



# SUSTAINABILITY REPORT

2024 / 2025



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# A MESSAGE FROM OUR CEO

## *Building a Greener, More Inclusive Tomorrow*

Dear Valued Partners,

At Coffex Coffee Malaysia, we believe great coffee can—and should—do more. It should bring joy, care for the environment, and uplift the communities who grow it.



As the world continues to grapple with climate change, social inequality, environmental degradation and health concerns, we remain grounded in our purpose: to create a happier and greener world through coffee.

This report reflects our ongoing journey, not just toward compliance or performance, but toward building trust through accountability and meaningful progress.

Over the past year, we've taken decisive steps to strengthen our environmental, social, and governance (ESG) practices. From installing a solar PV system to investing in regenerative farming partnerships, using resources more mindfully, enhancing waste recycling, and supporting over 80 local staff, we continue to make coffee a force for good.

Sustainability isn't a destination, it's a continuing commitment to do better, for both our planet and our people.

Thank you for walking this path with us.

Warm regards,

**Kelvin Ngow**

Chief Executive Officer, Coffex Coffee Malaysia



# ABOUT US

Coffex Coffee Malaysia is a specialty coffee manufacturer dedicated to delivering quality and innovation while creating positive social and environmental impact. Through our MONO Origine movement, we advocate ethical and conscious coffee consumption by sourcing coffee beans from farms committed to sustainable and regenerative agriculture practices.

Our aim is to raise awareness about the interconnections between climate change, farming practices, coffee production, and mindful consumer choices - that we as consumers have the power to drive positive impact for both the environment and communities while enjoying high-quality coffee.

## Our Purpose

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We believe every cup of coffee can be a catalyst for change. Our purpose is simple yet ambitious: To create a happier and greener world through coffee.

## Our ESG Commitment

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Our ESG strategy is anchored in ethical sourcing, reducing our carbon footprint, minimizing waste, and improving the well-being of people and the planet throughout our value chain. This commitment is embedded in our operations, partnerships, and products.

### **Reporting Statement**

*This report presents key ESG policies, actions, and selected performance indicators across the themes of Environment, Labor & Human Rights, Ethics, and Sustainable Procurement, in alignment with EcoVadis sustainability assessment areas. While this report is not fully aligned with a single framework, it draws reference from the GRI Standards and EcoVadis sustainability assessment methodology.*





# MONO ORIGINE SUSTAINABILITY PROGRAM

The MONO Origine Sustainability Program is our roadmap for translating ambition into action. Anchored by four pillars: Climate Action, Environmental Stewardship, Social Empowerment, and Continuous Innovation, it guides our strategic initiatives and ensures we remain accountable, transparent, and impactful at every step of our journey.

## **Materiality Assessment**

*In 2024, we conducted an internal materiality assessment to identify ESG topics that matter most to our operations and stakeholders. The most relevant topics were climate action, ethical sourcing, waste reduction, employee well-being, and product safety. These areas guide our sustainability priorities.*



### **CLIMATE CHANGE**

- Reduce emissions
- Adopt regenerative farming
- Support carbon-resilient origins



### **ENVIRONMENTAL STEWARDSHIP**

- Biodiversity protection
- Responsible packaging
- Solar energy adoption



### **SOCIAL EMPOWERMENT**

- Ethical sourcing
- Fair wages
- Knowledge-sharing with communities
- No child labour



### **CONTINUOUS INNOVATION**

- Invest in traceability
- Collaborate on ESG solutions
- Educate consumers through transparency

# STRATEGIC THEMES GUIDING COFFEX COFFEE'S SUSTAINABILITY DIRECTION

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At Coffex Coffee, our sustainability efforts extend across every aspect of our operations—from how we source and roast our coffee, to how we care for our people and engage with the communities around us. While our ESG journey is still evolving, we have identified four strategic themes that guide our current direction and decision-making.

Each theme is supported by a strategic intent and mapped to material topics that reflect the values we uphold and the impact areas we prioritize. These include ethical business practices, environmental stewardship, employee development, and community engagement.

This structure represents our company-wide approach to sustainability, and forms the basis for how we align our goals, actions, and reporting. As our ESG maturity deepens, this framework will continue to evolve, strengthening our accountability and aligning us with international sustainability standards.

***Coffex is in the process of formalizing its ESG framework. The following themes and intents currently guide our sustainability direction and are subject to future refinement as we deepen our materiality assessments and stakeholder engagement processes.***

**Our four strategic themes guide Coffex’s sustainability approach across business, operations, people, and community—anchored in values that shape our long-term impact.**

Strategic Themes	Strategic Intent	Material Topics
 <b>The Business and Quality of Our Coffee</b>	Generate positive socio-economic multiplier effects through ethical and responsible business practices	Financial Performance
		Ethics & Compliance
		Product Quality & Safety
 <b>Our Environment</b>	Foster a nurturing and safe workplace conducive to continuous learning and individual development	Environmental Stewardship
		Employee Health & Safety
 <b>Our People</b>	Drive meaningful change through impactful CSR initiatives and positively impact the communities in which we operate	Employee Engagement
		Diversity & Inclusion

