

2019 SUSTAINABILITY REPORT

# Our Comprehensive GRI Data

Farmer Brothers<sup>®</sup>

# ECONOMIC

## 201 - Economic Performance

### 201-1 Direct economic value generated and distributed

Direct economic value generated (USD)	\$597,168,626.00
Net sales	\$595,941,515.34
Sales of assets	\$1,227,110.66
Economic value distributed	\$490,183,798.20
Operating costs	\$302,923,786.21
Employee wages & benefits	\$140,088,652.47
Payments to providers of capital	\$6,035,725.00
Payments to governments by country (includes all taxes and penalties)	\$40,797,284.52
Community investments	\$338,350.00
Economic Value Retained*	\$106,984,827.80

### 201-2 Financial implications and other risks and opportunities due to climate change

Farmer Brothers prioritizes risks identified from climate change by assessing what factors will have the largest impact on our company in the short, medium and long term.

At any given time, Farmer Brothers' sustainability department will be evaluating 5-10 climate related risks or opportunities, each of which is first quantified by its environmental (e.g. carbon reduction) and financial impact on our operations. The sustainability team engages cross departmentally with our operations, legal, and sales organizations to prioritize environmental and climate related risks to our company. These risks and opportunities are then pursued by the sustainability team. Physical risks and opportunities are considered for their immediate impact. Transitional risks and opportunities are considered for their long-term benefit.

Decisions on longer-term projects, such as reforestation projects at origin, or branch relocations, incorporate more data analysis of historical trends (climate projections, water risk, legal risk, impact on operations, etc.) in determining estimated financial, social and economic returns. Analysis of this information is discussed and decided on cross-functionally. Conclusions, case studies, and proposals are then shared Farmer Brothers' Executive Team and, in certain cases, with our Board of Directors for approval.

For more detailed information on our climate-related risks and opportunities, please view our 2019 CDP submission.

*\*Farmer Brothers is a national coffee roaster, wholesaler, and distributor of coffee, tea, and culinary products with a national footprint of approximately 100 branches across the contiguous United States. For this reason, we measure economic value generated and distributed (EVG&D) at a national/country, rather than regional, level.*

201-3 Defined benefit plan obligations and other retirement plans	
Estimated value of plan's liabilities	\$126,200,000
Value of separate fund to pay plan's liabilities	The fair value of plan assets as of June 30, 2019, was \$79,200,000, based on U.S. GAAP.
Strategy and Timescale	We fund the plans based on US funding requirements. Investments are based on a glide path that adjusts asset allocation according to the funded status of the plan.
Percentage of salary contributed by employer	Employer contribution for the reporting period was \$3,325,000
Level of employee participation	80% of employees participated in retirement and/or defined contribution plans.

**201-4 Financial assistance received from government**

Farmer Brothers received no financial assistance from any government during the reporting period. To our knowledge, no government is a shareholder of Farmer Bros. Co. stocks. Because, however, we are a publicly traded company, it is possible that a government could be a beneficiary owner of Farmer Brothers street name securities, and that we would not have awareness of this.

**204- Procurement Practices**

**204-1 Proportion of spending on local suppliers**

20% of our suppliers were categorized as local suppliers, whom we define as suppliers operating within the same region as our manufacturing facilities and distribution centers. In the case of Farmer Brothers, this includes the Pacific Northwest, Greater New York City, Greater Chicago, and the State of Texas.

## ENVIRONMENT

**301 - Materials**

**301-1 Materials used by weight and volume**

Material**	Weight (kg)
Coffee	43,578,195
Tea	2,434,177
Juice	2,759,633
Culinary	8,431,096
Hot cocoa	2,350,420
Non-food	927,863
Spice	1,792,060
Corrugated carboard	119,569

Material	Weight (kg)
LDPE	600
Paper	1,943,232
PET	1,772,020
PP	4,329

\*\*All materials were sourced externally and all measurements are direct measurements

### 301 - 2 Recycled input materials used

Farmer Brothers has not, historically, tracked the recycled content of input materials. However, we are currently working on a sustainable purchasing plan with established minimum requirements for recycled content.

### 301 - 3 Reclaimed products and their packaging materials

We encourage our up and downstream partners to operate sustainably, and we are currently working on several potential programs guided by circular thinking. During the reporting period, Farmer Brothers reclaimed and refurbished approximately 6,500 pieces of commercial beverage equipment, totaling more than 142 tons in weight.

