has identified the need to do more, dig a bit deeper, and reframe our Sustainable Coffee Program, which will become the focus moving forward.

MODERN SLAVERY – MATERIAL ISSUES





SUSTAINABLE COFFEE PROGRAM

FAIRTRADE PREMIUM HAS PROVIDED:



- Improved payment terms
- Funding for community development activities
- Training and agricultural tools infrastructure

	2019	2020	2021	2022	2023
KGS	29,200	137,000	101,129	137,832	190,351
FAIRTRADE PREMIUM (AUD)	\$18,313	\$87,128	\$58,172	\$57,842	\$124,802

RAINFOREST ALLIANCE PRODUCERS BENEFIT FROM:

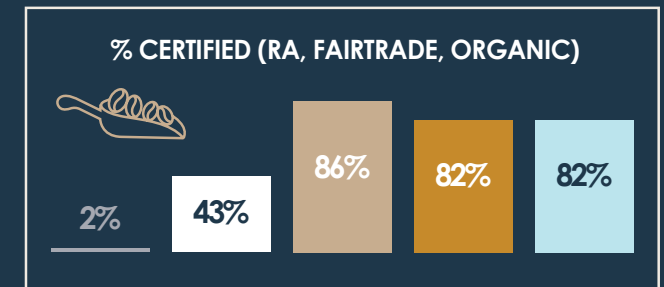
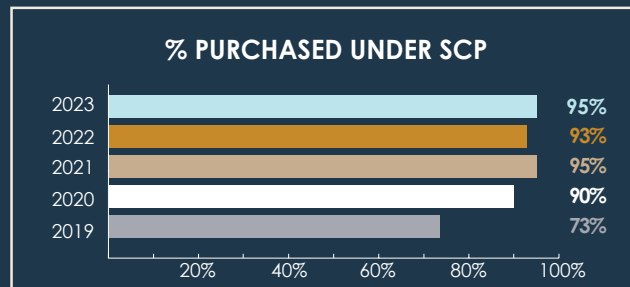
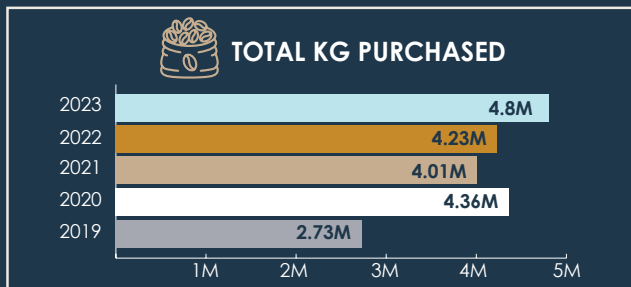


- A mandatory Sustainability Differential, paid on top of the market price at the first point of purchase
- Sustainability investments from buyers of the certified product

	2023
KGS PURCHASED	3,753,462

GREEN COFFEE PURCHASED

2019 2020 2021 2022 2023





WHERE WE BUY OUR COFFEE

SUSTAINABLE COFFEE PROGRAM

TOTAL KGS PURCHASED

2023

COUNTRY OF ORIGIN		
BRAZIL		2,602,531
HONDURAS		1,241,092
COLOMBIA		323,422
INDIA		295,120
PERU		134,016
VIETNAM		79,920
PNG		32,400
ETHIOPIA		21,500
BURUNDI		21,060
MEXICO		19,776
OTHERS (INCLUDING MICROLOTS, SPOT COFFEES, AND PURCHASES UNDER 1 CONTAINER)		34,535



DOING GOOD

2023 BLOOD DONATIONS



At Nomad Coffee Group, “Doing Good” isn’t just a tagline, it’s a core value. Our Volunteer Policy empowers employees to give back during paid work hours. This past year, that dedication turned into real results. We’ve rolled up our sleeves to donate blood, fought food waste by repurposing excess ingredients into nutritious meals, and more. Together, our team has clocked over 1,100 volunteer hours and helped generate over \$10,000 in donations. It’s this kind of positive impact that makes us proud to be Nomad Coffee Group.