# COFFEX COFFEE SUSTAINABILITY GOVERNANCE STRUCTURE

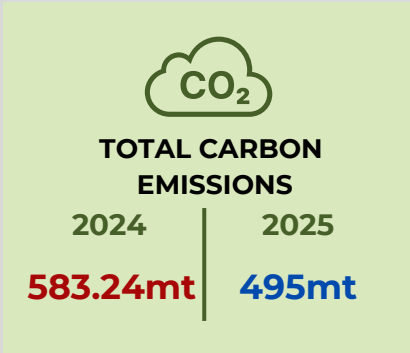
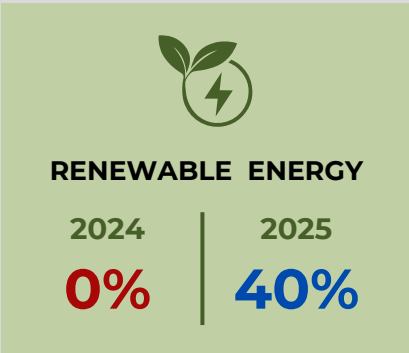
To ensure effective implementation of our sustainability strategy, Coffex Coffee has established a structured ESG governance framework. Oversight is anchored at the executive level, with the Management Team receiving quarterly updates from the Sustainability Committee. This committee comprises cross-functional representatives from key departments and is responsible for the integration of ESG principles across operations, procurement, marketing, and human resource functions.

The framework promotes accountability, continuous improvement, and alignment with Coffex’s long-term sustainability goals.



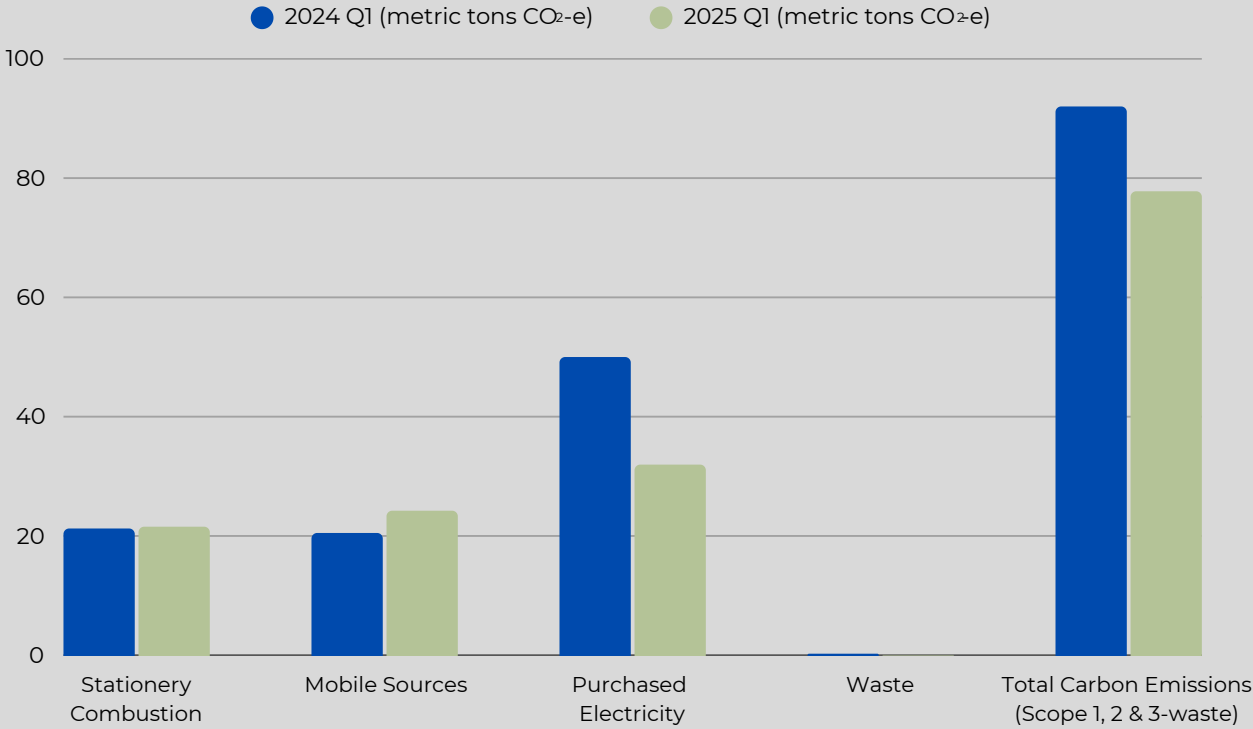
# COFFEX COFFEE IN NUMBERS

Key Metric	2024 Baseline	2025 Target
Renewable Energy	0%	40%
Suppliers Meeting Environmental, Social & Economic (ESE) Criteria	50%	75%
Employee Training Hours	1200 hours	1500 hours
Waste Recycled	391.50 kg	783 kg
Staff Engagement in Sustainability Events	55%	80%
Scope 1 Emissions	167.00 metric tons CO <sub>2</sub> -e	495 metric tons CO <sub>2</sub> -e
Scope 2 Emissions	200.00 metric tons CO <sub>2</sub> -e	
Scope 3 Emissions	216.24 metric tons CO <sub>2</sub> -e	
Total Carbon Emissions	583.24 metric tons CO <sub>2</sub> -e	



# COFFEX COFFEE IN NUMBERS

Emission Source	2024 Q1 (metric tons CO <sub>2</sub> -e)	2025 Q1 (metric tons CO <sub>2</sub> -e)	Change
Scope 1: Stationary Combustion	21.25	21.55	▲ +1.41%
Scope 1: Mobile Sources	20.50	24.23	▲ +18.20%
Scope 2: Purchased Electricity	50.00	31.96	▼ -36.08%
Scope 3: Waste Emissions Only	0.256	0.051	▼ -80.08%
Total Carbon Emissions	92.01	77.79	▼ -15.45%



# OUR SUSTAINABILITY PERFORMANCE

We adopt a science-based, transparent approach to measuring our impact and improving our strategies. Notably, we achieved a 15.45% reduction in total emissions in Q1 2025 compared to Q1 2024, driven by enhanced energy-saving practices, adoption of solar energy, and strengthened waste recycling efforts.