## 302 - Energy

### 302 - 1 Energy consumption within the organization

Category	Consumption
<b>Total fuel consumption from non-renewable sources (TJ)</b>	438.47
On-road gas (kWh)	42,704,436.84
On-road diesel (kWh)	37,043,810.74
On-site fuel (kWh)	42,048,441.71
<b>Total fuel consumption from renewable sources (TJ)</b>	96.10
CNG (kWh)	115.36
Electricity totals (kWh)	26,693,000.00
<b>Energy sold</b>	Farmer Brothers did not sell energy during the reporting period
<b>Total energy consumption within the organization (TJ)</b>	534.56

#### Standards and methodologies

All fuel volumes were taken from direct measurements (fuel purchase data), with the exception of propane; propane volume was based on an average price of \$0.81 We purchase Renewable Energy Certificates for all electricity consumed. 100% of our electricity was consumed from the grid. 0.2% of our fleet fuel was derived from renewable resources (CNG).

302 - 2 Energy consumption outside of the organization

Category	Energy (TJ)
Purchased goods and services	3,017.0
Upstream transportation	522.1
Waste generated in operations	1.2
Business travel	6.3
Employee commuting	97.4
Downstream transportation	1,102.0
Use of sold products	651.0
End-of-life treatment of sold products	14.3
<b>Total</b>	<b>5,411.4</b>

302 - 3 Energy intensity

Farmer Brothers uses several different energy intensity metrics to evaluate energy efficiency performance in manufacturing, sales, and last-mile distribution. Each metric shares the same denominator, roasted kilogram (kg) of coffee, as we feel it is the best indicator of overall economic productivity.

Category	Intensity
On-site fuel (kWh)/roasted kg	1.072
Electricity (kWh)/roasted kg	0.681
On-road fuel (liters)/roasted kg	0.037

302 - 4 Reduction of energy consumption

Farmer Brothers' absolute energy consumption decreased by 5.1% (319.8 TJ) during the reporting period, compared to the previous year. This includes all types of energy both inside and outside the organization. Our previous reporting year was set as our baseline as our business changed due to acquisitions. The energy reduction is sourced from direct measurements and calculated using the WRI GHG Emission Factors Compilation, Emission Factors from Cross Sector Tools.

302 - 5 Reduction in energy requirements of products and services

See Farmer Brothers 2019 CDP Climate Response.

### 303 - Water

#### 303-1 Interactions with Water as a Shared Resource

Farmer Brothers withdraws, consumes, and discharges water only in its direct operations. The organizations water withdraw and discharge have no significant impacts on water bodies.

Water is intergral in both the cultivation and brewing of coffee, both of which occur outside of our direct operations. We work with stakeholders, such as those involved in Project DIRECT, to identify and mitigate water-related impacts. Current water-related projects include work on innovations in coffee processing at wet mills to reduce water use, coffee pulp composting to reduce fresh water contamination, and strategic landscaping to address runoff.

#### 303-2 Management of Water Discharge-Related Impacts

Farmer brothers does not operate facilities in locations without local discharge requirements. All water discharge is in compliance with municipal requirements. We do not have any internally developed water quality standards or guidelines, and no sector specific standards were considered.

#### 303-3 Water withdrawal by source

During the reporting period, Farmer Brothers withdrew 61.29 megaliters, exclusively from third-party water sources for our direct operations. Of those, 11.19 megaliters (18.26%) were withdrawn at Farmer Brothers sites located in areas of high water stress, according to WRI's Aqueduct Water Risk Atlas. 100% of our water was withdrawn from the United States. None of our water was recycled or reused (0% recycled, 0% reused).

#### 303-4 Water discharge

Assuming the same ratio of .56 (roughly half of what is consumed) discharge from our previous reporting period water usage, our Houston manufacturing facility discharged 8.9 ML of industrial sewer water. Our Northlake, TX. and Portland, OR. facilities discharged 4.66 ML and 2.53 ML, respectively. Using this same ratio across all locations, our total discharge amounted to 34.32 ML during the reporting period, with 6.27 ML of that total being discharged in areas of high water stress.

#### 303-5 Water Consumption

Farmer Brothers consumed 26.97 ML of water during the reporting period, 4.92 ML in areas of high water stress.

