



Neumann Kaffee Gruppe responds to the latest publication by the non-governmental organization Public Eye

With this statement, we refer to the [report published by the NGO Public Eye on December 01, 2021](#). The report alleges that commodity traders with a Swiss presence, including Neumann Kaffee Gruppe, collectively own over 550 plantations around the world, yet do not take sufficient responsibility for human rights and environmental violations on their landholdings. Neumann Kaffee Gruppe (NKG) appreciates the Business & Human Rights Resource Centre's offer to respond to the allegations.

For over 30 years, NKG has been an international green coffee service group. Our more than 50 companies operate in export, import, specialties, farming and services in 26 countries, employing over 2,600 highly skilled professionals who produce and provide a range of products and services along the coffee supply chain. The group is managed by Neumann Gruppe GmbH (NG), based in Hamburg, Germany. NKG owns three coffee farms in Brazil, Mexico and Uganda with a total area of approximately 7,700 hectares, of which more than 20 % is not commercially exploited but protected in the form of biological corridors and nature reserves. The farms are currently managed by NKG Tropical Farm Management GmbH from Switzerland. From 2022, the farm management will be operated out of Hamburg.

The land rights case [Kaweri Coffee Plantation Ltd.](#) in Uganda mentioned by Public Eye has been occupying us for 20 years and we deeply regret that a mutually satisfying solution has still not been reached. Kaweri, a group company of NG, leased an area of land from the Ugandan government in 2001 on the assumption that it was land free of claims of any kind. Residents of the site, who were resettled, received documented compensation. Individual residents – some of whom were unaware that they were living on land belonging to the property – refused to relocate and turned down compensation payments. These people were forced to leave the land without the knowledge of NKG or Kaweri. To this day, NKG deeply regrets the actions taken against these families. In the following years after the lease began, more and more people raised claims for compensation payments. The extent to which these claims are justified is still being clarified in legal proceedings between the Ugandan government and the 401 plaintiffs in total. A settlement with as many as 258 of the 401 plaintiffs was reached in September 2021. Kaweri supports a settlement in this case to the extent possible, but neither Kaweri nor NKG are responsible for the outcome of the case. The detailed chronology on this case can be found on our [website](#).

We are well aware of our responsibilities in the countries we operate in. We always act with respect for and in compliance with fundamental rights and national legislation. Since 2017, we have written down our values and beliefs as the basis of our business in our [NKG Code of Conduct](#); this is an integral part of our value-oriented corporate culture. In order to continue to fulfill our responsibility for a growing, sustainable coffee industry in the future, we have, among other things, launched the [NKG Responsible Business Program](#). The program sets concrete goals that define responsible and sustainable business practices at NKG.

Some of these goals have already been implemented at Kaweri Coffee Plantation. Kaweri is an important employer and economic driver in the Mubende region and



currently employs around 500 people from the surrounding area on a full-time basis. In addition, there are 400 to 800 employees who perform various tasks on the farm on a daily basis or in a "task" system. During the harvest season, up to 2,500 additional people are working on the plantation. We pay wages which have been agreed upon with the trade union, and it goes without saying that the plantation pays the statutory social security contributions and complies with local legal regulations. In addition to compulsory training on hygiene and work safety, the employees at Kaweri also receive advanced training, for example in computer skills. In 2001 and 2002, Kaweri financed two new schools, some of which have since been renovated. In addition, Kaweri has laid water pipes in neighboring villages and enabled boreholes to be drilled for water supply and supplies the local population from the surrounding villages with fresh drinking water from the plantation free of charge. Furthermore, six freely accessible drinking water wells have been drilled to supply additional people. The farm has also set up a health station. Here, all employees and their families, as well as people from the neighborhood, receive free medical treatment and medication. Kaweri has ensured that the main roads in the area connecting villages and the plantation have been expanded or repaired.

Ever since the founding of Kaweri, the preservation of the 650 hectares of highland rainforest located on the land with its unique biodiversity has been an important priority. Since the surrounding area of the farm is largely deforested, many animals, including monkeys, wild cats and antelopes, are now at home on the Kaweri site. Established biological corridors allow the animals to move through the property. The farm is now an important sanctuary for them; about a quarter of Kaweri's total area is protected in their interest, and a large area of the plantation is not farmed.

On our other two farms, [Fazenda da Lagoa in Brazil](#) and [Finca La Puebla in Mexico](#), we also invest in sustainable, future-oriented agriculture and focus on the well-being of our employees and the protection of biodiversity. In Mexico, for example, we offer free medical care as well as an elementary school and a kindergarten for the children of the workers living on the farm. In Brazil, many measures are being taken to maintain healthy biodiversity. For example, forest and wetland areas cover about 30 % of the total farm area, contributing to biological diversity.

The NKG Responsible Business Program continues to set the strategic framework for the future, within which we can be a good neighbor to local communities and a responsible employer to our employees. We work with full commitment in all group companies to constantly improve and develop our actions.