However, we also observed an 18.20% increase in Scope 1 mobile source emissions during the same period. This rise is attributed to greater operational mobility and transport-related activities during peak delivery and after-sales service periods. Recognizing this, we are evaluating route optimization, transitioning to more fuel-efficient or electric vehicles, as we work to reduce transport-related emissions in future operations.

In addition to operational impact improvements, Coffex also prioritized sustainability awareness and stakeholder engagement. In Q3 2024, we hosted Coffee, Planet & Us (C.P.U.) 2024, a sustainability-focused event aimed at cultivating informed action within the coffee and related industries. The event featured six expert speakers and welcomed 36 attendees, including diplomatic representatives such as the High Commissioner of Kenya. A total of 13 Coffex team members contributed to the planning and execution of the event, reflecting our cross-functional commitment to ESG integration.

To amplify the event's impact, a digital campaign was executed in parallel, resulting in a social media reach of 2,489 across 17 curated Instagram posts. This measurable outcome demonstrates our efforts not only in reducing environmental footprint but also in driving awareness and education—core to our long-term sustainability strategy.

## COFFEE, PLANET & US 2024



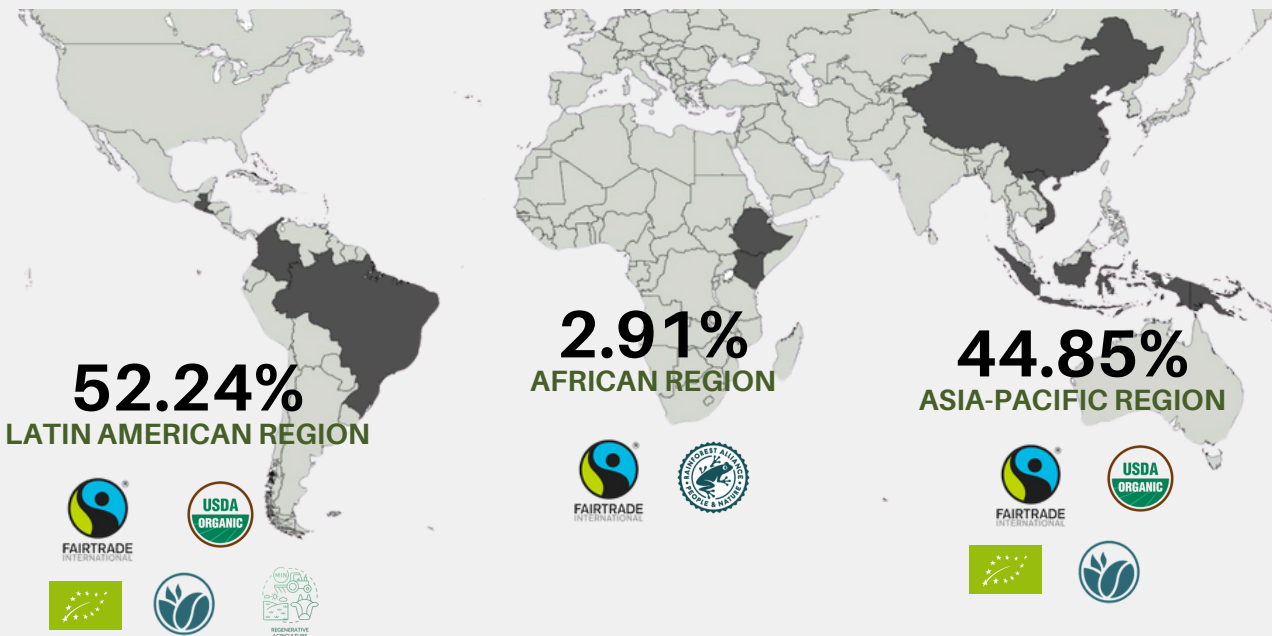
# ETHICAL COFFEE SOURCING

Ethical sourcing is at the heart of Coffex Coffee Malaysia. Through our internal Environmental, Social & Economic (ESE) supplier assessment program, 50% of our suppliers met our ethical sourcing criteria in 2024. This helps ensure our coffee supply chain reflects fair labor practices and upholds strong environmental and social responsibility standards. In 2025, we aim to increase this compliance rate to 75% as part of our continuous improvement efforts.

## CERTIFIED SUPPLIERS AND FARMER PARTNERSHIPS

We maintain long-term partnerships with fairtrade, rainforest alliance and organic certified suppliers, ensuring traceability, fair compensation, and the empowerment of coffee farming communities. Through ethical and mindful sourcing, we aim to increase the percentage of coffees sourced from the Asia-Pacific Region to further reduce our supply chain emission and strengthen regional economies.

### WHERE OUR COFFEES COME FROM



**Disclaimer:** Coffex Coffee is not a direct certificate holder of the third-party certifications depicted above. The visual represents our commitment to sourcing from suppliers and farms that are certified by independent organizations such as Rainforest Alliance, Fairtrade, and others. All certification claims refer to upstream partners within our supply chain, not Coffex Coffee as a brand.