### 304 - Biodiversity

#### 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

Farmer Brothers' 10,000 sq ft. Denver, Colorado distribution facility is located adjacent to the Rocky Mountain Arsenal, a terrestrial National Wildlife Refuge (IUCN Category IV).

304-2 Significant impacts of activities, products, and services on biodiversity

Farmer Brothers’ business practices are guided by a commitment to protecting and increasing biodiversity. All of our facilities operate in accordance with established air quality, water quality, solid waste and hazardous materials regulations. During the construction of our new HQ, which is LEED Silver Certified, we restored compacted soils, created green spaces, and incorporated native plant landscaping to provide habitat and promote biodiversity. During the reporting period, our direct operations had no significant negative impacts on biodiversity.

We aspire to a fully traceable supply chain, and we are pursuing projects and partnerships to increase the traceability of the coffee we sell, down to the farm level, when that is possible. Though not considered our operations, we are attentive to the environmental sustainability of our supply chain and working continually to improve it.

Our Project D.I.R.E.C.T.™ sourcing model follows a traceability model, and we have established non-acceptable practices in our program, including deforestation of primary forest or the destruction of other forms of natural resources. The municipalities in Colombia and Nicaragua from which we source coffee are located near protected areas. However, besides the commitment to prevent deforestation, there are not agreements or partnerships with third parties to protect or restore forest areas.

97.9% of the surveyed farms (481) in our Colombian program have not have any negative impact on the forest or natural resources; in fact the percent of farms participating in the program that have a forest area increased from 33.8% to 50%. Only 2.1% of the farms recognized some type of deforestation, mainly to increase coffee area. Farmer Brothers’ framework for evaluating projects in critical habitats or other areas with recognized high biodiversity is based on the IUCN Red List of Threatened Species™. Red flags are defined as projects that interfere in regions with Critically Endangered, Endangered, Vulnerable and Near Threatened species. The formal process for evaluating sourcing projects that will occur in regions with red flags follows an approval committee whereby deforestation of primary forest or the destruction of other forms of natural resources is strictly prohibited.

Below is a list of protected areas, as well as IUCN and conservation species in regions where Farmer Brothers growing partners operate.

304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations

Countries FY19	CR (Critically Endangered)	EN (Endangered)	VU (Vulnerable)	NT (Near Threatened)	LC (Least Concern)
Bolivia	21	29	82	99	2199
Brazil	81	126	268	228	4417
Burundi	3	14	32	40	1063
China	85	152	283	232	3997
Colombia	108	206	322	250	4943
Costa Rica	31	57	119	101	3162
Ecuador	98	147	266	205	3270
El Salvador	3	21	36	49	1539
Ethiopia	17	38	59	43	1364
Guatemala	38	65	95	84	2683
United States	0	0	0	0	0

Countries FY19	CR (Critically Endangered)	EN (Endangered)	VU (Vulnerable)	NT (Near Threatened)	LC (Least Concern)
Honduras	43	58	83	86	2,881
India	89	206	387	324	4,109
Indonesia	148	241	574	573	5,510
Jamaica	22	35	49	41	1,303
Kenya	47	61	160	181	3,182
Laos	33	52	100	93	1,506
Mexico	210	308	331	210	4,688
Myanmar	34	71	169	260	3,065
Nicaragua	9	25	70	76	2,797
Papua New Guinea	22	51	271	258	3,497
Peru	45	145	203	199	3,624
Rwanda	11	11	34	34	1,003
Tanzania	122	139	252	217	3,774
Timor Leste	7	12	13	32	1,214
Uganda	48	32	76	59	1,793
Vietnam	65	132	267	255	3,190
Zambia	10	21	39	43	1,763

