

2018-2019

Communication on Progress

United Nations Global Compact



DEAN'S BEANS ORGANIC COFFEE COMPANY:

Specialty Coffee as a Vehicle for Positive Change

Dean's Beans is a Fair Trade, Organic Coffee social enterprise dedicated to peaceful social change and environmental stewardship. Since 1993, our mission has been clear - to use specialty coffee as a vehicle for positive change. The company is designed as a vehicle for implementing social justice in the coffeelands, working directly with coffee communities to design and implement People-Centered Development (PCD) projects. The company has been recognized internationally and within the coffee industry as a business leader in sustainable development and business ethics.

Dean's Beans joined the Global Compact in January, 2007. This will be our ninth Communication of Progress. In this report, we discuss our initiatives as they apply to the ten principles. Our company is known for our creative approach to People-Centered Development, designing and funding direct, grassroots development projects in the coffee villages where we buy our beans, in partnership with the farmers who know better than anybody else how to help themselves. We see this as a way to bridge the North-South divide and bring equality to the system of global trade. We support numerous community programs, including, but not limited to, micro-credit schemes, women's empowerment projects, educational initiatives, health-care clinics, environmental protection projects, and technical capacity-building projects.



Youth in Agroforestry Program (Guatemala)

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At Dean's Beans, the Global Compact represents the opportunity for widespread, meaningful action by companies across the world on matters that we all care deeply about, from environmental sustainability to the protection of human rights. The GC is an opportunity to share our best practices and progress. Adherence to the Compact has allowed us to make a fresh, ongoing assessment of our social and environmental impacts, both positive and negative, and has offered us a structure through which to release information regarding our progress. Our hope is that the work we do in the Orange, Massachusetts Beanery, as well as abroad in 14 different coffee-growing communities, will inspire others to participate more actively and responsibly with actors in their supply-chains. In turn, we look to the Global Compact community to further enrich our social and environmental orientation.

As a small, family-owned business we do not face the same breadth of issues as large multi-national corporations. For this reason, we address some of the principles with more detail than others, as they are more applicable to our business practices. We hope that the following pages demonstrate the importance of our People-Centered Development work, and conveys the magic of our company's culture.

THE 10 PRINCIPLES

1. Business should support and respect the protection of internationally proclaimed human rights.
2. Business should ensure that they are not complicit in human rights abuses.
3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. Business should support the elimination of all forms of forced and compulsory labor.
5. Business should support the effective abolition of child labor.
6. Business should support the elimination of discrimination in respect of employment and occupation.
7. Business should support a precautionary approach to environmental challenges.
8. Business should undertake initiatives to promote greater environmental responsibility.
9. Business should encourage the development and diffusion of environmentally friendly technologies.
10. Business should work against corruption in all its forms, including extortion and bribery.



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Dean Cycon, CEO, with Salim, coffee farming partner in Sumatra

STATEMENT OF SUPPORT:

For years, Dean's Beans has been a social justice advocate outfitted in business clothing. We tend to our bottom line primarily as a means to build our social and environmental programs. Many consider this a bold, innovative model, and while it very well may be, we cannot imagine doing business any differently. We demonstrate that a successful company can be synonymous with accountable, transparent and ethical business operations. Our company is mission-driven: our values inform our practices, and in turn our practices reflect our values. Our raison d'être is threefold. We seek to empower small, indigenous agricultural communities across the globe. We promote the care for and respect of our planet. Finally, we offer customers products of superior quality that also have social and environmental value. We believe that the UN Global Compact complements, and adds richness to our mission.

In January of 2007, Dean's Beans became a proud signatory to the United Nations Global Compact. The company recognizes the value, and the critical need, for this important UN initiative that promotes the adoption of ten universal principles by businesses, governments, non-profits and labor organizations. Our company has been a long-time advocate for social and environmental justice and the respect of human rights. Our commitment to the UN Global Compact further aligns us with these values today and as we move into the future; the principles will serve as a guide for our future business decisions. Moreover, they reflect our own standards for sustainable development best practices.

We look forward to many years of participation in the Global Compact, and to rich discussion with its growing community.

A handwritten signature in black ink that reads "Dean".