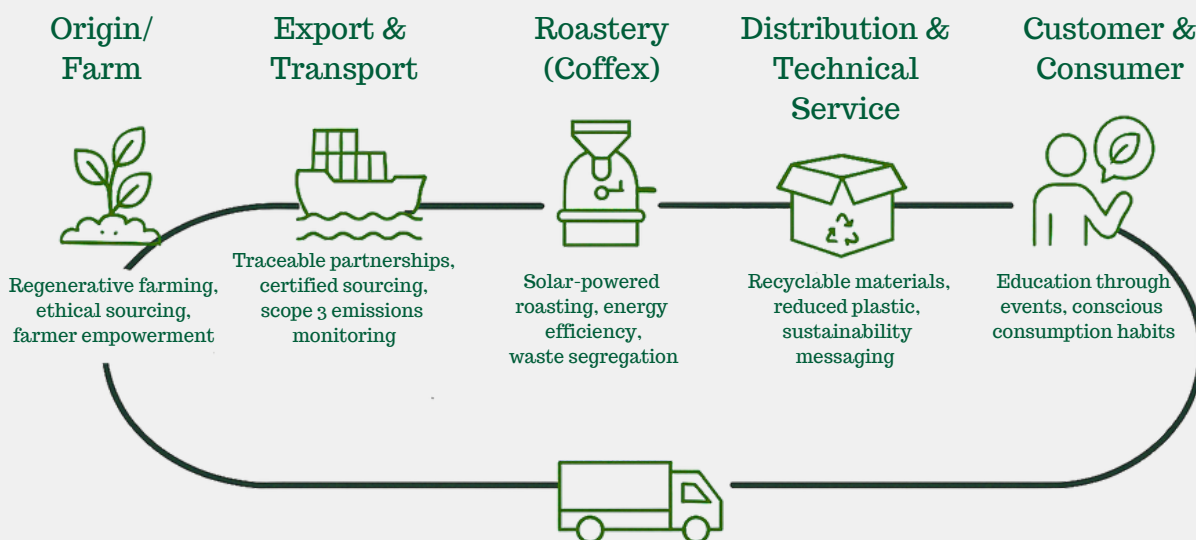


# SUSTAINABLE FARMING PRACTICES

Our sourcing partners implement regenerative farming methods that restore soil health, preserve water sources, and boost biodiversity through tree diversification and natural pest control. Guided by a tiered incentive program, producers are rewarded for transitioning from monoculture to nature-respecting practices, such as maintaining covered soil, planting 50+ native and exotic trees per hectare, and eliminating chloride-based inputs. These efforts help sequester carbon and strengthen the resilience of coffee farms against climate change.

## VALUE CHAIN IMPACTS

Coffee's journey begins long before it reaches our roastery. After harvest, cherries are pulped, washed, and dried at origin, then packed into containers that travel across oceans to reach Malaysia. Once in our facility, these green beans undergo roasting and packaging before becoming the coffee you enjoy. From farm to cup, we've looked closely at where our actions have the most environmental and social impact. We're committed to making steady improvements in energy efficiency, logistics, and packaging throughout the value chain.



# LOCAL COMMUNITY IMPACTS

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In 2024, we supported over 80 workers with fair wages and training programs. Additionally, 100% of our new hires came from local communities, helping to improve livelihoods and strengthen our local social footprint at the grassroots level.

**80+**

**WORKERS WITH FAIR WAGES & TRAINING PROGRAMS**

**100%**

**FROM LOCAL COMMUNITIES**

Beyond workforce development, Coffex continued to champion community outreach through several socially impactful initiatives.

During the month of Ramadan, we conducted a 14-day internal donation campaign, collecting contributions from employees for Rumah Amal Raudhathul Jannah, an orphanage located in Selangor. **6** Coffex employees visited the home to personally deliver the donations, reinforcing our culture of compassion and community care.

In April, Coffex supported the Hospis Malaysia Charity Treasure Hunt 2024 as both an event participant and sponsor. Freshly brewed coffee was served at the flag-off point in Bangsar Village and the arrival checkpoint in Ipoh, while door gifts for the charity dinner were also sponsored by Coffex. These efforts reflect our continued support for healthcare-focused NGOs and underline our commitment to compassionate, community-centered partnerships. The initiative was also featured on Coffex Coffee's LinkedIn platform, generating **389** impressions, **130** engagements, a **33.42%** engagement rate, and a **32.39%** click-through rate—demonstrating positive resonance with our broader stakeholder audience.

Additionally, Coffex organized Coffee, Planet & Us (C.P.U.) 2024, a public knowledge-sharing event centered on sustainability awareness. Designed as a community-focused engagement platform, the event brought together voices from various sectors—ranging from embassies to regenerative agriculture and sustainable business model. By welcoming members of the public and industry guests into the conversation, the event extended our sustainability mission beyond business and into the wider community dialogue.



# PROCESSING AND EMISSIONS MANAGEMENT

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We've implemented air pollution control measures in our roastery, including cyclone separators, afterburners and emission monitoring program, resulting in a **90%** reduction in carbon monoxide (CO) emissions.

## RESEARCH AND STUDIES

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We initiated a carbon footprint study of selected products and began the process of verifying packaging compostability to identify further areas for improvement.