Our Nomad Coffee Group Lifeblood team, rolling up their sleeves.



Some of our Vic support team, led by Craig, preparing nutritious meals for those in need with OzHarvest.



The QLD support team, smashing out over 2,600 meals with the team at FairShare.



A picture from one of our Clean Up Australia Days





FITZROY LEARNING NETWORK



Semhar roasting and preparing coffee in the traditional Eritrean method.



The team after a training session in our Richmond facility.
From the left, Eynas, Ricky, the trainer Ximena, Solomie, Amy, Siye, Sevim and Van.

We're proud to partner with the Fitzroy Learning Network (FLN), a vital community hub supporting refugees, migrants, asylum seekers, and residents of inner Melbourne's public housing estates. We provide FLN with free coffee to fuel their important work, and go a step further by offering our facilities free of charge for barista accreditation courses. Our team members also participate in FLN events, fostering connections and building a stronger community together.



GENDER EQUITY STRATEGY

EMPOWERING DIVERSITY, FOSTERING INCLUSION



OBJECTIVE 1: EDUCATION & UNDERSTANDING

Target: Complete Equity and Diversity Training for all people leaders.



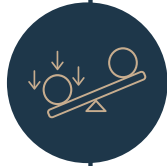
OBJECTIVE 2: PAY EQUITY

Target: Conduct a pay equity audit and eliminate any gender-based pay disparities.



OBJECTIVE 3: RECRUITMENT DIVERSITY

Target: Ensure all interviews have a diverse interview panel.



OBJECTIVE 4: UNCONSCIOUS BIAS

Target: Provide unconscious bias training to all decision makers across the business.



OBJECTIVE 5: TRANSPARENCY & ACCOUNTABILITY

Target: Publish annual gender equity reports with clear progress updates and areas for improvement.

ACTION PLAN:

Compile and publish the first annual gender equity report by December 2024, highlighting achievements and outlining future goals.

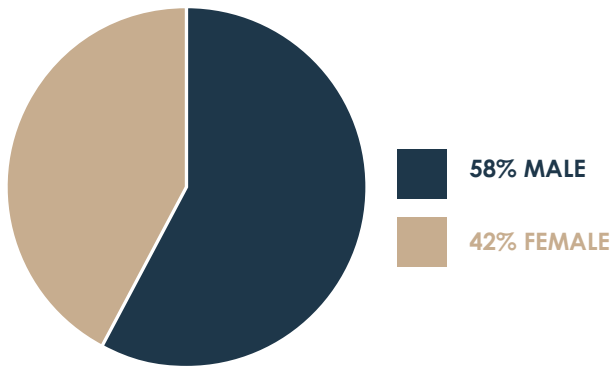


The gender pay gap persists due to societal and economic factors that limit women's earning potential throughout their careers. To address this, we must foster cultural change and create a workplace where women can fully participate and thrive. Our Gender Equity Strategy outlines our specific commitments to closing this gap.