304-3 Habitats protected or restored

Coffee Type	Country	Volume bought (Lbs.green coffee)	Lbs to Kg (1 lb = 0,454 Kg)	Yield (Kg green/hectare)	Area (hectares)	Area (Km <sup>2</sup> ) 100 Ha = 1 Km <sup>2</sup>	Principal natural areas	Habitat
DT	Colombia	4,453,989	2,022,111	1,419	1,425.03	14.25	Tatama and Las Orquideas Natural Parks	Humid tropical forest
DT	Nicaragua	1,338,638	607,742	1,608	377.95	3.78	Natural reserve Bosawas	Tropical forest
RFA	Brazil	1,651,110	749,604	1,440	520.56	5.21	Serra da Canastra National Park	Tropical savannah (Cerrado)
RFA	Guatemala	1,928,698	875,629	1,540	568.59	5.69	Sierra de las Minas, Biosphere reserve	Tropical forest, cloud forest
RFA	Peru	131,581	59,738	985	60.65	0.61	Santuario Nacional Tabaconas Namballe	High Andean forest
RFA	Colombia	3,926,644	1,782,697	1,268	1,405.91	14.06		Tropical forest
RFA	Costa Rica	752,979	341,853	1,642	208.19	2.08	Los Quetzales National Park	Tropical forest, cloud forest

Coffee Type	Country	Volume bought (Lbs.green coffee)	Lbs to Kg (1 lb = 0,454 Kg)	Yield (Kg green/hectare)	Area (hectares)	Area (Km <sup>2</sup> ) 100 Ha = 1 Km <sup>2</sup>	Principal natural areas	Habitat
RFA	Indonesia	214,022	97,166	600	161.94	1.62		Rainforest, Tropical forest
RFA	Nicaragua	0	0	800	-	-	Natural reserve Bosawas	Tropical forest
RFA	Honduras	287,168	130,374	1,108	117.67	1.18	Pico Bonito National Park	Tropical forest, cloud forest
RFA	Ethiopia	21,164	9,609	378	25.42	0.25	Menagesha National Forest	
RFA	Zambia	191,800	87,077	-	-	-	Isangano National Park	
RFA	El Salvador	41,833	18,992	720	26.38	0.26		
RFA	Mexico	41,832	18,992	1,300	14.61	0.15	Parque Nacional Iztaccíhuatl - Popocatepetl	Conifer forests and prairie
RFA	Uganda	84,657	38,434	578	66.50	0.66	Queen Elizabeth National Park	African Savannah
RFA	Vietnam	169,313	76,868	2,400	32.03	0.32		

### 305 - Emissions

Category	Emissions (kg CO <sub>2</sub> -eq)
305-1 Energy direct (Scope 1) GHG emissions	28,689,285
305-2 Energy indirect (Scope 2) GHG emissions	0
305-3 Other indirect (Scope 3) GHG emissions	629,894,541
305-4 GHG emissions intensity	14.5 kg CO <sub>2</sub> -eq/kg coffee purchased
305-5 Reduction of GHG emissions	40,465,992 CO <sub>2</sub> -e
305-6 Emissions of ozone-depleting substances (ODS)	91,816 CO <sub>2</sub> -eq

305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions						
	Carbon monoxide CO	Lead Lead	Nitrogen oxide NO <sub>x</sub>	Ozone O3 (Ozone)	Particulate matter PM <2.5 um	Sulfur dioxide SO <sub>x</sub> (or SO <sub>2</sub> )
Mobile	69,576	0	13,183	0	218	259
Stationary	2,165		21,101		7,598	127
<b>Total</b>	<b>71,741</b>	<b>0</b>	<b>34,283</b>	<b>0</b>	<b>7,817</b>	<b>386</b>

**306 - Effluents and Waste**

306-1 Water Discharge by Quality and Destination

See 303-4

306-2 Waste by type and disposal method

We have been dedicated in our work towards achieving zero waste across our operations; whenever and wherever recycling is available (currently approximately 95% of our locations), it is given priority as a disposal method. At our larger facilities, where organic byproducts result from our roasting operations, we incorporate organics recycling to dispose of our streams in the most responsible manner available.

Farmer Brothers avoids use of hazardous materials — we had no disposal of hazardous waste during the reporting period. Farmer Brothers has no chemical waste. Because of this, we do not have a hazardous waste or chemical waste program. 0% of our waste was incinerated For non-hazardous streams, our breakdown for the reporting period is below:

Reuse (tons)	1,361
Recycle (tons)	4,454
Compost (tons)	1,448
Landfill (tons)	2,109

306-3 Significant spills

Farmer Brothers has guidelines to minimize use of hazardous waste. During the reporting period we did not produce or transport any hazardous waste nor did we record any significant spills.

306-4 Transport of hazardous waste

Farmer Brothers has guidelines to minimize use of hazardous waste. During the reporting period we did not produce or transport any hazardous waste nor did we record any significant spills.