## RAW MATERIAL CHECKS

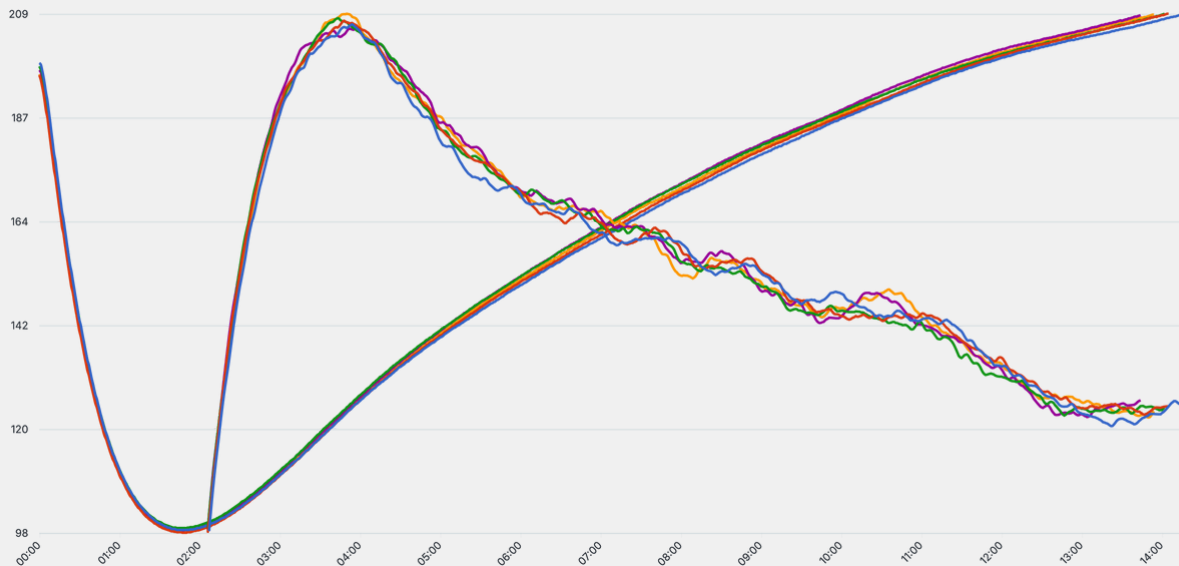
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Our roasters and compliance team conduct stringent quality and safety checks, including green coffee analysis, taste evaluations, and laboratory testing for heavy metals, ochratoxin A and pesticide residues. These measures not only ensure food safety and product consistency but also support sustainable sourcing by verifying that our green coffee is cultivated with minimal chemical inputs, protecting soil and water health, and upholding our commitment to responsible and ethical consumption.

# THE ART AND SCIENCE OF ROASTING

Roasting at Coffex Coffee Malaysia is both an art and a science. Our skilled roasters apply their sensory expertise to develop the desired flavor profile, while roast color is precisely measured using specialized analyzers to ensure consistency. At the same time, we optimize burner efficiency and maintain an ideal air-fuel ratio to reduce emissions. AI-embedded roasting software monitors each batch in real time, minimizing defects and waste, and reinforcing our commitment to quality consistency, creativity, and sustainability.

## ROAST COMPARE REPORT MODULATION CHART



## RESPONSIBLE PACKAGING CHOICES

We transitioned to USDA Biopreferred-certified bio-based packaging, reducing our reliance on fossil-fuel-derived plastics. Every packaging decision is guided by our commitment to carbon reduction and circular economy principles. While ensuring product freshness and shelf life, we continue to explore compostable and low-impact alternatives that align with our vision for packaging that supports circularity and long-term environmental well-being.



# CERTIFICATION



**Halal Certification:** Coffex Coffee Malaysia and MONO Origine products are Halal-certified, meeting international standards for food safety and shariah-compliant sourcing and manufacturing.



**FSSC 22000 Certification:** We proudly maintain our FSSC 22000 food safety management system certification, reaffirming our commitment to food safety, consistent product quality, and sustainable operations.



**Rainforest Alliance Certification:** Bristot Rainforest roasted coffee beans are Rainforest Alliance Certified, reflecting our dedication to responsible sourcing that promotes environmental stewardship, social responsibility, and economic sustainability.

## RESOURCES AND CIRCULARITY EFFORTS

With our 190 kWp solar PV system in operation, nearly half of our electricity now comes from renewable sources, significantly lowering our carbon footprint. In parallel, we launched a company-wide waste recycling program and are working toward a **30%** reduction in total landfill waste by 2025, reinforcing our commitment to resource efficiency and circular economy principles.



# OUR PEOPLE

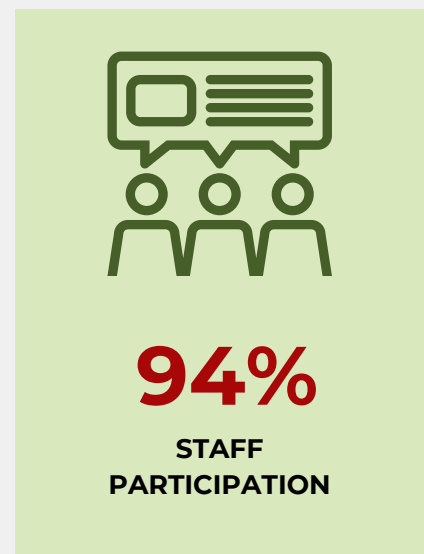
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Coffex remains committed to fostering a safe, equitable, and purpose-driven work environment for all employees. In 2024, training programs were conducted across key areas including food safety, occupational health and safety, and sustainability practices. These initiatives were designed to ensure operational compliance while cultivating a shared culture of accountability and awareness across the organization.

Responsible workplace conduct and adherence to company policies are reinforced through structured onboarding sessions, periodic team communications, and dedicated awareness briefings. To safeguard employee well-being and uphold ethical standards, Coffex maintains a confidential grievance mechanism that enables employees to report concerns related to safety, misconduct, or harassment without fear of reprisal.

**We are also pleased to report that all Coffex employees met the living wage benchmark in 2024, reaffirming our commitment to fair remuneration and improved livelihood standards.**

In support of internal engagement and strategic transparency, Coffex held its annual company-wide townhall, Roast & Reflect, which achieved a 94% participation rate in year 2025, for year 2024 updates. The townhall served as a platform for transparent communication of departmental performance reviews and forward-looking operational plans, promoting alignment across all teams. In addition to sharing key updates on Coffex's ESG direction and newly introduced core values, the session encouraged open dialogue, cross-departmental understanding, and collective ownership of the company's future priorities.