Dean Cycon, Founder/CEO



WHAT DRIVES US

While the term 'sustainable development' was gaining traction among corporate actors in the 90's and into the new millennium, we were already tirelessly merging the concepts of Trade Justice with environmental best practices, at home and abroad in the coffeelands. Whenever possible, we helped coffee cooperatives design and implement community action and development programs that created both environmental and social benefits. We quietly celebrated the growing awareness of sustainable development, but never swayed from our own firm commitment to doing business in a way that treasures and respects the world and her people. Read on to learn more about these initiatives, and their reflection of the UN Sustainable Development Goals and therefore, the 10 Global Compact Principles.



Native tree nursery built as part of our Reclaiming Sumatra project (Sumatra)



Celebrating her coffee harvest, after support for female coffee farmers from Dean's Beans (Colombia)



Women waiting during a cervical cancer screening clinic (Ethiopia)



Reports on Field Work, per Sustainable Development Goal:

Description of Practical Actions in each of the four UN Global Compact issue areas

- **SDG Goal 1: No Poverty**
 - Pay in excess of Fair Trade pricing on all coffee contracts as a means of guaranteeing a living wage to farmers (all thirteen of our source communities)
 - Member of the Fair Trade Federation, whose membership means a commitment to 9 principles of a holistic Fair Trade system
 - Implement People-Centered Development projects specifically addressing income issues, such as women's loan funds for female entrepreneurs (Peru) and alternative income crops and business opportunities (Peru, Guatemala, Nicaragua, Timor)
 - Global Compact Issue Areas: human rights, labor, anti-corruption
- **SDG Goal 2: Zero Hunger**
 - Agroforestry and reforestation projects with native fruit trees, and alternative income crops put varied foods on the table in Peru, Nicaragua, Guatemala and Timor
 - Global Compact Issue Areas: human rights
- **SDG Goal 3: Good Health and Well-Being**
 - Co-designed and financially supported important women's health initiatives in Ethiopia (cervical cancer detection and treatment), Timor (maternal health clinics in coffee areas) and Guatemala (indigenous teenage girls and women's reproductive health, education)
 - Global Compact Issue Areas: human rights
- **SDG Goal 4: Quality Education**
 - Created and funded education in Timor (school repairs and supplies, solar-powered computer education), Colombia (youth leadership scholarships), Ethiopia (school building and teacher financial support), Peru (educational loans) and India (girl's education).
 - Funded English language education for immigrants in Massachusetts
 - Acclaimed internship program sends college students to coffee coops for a life changing experience and to offer English training and other skills to coop members.
 - Dean's gold medal winning 2008 book, *Javatrekker*, has been published in English, Chinese and Korean (and the audiobook) have educated over 25,000 readers and listeners about the struggles of coffee farming communities with gender issues, climate change, conflict and economic challenges.
 - Host informational videos on our YouTube channel that have brought these challenges, as well as the customs and cultures of the coffeelands to over 90,000 viewers around the world.
 - Global Compact Issue Areas: human rights, labor



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- **SDG Goal 5: Gender Equity**

- Created and funded Men and Women Overcoming Gender Violence trainings in Rwanda
- Funded training on gender and equity in Peru, Nicaragua
- Early financial supporter and advocate for Gender Equity in coffee industry through UNGC, UNWomen, Partnership for Gender Equity and community advocacy in the field
- Designed first women's revolving loan fund in coffee industry in Guatemala (1989)
- Supported creation of Women's Coffee projects in Peru, Colombia, Guatemala and Sumatra
- Global Compact Issue Area: human rights, labor, anti-corruption

- **SDG Goal 6: Clean Water and Sanitation**

- Designed and funded world's first revolving loan fund for well building (Ethiopia)
- Modern latrine program in Peru, designed by farmers
- Global Compact Issue Area: human rights, labor, environment

- **SDG Goal 8: Decent Work and Economic Growth**

- Commit to and pay above Fair Trade pricing on all contracts, and maintain active membership to the Fair Trade Federation
- Encourage quality improvements with microlot payments to coop members and additional payments to coop for processing, etc.
- Assist coops in creating alternative products and business opportunities for members
- Introduces new coops to fair trade market, including visits to our competitors, resulting in greater sales and growth
- Young Farmers programs in Colombia and Guatemala encourage and train future generations (farming, business management, education, alternative employment)
- Identified the problem of landmine victims in coffee regions, co-founded organization providing prosthesis, therapy, job training and economic opportunity to survivors
- Global Compact Issue Area: labor, anti-corruption