306-5 Water Bodies Affected by Water Discharges and Runoff

See 303-4

**307 - Environmental Compliance****307-1 Non-compliance with environmental laws and regulations**

Farmer Brothers has not received any significant fines for environmental non-compliance during the reporting period.

**308 - Supplier Environmental Assessment****308-1 New suppliers that were screened using environmental criteria**

100% of new suppliers were surveyed for environmental and social criteria.

**308-2 Negative environmental impacts in the supply chain and actions taken**

45 coffee suppliers and 33 allied suppliers (78 total) were assessed for environmental impact. None were identified as having potential negative environmental impacts; none had significant or potential negative environmental impacts identified in our supply chain. No improvements were determined to be needed or discussed with suppliers. No suppliers were terminated due to negative environmental assessment results

**SOCIAL****403 - Occupational Health and Safety****403-1 Occupational health & safety management system**

An occupational health and safety management system with recognized risk management practices, including health and safety policies and objectives, is used at Farmer Brothers, covering Farmer Brothers employees, and temporary employees. FBC complies with all regulatory requirements promulgated by the Occupational Health and Safety Administration (OSHA).

**403-2 Hazard identification, risk assessment, and incident investigation**

Routine safety audits are performed of manufacturing and distribution facilities followed by any corrective actions plans to identify and address work hazards. A follow up is performed to the corrective action plan which is carried out by Farmer Brothers' Risk Management team. Review of the corrective action plans is used to update and continue to improve our process. Job Hazard Assessments are performed to determine the risks associated with employee job functions.

Channels of communication exist both between safety committees or directly with Risk Management department or immediate supervisors, allowing Farmer Brothers employees to report work-related hazards and hazardous situations. Incidents are documented and are classified as OSHA recordable or non-recordable. For each incident that occurs, a report is generated and appropriate and remedial action is taken.

**403-3 Occupational health services**

Whenever there is an occupational health service required, workers involved in work place incidents are attended to by healthcare professionals with recognized qualifications and accreditations. Farmer Brothers does not provide occupational health services to contract workers, but requires any on-site contractors to offer worker's-compensation coverage to those employees.

#### 403 - 4 Worker participation, consultation, and communication on occupational health & safety

We require a monthly safety training for employees at our manufacturing and distribution facilities. This training allows employees an opportunity to voice their concerns, and for us to hear those concerns. After each training session, we use a learning management system to send out a follow-up quiz, to ensure training is completed. This is all required for both employees and temporary workers, but contractors do not participate in Farmer Brothers' health and safety committees. Farmer Brothers employees are surveyed to monitor employee satisfaction and engagement.

#### 403 - 5 Worker training on occupational health & safety

In addition to monthly safety trainings, Farmer Brothers' Risk Management team provides general safety trainings, as well as specific trainings on topics such as Personal Protective Equipment, fire extinguisher use, Emergency Action Plan, walking-working surfaces, forklift certification, active-shooter training, lock-out-tag-out program, etc. Training is performed in-person and online with a learning management system, is free of charge and generally mandatory.

#### 403 - 6 Promotion of worker health

All eligible full-time Farmer Brothers employees have access to subsidized health insurance. Additionally, Farmer Brothers offers financial contributions Health Savings Accounts for employees participating in the company health plan. Farmer Brothers promotes voluntary health programs and services through dietary advice, flu shots, and an on-site gym for employees at our corporate headquarters.

#### 403 - 7 Prevention and mitigation of occupational health & safety impacts directly linked by business relationships

Coffee from Project D.I.R.E.C.T.™ is audited for compliance under a code of conduct that includes provisions for worker safety. Farmers are audited annually for compliance. Additionally, Fair Trade™ certified coffees are audited for compliance with worker safety standards. All of our suppliers are asked to abide by our Supplier Standards of Engagement. We seek Suppliers that operate in compliance with all applicable environmental laws and work to minimize their use of natural resources and any negative impact their operations have on the environment. Procedures for waste management, handling and disposal of chemicals and other hazardous materials, emissions, and effluent treatment must meet or exceed minimum legal requirements. All employees should have access to clean drinking water while at work.