These initiatives reflect our ongoing efforts to create a workplace that prioritizes safety, inclusivity, and transparency—fundamental pillars of our sustainability approach.



# AWARENESS AND CONSCIOUS CONSUMPTION

Coffex continues to promote sustainability through educational outreach and stakeholder engagement that encourages informed decision-making and responsible consumption. Through initiatives such as Coffee, Planet & Us (C.P.U.), we foster dialogue on ethical sourcing, environmental stewardship, and the broader impact of consumption patterns across the coffee value chain.

**In 2024, C.P.U. addressed key topics including regenerative agriculture and sustainable business models. The event brought together representatives from diplomatic, corporate, and public sectors, supporting Coffex's role as a connector between industry knowledge and community awareness.**

Beyond formal events, Coffex actively encourages sustainable behavior through accessible initiatives—such as promoting the reuse or proper disposal of packaging materials, sharing sustainability messages across digital and product platforms, and encouraging customers to adopt low-impact coffee habits. These efforts aim to build a culture of conscious consumption across all touchpoints of the Coffex ecosystem, from suppliers and partners to end consumers.

Looking ahead, Coffex intends to further integrate sustainability-focused content into retail, marketing, and training channels, and to collaborate with external partners on joint campaigns that advance shared sustainability goals.

# LOOKING AHEAD

In 2025/2026, we aim to deepen our sustainability journey through several key initiatives:-

- Completing a **product carbon footprint study** to identify hotspots and implement targeted emission reduction strategies across sourcing, roasting, packaging, and logistics
- Continuing to source from Rainforest Alliance and other third-party certified suppliers to **maintain traceable, ethically sourced products and ensure supplier ESG compliance** through independently verified standards
- Pursuing **additional certifications** as part of our long-term commitment to ethical sourcing and biodiversity protection
- **Expanding partnerships with regenerative farming programs** to improve soil health, increase biodiversity, and support farmer livelihoods—including deeper engagement with existing partners and exploration of new origins aligned with our values
- **Strengthening employee training and wellness initiatives**, building a culture of care and accountability
- **Sustaining and enhancing stakeholder engagement** through monthly newsletters that communicate ongoing ESG initiatives, and through the annual Roast & Reflect townhall, which serves as a transparent platform for company-wide alignment and departmental sharing
- Beginning to track and disclose the percentage of suppliers who have signed our **Supplier Code of Conduct** and are assessed for environmental and social practices
- **Advancing our internal recycling and waste management program** through improved tracking, staff participation, and monthly reporting on volumes collected and greenhouse gas (GHG) reduction impact



Exploring **alignment with sustainability evaluation frameworks**, with the objective of identifying relevant benchmarking tools to support continuous improvement across governance, environmental, and social performance

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**Institutionalizing the role of the ESG Committee**, with quarterly planning cycles, structured implementation reviews, and integration of ESG goals into departmental strategies

As we embark on this sustainability journey, we recognize that the road ahead is not without its challenges—from escalating climate risks to widening social inequalities, environmental degradation, and increasing demands for accountability and transparency. Yet, with resilience, collaboration, adaptability, and a shared commitment to continuous improvement, we will navigate these uncertainties to create lasting, positive change.

# APPENDICES

**Appendix A:** Risk Management Policy

**Appendix B:** Ethical & Sustainability Company Policy

**Appendix C:** Supplier Code of Conduct

**Appendix D:** ESG Profile

**Appendix E:** Sustainable Product Information & Supporting Sustainability  
Certificates & Programs



## Appendix A: Risk Management Policy

### 1. Purpose

To identify, assess and manage key risks across environmental, social, governance and strategic dimensions. This includes the identification and mitigation of ESG-related risks, encompassing environmental, social, and governance exposures across our operations and value chain. Our objective is to ensure Coffex Coffee Malaysia's long-term resilience and alignment with our sustainability commitments.

### 2. Scope

This policy applies to all Coffex Coffee Malaysia operations, employees, suppliers and business partners.

### 3. Risk Categories & Management Approach

#### *3.1 Environmental Risk*

Policy Statement: We proactively manage climate-related hazards, minimize waste, and conserve resources to protect ecosystems and ensure operational continuity.

Activity	Risk	Mitigation & Controls	Monitoring & Review	Responsibility
Climate-related hazards	Extreme weather, supply disruption	<ul style="list-style-type: none"> <li>Conduct annual climate risk assessments</li> <li>Implement site-specific adaptation plans (e.g., flood barriers, temperature controls)</li> </ul>	Quarterly risk dashboard; annual review	ESG Committee
Waste management	Landfill overflow, regulatory fines	<ul style="list-style-type: none"> <li>Apply waste hierarchy (reduce, reuse, recycle)</li> <li>Partner with licensed recyclers</li> </ul>	Monthly waste-diversion reports	Operations & Procurement
Resource conservation	Water scarcity, energy overuse	<ul style="list-style-type: none"> <li>Install water-efficient fixtures and process loops</li> <li>Leverage solar PV and energy-efficient equipment</li> </ul>	Real-time utility metering; energy audits bi-annual	Facilities & Technology Team

### 3.2 Social Risk

Policy Statement: We uphold labor rights, foster strong community relations, and safeguard employee well-being across our value chain.