- **SDG Goal 10: Reduce Inequities within and among countries**

- Afford rural indigenous farmers greater economic opportunity through greater income from our pricing, plus pre-harvest financing affords rural indigenous farmers greater economic opportunity
- Educational assistance allowing greater access to jobs in the community, and the supply chain
- People-Centered Development projects deliver goods and services largely unavailable in coffee communities
- Advocacy, lecturing, and writing reduce prejudice against indigenous peoples and coffee communities and lack of awareness of conditions in the field
- Global Compact Issue Area: labor, anti-corruption, human rights



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- **SDG Goal 12: Responsible Production and Consumption**
 - Pioneered the use of biodegradable packaging in the industry
 - Carbon neutral since 2007
 - Recycles all burlap bags and pallets
 - Pioneered recyclable single serve pods (and advocated for years for GMCR to do the same)
 - Refer potential accounts on West Coast to local roasters to lessen our carbon footprint
 - Global Compact Issue Area: environment
- **SDG Goal 13: Climate Action**
 - Carbon neutral since 2007, and fully Carbon Negative in 2017, by the use of reforestation initiatives, solar power at the beanery, reduced particulate and carbon emissions (top end roasters) and use of biofuels
 - Signer of B Corps for Net Zero by 2030
 - Actively lobbying for glyphosate bans and pollinator protection
 - Ongoing "Cool It!" climate campaign, engaged in reforestation with indigenous hardwoods and fruit trees in Guatemala, Nicaragua, Peru and Sumatra.
 - Funded experimental use of biochar soil restoration for carbon capture in Nicaragua and Mexico
 - Global Compact Issue Area: environment
- **SDG Goal 15: Life on Land (Sustainably managed forests, combat desertification, halt and reverse land degradation, halt biodiversity loss)**
 - Profound commitment to the global and local environment for over 26 years
 - Innovative sustainable forest project in Sumatra combining farmer's land rights, farmer-directed hardwood reforestation (towards the first Bird Friendly certification in Asia) and endangered species management (orangutans, elephants, tigers and rhinos)
 - Long term reforestation efforts in Peru (since 2004), resulting in over one hundred thousand hardwood plantings by farmers from our community nurseries.
 - First roaster/importers to work directly with a farm group to help them obtain Smithsonian Migratory Bird Center Bird-Friendly coffee certification at Pangoa Coop (Peru), through multiple community meetings, field visits, technical and financial assistance
 - Global Compact Issue Area: environment, human rights



Dean's Beans is a Carbon Negative company, partially through hundreds of thousands of trees planted in Peru



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- **Goal 16: Peace, Justice and Strong Institutions**

- Early adapters and innovators in fair and direct trade
- Participated in the drafting of the Small Producer Symbol requirements
- Rewrote the Ethiopian Trademark License for the government to be more inclusive and supportive of farmers
- Provide legal and strategic advice to indigenous coffee communities threatened by unsustainable mining and other extractive industries
- Provided election observers in coffee areas
- Advise and help organize cooperatives for inclusivity, gender equity, social welfare programs and improved economics
- Designed and signed the industry's first Long Term Fair Trade Contract (5 years) with Oro Verde Coop in Peru
- Global Compact Issue Area: human rights, labor, anti-corruption

- **Goal 17: Partnership for the Goals**

- We introduced (and financed) women coffee farmers into UN Global Compact to assist in the construction of Women's Empowerment Principles.
- We are active participants in the Oslo Business for Peace Foundation in Oslo specifically working within the SDG framework.
- Global Compact Issue Area: human rights, labor, anti-corruption, environment

CONCLUSION

At Dean's Beans we look forward to another amazing year, marked by a continued commitment to the ten principles of the UN Global Compact, as well as the Sustainable Development Goals. At Dean's Beans we have proven that you can build a profitable business based on social, economic and environmental justice. In the coming year we will continue to develop in-house policies and systems that support human rights, fair labor standards, and environmental responsibility. As well, we look forward to continuing to support people-centered development projects throughout the coffeelands.

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