#### 403 - 8 Workers covered by an occupational health & safety management system

Farmer Brothers' occupational health and safety management system covers all Farmer Brothers employees, including temporary workers but does not cover contractors. Contractors being defined as workers who are not employees but whose workplace is controlled by the organization. Farmer Brother's occupational health and safety practices are internally audited at all locations and therefore all Farmer Brothers employees. External audits have been conducted at our three manufacturing facilities, as well as our retail coffee shop in Portland, OR. In total, approximately 448 employees, or 28% of Farmer Brothers' total workforce, work at these locations.

#### 403 - 9 Work-related injuries

During the reporting period, no employee, temporary worker, or contractor fatalities were recorded; and 1 incidence of high-consequence work-related injury was recorded, impacting a Farmer Brothers employee. 58 recordable work-related injuries occurred, resulting in an OSHA incident rate of 3.79, based on 200,000 hours worked. There were 14 Near-Miss incidents during the reporting period. The most common types of injuries are related to lifting; slips, trips, and falls; transportation accidents; cuts; and pushing and pulling injuries.

**403-10 Work-related ill health**

In the reporting year, there were no fatalities as a result of work-related ill health. We had a total of 58 cases of recordable injuries, none of which were related to worker ill-health. Hearing loss has been identified as a hazard for our production employees. Hearing protection is required for all employees working on the manufacturing floor. There were no reported cases of hearing loss during the reporting period. No workers have been excluded from this disclosure. All data was compiled using OSHA Trend analysis reports.

**412- Human Rights Assessment****412-1 Operations that have been subject to human rights reviews or impact assessments**

Farmer Brothers direct operations are strictly domestic. Farmer Brothers operates in compliance with local laws and regulations. All three of our roasting facilities are audited and certified by Safe Quality Food (SQF) Standards, which includes a social audit component. In addition, we are subject to social audits by certain customers. During the reporting period, our Houston manufacturing facility underwent a social audit. However, as we continue to expand traceability and transparency into our suppliers we have conducted human rights assessments of our Project Direct programs in Colombia, Brazil and Nicaragua with the help of the Committee on Sustainability Assessment (COSA).

**412-2 Employee Training on human rights policies or procedures**

1,880 coffee growers who participate in our Project D.I.R.E.C.T.™ program received on average eight hours per year of training on topics related to human rights. These growers are located in Colombia and Nicaragua, none are employees of Farmer Brothers.

**412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening**

78 suppliers have signed a Standard of Engagement with the commitment to uphold UN Global Compact. 146 suppliers have been surveyed for adherence to uphold the UN Global Compact. We had a 75% response rate with a 96% commitment to uphold UN Global Compact. Currently our human rights screening is focused on supplier relationships. We intend to expand the breadth of our human rights assessments to, eventually, include a greater number of business partners.

**413 - Local Communities****413-1 Operations with local community engagement, impact assessments, and development programs**

5.8% of our coffee was sourced through our Project D.I.R.E.C.T.® sourcing model, which includes implemented local community engagement, impact assessments, and development programs, including the use of data driven impact assessments of gender, environmental, and social improvements, as well as local community development plans that are co-designed with our growing partners and communities. environmental, and social improvements, as well as local community development plans that are co-designed with our growing partners and communities.

**413-2 Operations with significant actual and potential negative impacts on local communities**

Our direct operations in United States do not present any significant potential negative impacts on local communities. 26.7% of our coffees are sourced from supply chains which we have assessed to have no risk of significant potential negative impacts on local communities.

**414- Supplier Social Assessment****414-1 New suppliers that were screened using social criteria**

100% of new suppliers were screened using social criteria. All new suppliers are required to sign Farmer Brothers Vendor Code of Conduct.

414-2 Negative social impacts in the supply chain and actions taken

All of our suppliers were asked to sign a Standard of Engagement where environmental impacts are addressed. None were identified as having negative social impacts and, as such, no actions were taken on our behalf.

416 - Customer Health and Safety

416-1 Assessment of the health and safety impacts of product and service categories

We assess the health and safety impacts for all of our product and service categories.

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

During the reporting period, Farmer Brothers had no incidences of non-compliance concerning the health and safety impacts of products and services.

419- Socioeconomic Compliance

419-1 Non-compliance with laws and regulations in the social and economic area

During the reporting period, Farmer Brothers had one incident of non-compliance with laws and regulations with a fine totaling \$6,819.00.