Activity	Risk	Mitigation & Controls	Monitoring & Review	Responsibility
Labor rights	Forced labor, unfair wages	<ul style="list-style-type: none"> <li>Supplier ESE assessments</li> <li>Living wage policy for all employees</li> </ul>	Annual supplier assessment; payroll reviews	HR & Compliance Team
Community relations	Negative local impact, reputational	<ul style="list-style-type: none"> <li>Engage local stakeholders through townhalls and CSR initiatives</li> <li>Transparent grievance mechanism</li> </ul>	Bi-annual community feedback surveys	Corporate Affairs
Employee well-being	Health & safety incidents, low morale	<ul style="list-style-type: none"> <li>Regular safety training and hazard assessments</li> <li>Employee assistance and wellness programs</li> </ul>	Incident tracking; employee engagement survey	Health & Safety Team Corporate Affairs

### 3.3 Governance Risk

Policy Statement: We maintain rigorous compliance, transparency, and ethical conduct in all business activities.

Activity	Risk	Mitigation & Controls	Monitoring & Review	Responsibility
Regulatory compliance	Fines, legal action	<ul style="list-style-type: none"> <li>Maintain up-to-date legal register and compliance calendar</li> <li>Quarterly internal compliance audits</li> </ul>	Compliance checks; external audit annually	Compliance Team Corporate Affairs
Transparency & reporting	Stakeholder mistrust	<ul style="list-style-type: none"> <li>Publish annual sustainability report</li> </ul>	Stakeholder feedback; report assurance reviews	Corporate Affairs Marketing Team HR
Ethical business practices	Corruption, conflicts of interest	<ul style="list-style-type: none"> <li>Code of Conduct and annual ethics training</li> <li>Whistleblowing procedures with guaranteed anonymity</li> </ul>	Ethics training records; disciplinary records	HR Corporate Affairs

### 3.4 Strategic Risk

Policy Statement: We anticipate market shifts and innovation challenges to safeguard long-term growth and sustainability leadership.

Activity	Risk	Mitigation & Controls	Monitoring & Review	Responsibility
Long-term sustainability goals	Misalignment, resource gaps	<ul style="list-style-type: none"> <li>Integrate sustainability targets into corporate strategy</li> <li>Allocate dedicated R&amp;D budget</li> </ul>	Strategic plan reviews; KPI tracking quarterly	Top Management
Market changes	Demand shifts, competitive pressures	<ul style="list-style-type: none"> <li>Conduct bi-annual market and consumer trend analyses</li> <li>Diversify product portfolio</li> </ul>	Market intelligence reports; sales performance	Marketing & Sales
Innovation risks	Technology obsolescence, project failures	<ul style="list-style-type: none"> <li>Stage-gate process for new initiatives</li> <li>Pilot testing and stakeholder co-creation workshops</li> </ul>	Project stage-gate reviews; post-launch audits	Product / Project Management

### **4. Risk Assessment & Reporting**

- Risk Register: Maintained centrally, updated quarterly with likelihood, impact and mitigation status.
- Reporting: Key risk indicators (KRIs) are presented to the Top Management every quarter.

### **5. Review & Continuous Improvement**

This policy and its supporting procedures shall be reviewed annually, or sooner if significant regulatory, operational or market changes occur.

*Approved by:*

Kelvin Ngow, Chief Executive Officer

*Date:* January 2025

*Next Review:* January 2026

## Appendix B: Ethical & Sustainability Company Policy

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### **1. Purpose**

To translate our MONO Origine Sustainability Program into clear, actionable commitments—anchored by Climate Action, Environmental Stewardship, Social Empowerment, and Continuous Innovation—and underpinned by our core values of Sustainability, Teamwork, Responsibility, Integrity, and Accountability. This policy also reflects Coffex Coffee Malaysia’s alignment with global sustainability expectations. Our commitments are guided by the Global Reporting Initiative (GRI) Standards, which support transparent, consistent, and stakeholder-relevant ESG disclosures. We aim to contribute to global sustainability goals while continuously improving our internal ESG practices.

### **2. Scope**

Applies to all Coffex Coffee Malaysia directors & employees, suppliers, partners and contractors across every function and level of the organization.

### **3. Policy Framework**

#### *3.1 Climate Action*

Objective: Reduce greenhouse gas emissions and build climate resilience.

- Commitments:
  - Achieve year-on-year reduction in Scope 1, 2 & 3 emissions through energy efficiency and renewable energy adoption.
  - Integrate climate risk assessments into all capital and operational planning.
- Core Values in Action:
  - *Sustainability*: Prioritize low-carbon solutions (e.g., solar PV, sustainable materials).
  - *Accountability*: Publicly report progress against emission targets.

#### *3.2 Environmental Stewardship*

Objective: Conserve resources, minimize waste, and protect biodiversity.

- Commitments:
  - Implement “reduce-reuse-recycle” across operations and packaging.
  - Source from farms practicing regenerative agriculture and biodiversity conservation.
  - Ensure 100% of primary packaging is bio-based or certified compostable/ recyclable by 2026.
- Core Values in Action:
  - *Responsibility*: Use water- and energy-efficient processes.
  - *Integrity*: Verify environmental claims through credible sources and third-party audits.

### 3.3 Social Empowerment

Objective: Foster fair labor, community well-being, and inclusive growth.

- Commitments:
  - Uphold living wages and safe working conditions for all employees and farm partners.
  - Invest in training, health programs, and capacity-building for community members annually.
  - Maintain a transparent grievance mechanism for workers and communities.
- Core Values in Action:
  - *Teamwork*: Collaborate with local NGOs, suppliers, and employees to co-design social programs.
  - *Integrity*: Ensure fair treatment through regular ESE supplier assessments.

### 3.4 Continuous Innovation

Objective: Drive sustainable product and process improvements.