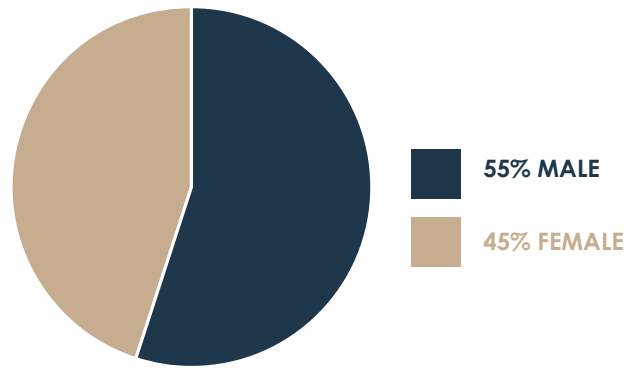


GENDER EQUALITY

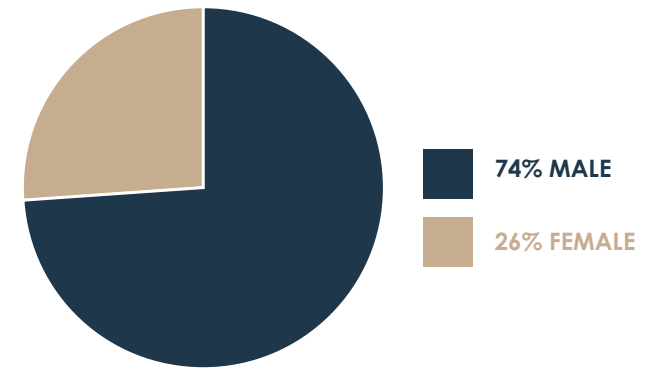
GENDER SPLIT



GENDER SPLIT: PEOPLE LEADERS

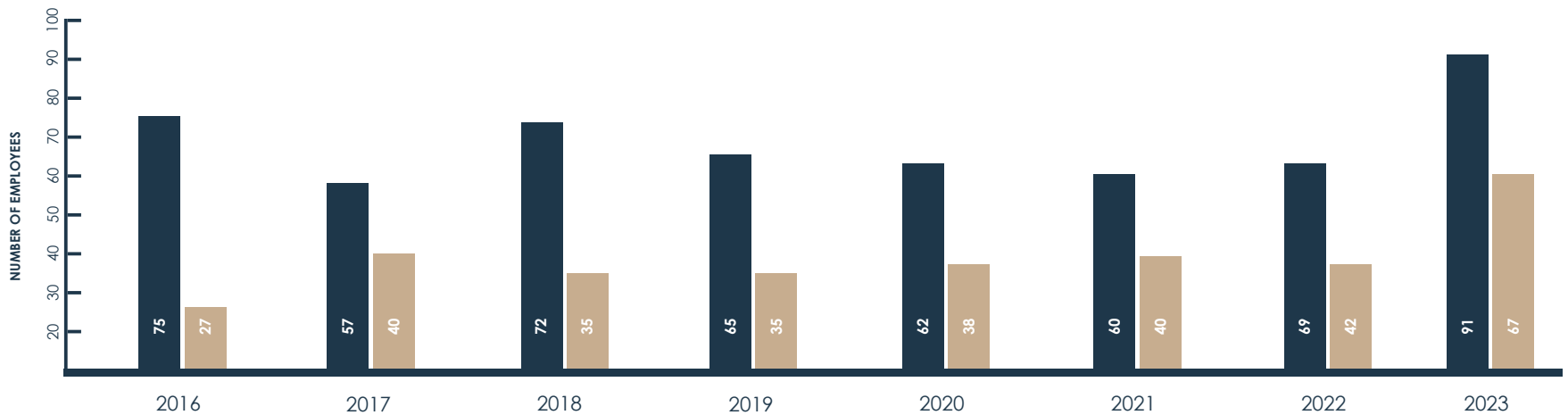


GENDER SPLIT: SENIOR LEADERSHIP



GENDER BALANCE

MEN
WOMEN





WORKING AT NOMAD

We prioritise fostering a positive and engaging workplace where our people feel valued and supported. This approach not only enhances employee satisfaction and engagement but also drives retention and attracts top talent. By regularly gathering employee feedback through surveys and actively listening to their insights, we implement targeted initiatives to create a work environment where everyone can thrive. This commitment to employee well-being contributes to our ability to retain our existing team and attract new talent.

SOME OF OUR 2023 HIGHLIGHTS AND ACTIVITIES:



- Launched our Day In The Life program to allow our people to learn more about their co-workers' roles, and breed more collaboration.



- We continued our participation in causes such as R U OK Day, Lifeblood, CaféSmart, and Australia's Biggest Morning Tea to give our team opportunities to support these great causes.



- Our focus on employee development is paying off. We've recently trained 35 employees in our Future Leaders Program and recognised the achievements of 9 individuals with well-deserved promotions.