- Commitments:
  - Allocate adequate resources to R&D in sustainable coffee processing, packaging, and digital tools.
  - Pilot new circular-economy initiatives each year (e.g., coffee grounds upcycling program).
  - Engage consumers through educational campaigns on ethical consumption.
- Core Values in Action:
  - *Responsibility*: Encourage every team member to propose improvement ideas.
  - *Accountability*: Track and share innovation metrics at quarterly management meetings.

## **4. Roles & Responsibilities**

- Board of Directors: Approve policy, set strategic targets.
- Executive Leadership: Allocate resources, integrate policy into business plans.
- Sustainability Committee: Monitor implementation, review KPIs, report quarterly.
- All Employees & Partners: Adhere to policy, participate in training, and escalate issues.

## **5. Review & Continuous Improvement**

This policy will be reviewed annually (or as needed) to reflect emerging best practices, stakeholder feedback, and changes in regulatory or market conditions.

*Approved by:*

Kelvin Ngow, Chief Executive Officer

*Date:* January 2025

*Next Review:* January 2026

## Appendix C: Supplier Code of Conduct

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At Coffex Coffee, we believe great coffee should be a force for good - protecting the environment, uplifting communities, and ensuring ethical business practices at every step.

This Supplier Code of Conduct reflects our commitment to ethical sourcing, environmental stewardship, and the well-being of everyone across our coffee value chain.

We expect our partners to uphold these principles, fostering a fair, ethical, and sustainable supply chain.

### **Human Rights & Labor Practices**

- No child or forced labor; workers must receive fair wages and timely payments
- No discrimination based on gender, race, religion or age
- Safe, dignified workplaces free from harassment or violence
- Occupational safety measures, clean water, and essential facilities to support worker well-being
- Establish grievance mechanisms for reporting concerns confidentially

### **Environmental Responsibility**

- No deforestation; suppliers must ensure traceability in sourcing
- Implement pollution control, responsible waste management, and biodiversity protection
- Prioritise soil, water, and energy conservation measures
- No use of banned chemicals; ensure safe chemical handling and responsible pest management
- 

### **Ethical Business Practices**

- No corruption, smuggling, or forced land evictions
- Transparent financial practices and ethical governance
- Fair wages and prompt payments to employees and contractors
- Supply chain traceability maintained by quality, origin, and sustainability criteria
- 

### **Compliance & Continuous Improvement**

- Provide training, resources, and technical support where applicable
- Maintain quality control in processing and ensure proper handling and storage to prevent contamination or defects
- Encourage innovation and best practices to enhance efficiency, reduce waste, and minimise environmental impact
- Allow assessments and commit to continuous improvement

**We value our partnerships and see sustainability as a journey of continuous improvement. By following this Code, suppliers help build a responsible and sustainable supply chain that respects the planet and people while upholding ethical business standards.**

**Supplier Acknowledgement**

By signing, the supplier agrees to comply with this Code of Conduct and is committed to continuously improving in any areas where standards may not yet fully meet.

Company Name:

Authorised Signature: \_\_\_\_\_

Name:

Position:

Date:

## Appendix D: ESG Profile

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[https://drive.google.com/file/d/1TNf6vfE6HI3GocI9vdw1n5zBwu\\_85oz6/view?usp=drive\\_link](https://drive.google.com/file/d/1TNf6vfE6HI3GocI9vdw1n5zBwu_85oz6/view?usp=drive_link)

## Appendix E: Sustainable Coffee Product Information & Supporting Sustainability Certificates & Programs

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### **1. Bristol Rainforest roasted coffee beans**

- Manufactured by Procaffe S.p.A.
- Please refer to Rainforest Alliance certificate (file name: [Procaffe SPA CERTIFICATE RFA 2024.pdf](#))

### **2. MONO Origine Indonesia Gayo roasted coffee beans**

Please refer to:

- Fairtrade certificate from farm (file name: [PT Ihtiyeri Fairtrade Certificate.pdf](#)) &
- Organic certificates from farm (file name: [Organic Cert CU.pdf](#) & [USDA Organic Certificate.pdf](#))

### **3. MONO Origine Kenya Ndiani C roasted coffee beans**

Please refer to:

- Fairtrade certificate from supplier (file name: [KCCE Fairtrade Certificate.pdf](#)) &
- Rainforest Alliance certificate from supplier (file name: [Kenya KCCE RFA Cert.pdf](#))

### **4. MONO Origine Brazil Curupira roasted coffee beans**

Please refer to:

- Sourcing Code of Conduct from supplier (file name: [FAFCoffees Sourcing Code of Conduct.pdf](#)),
- Regenerative Farming program (file name: [FAF High Nature Value.pdf](#)) &
- Brazil Curupira information (file name: [Brazil FAF CURUPIRA Info.pdf](#))

### **5. MONO Origine Brazil IMPACT roasted coffee beans**

Please refer to:

- Fairtrade certificate from supplier (file name: [SUCAFINA SA Fairtrade Certificate.pdf](#)),
- Record of Transaction for IMPACT Verified Coffee (file name: [Brazil Santos IMPACT - transaction certificate.pdf](#)) &
- IMPACT program overview (file name: [Sucafina IMPACT Overview.pdf](#))

### **6. MONO Origine China Yunnan IMPACT roasted coffee beans**

Please refer to:

- Fairtrade certificate from supplier (file name: [SUCAFINA SA Fairtrade Certificate.pdf](#)),
- Record of Transaction for IMPACT Verified Coffee (file name: [China Yunnan IMPACT - transaction certificate.pdf](#)) & IMPACT program overview (file name: [Sucafina IMPACT Overview.pdf](#))



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