TENURE	YEARS	EMPLOYEES
	15+	3
	10+	4
	5+	21



YEARS	2019	2020	2021	2022	2023
TURNOVER	17%	10.24%	18%	14%	14%

EMPLOYEE ENGAGEMENT RESULTS



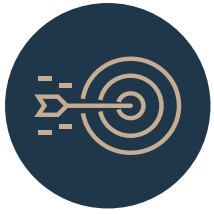
TAKING ACTION

Although 2023 saw our engagement fall below our benchmark of 77%, we've made significant strides in enhancing employee engagement. By prioritising initiatives like:

- Education and Leadership Training: Providing opportunities for professional growth and development.
- Diversity and Inclusion: Fostering a more inclusive and equitable workplace.
- Values Alignment: Reinforcing our company's core principles through the Nomad Coffee Group Values.
- Reward and Recognition: Acknowledging and celebrating employee contributions.

These efforts have achieved positive results, improving our engagement rate to **72%** in our first-quarter 2024 employee pulse survey.

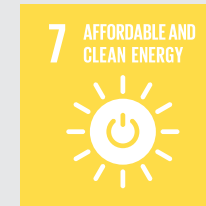
Our engagement scores are benchmarked against the top 25% of Australian food and beverage companies with 100-200 employees, as defined by Culture Amp.



SUSTAINABLE DEVELOPMENT GOALS

ENVIRONMENT

- Maintain 100% renewable electricity across our sites
- Maintain carbon neutrality with a long-term strategy to reduce reliance on offsets
- Exceed best practice APCO packaging standards
- Reduce and avoid single-use packaging



SOCIAL

- Continue our long-term supplier relationships
- Expand our focus on avoiding modern slavery issues within our business to include our entire supply chain, including supplier screening policies and implementing a whistle-blower procedure
- By giving back to the local communities in which we operate



GOVERNANCE

- Continuing to educate and influence our stakeholders both internally and externally
- Working towards becoming the employer of choice in coffee by improving our diversity, retaining talent, and improving our engagement



Our goals are aligned with the UN Sustainable Development Goals - <https://sdgs.un.org/goals>



GLOSSARY

REFERENCE	DEFINITION	SOURCE
RAP	Reconciliation Action Plan – an independent not-for-profit organisation which promotes and facilitates reconciliation by building relationships, respect and trust between the wider Australian community and Aboriginal and Torres Strait Islander Peoples.	Reconciliation Australia
Net Zero	Net Zero means cutting greenhouse gas emissions to as close to zero as possible, with any remaining emissions re-absorbed from the atmosphere, by oceans and forests for instance.	UN - Net-Zero coalition terms
GHG	Greenhouse gases - The atmospheric gases responsible for causing global warming and climate change. The major GHGs are carbon dioxide (CO ₂), methane (CH ₄) and nitrous oxide (N ₂ O). Less prevalent – but very powerful – GHGs are hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF ₆).	UN - Glossary of climate change acronyms and terms
Climate Active	An Australian Government backed organisation, promoting voluntary climate action.	www.climateactive.org.au/
Carbon Neutral	Carbon neutral, or net zero, refers to achieving an overall balance between carbon emissions produced and carbon emissions taken out of the atmosphere.	
Carbon Inventory	A list of emission sources and associated emissions quantified using standardised methods. In NCG's case, this includes everything within our Operational Boundary.	
Operational Boundary	Refers to the activities that occur that we either directly pay for, and have some control over, including freight and employee travel.	
Noa & Parker	A circular economy business, focused on reducing single-use waste in the foodservice sector.	
Long-term reduction strategy	A long term strategy, to decarbonise operations and to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels.	
Paris Agreement	A legally binding international Treaty, facilitated by the United Nations.	Paris Agreement
SCP	Sustainable Coffee Program – our internal framework for building long-term, mutually beneficial relationships.	
People Managers	Indicates anyone who manages one or more staff members.	
GreenPower	GreenPower is a government-managed program that makes sure the GreenPower individuals and businesses buy from GreenPower Providers, supporting greater renewable energy generation in Australia.	GreenPower



NOMAD

COFFEE GROUP



www.Nomadcoffeegroup.com.au



www.linkedin.com/company/nomad-coffee-group/