



# IMPLEMENTATION GUIDE GMT GREEN

MONTESANTO TAVARES GROUP

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# SUMÁRIO

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1.

PROGRAM  
PRESENTATION



# 1. Program Overview

The Montesanto Tavares Group (GMT) operates across all stages of coffee production, from origin to the sale of our blends to various regions worldwide. The market highly appreciates and values the flavor of Brazilian coffee, and there is a continuous evolution in agricultural production practices. To meet our customers' demands for sustainable products, we need to develop our suppliers and provide assurances about the coffee we deliver.

As a large and solid Group, we understand that we have a responsibility to share our experience in good practices and assist our farmer partners, regardless of their size, in progressing towards conscientious management practices. These practices reflect our concern for natural resources and the people who produce the origins of our businesses. We have a careful eye on our entire value chain, especially on the producers, and we want to help them evolve by teaching more responsible and effective production methods that bring profitability, quality of life to field workers, and respect for the environment.

To reflect our commitment to responsible development, we have published our Sustainability Policy, highlighting that our dedication to relationships with producers comes first. Our Field Technicians work closely with farmers, assisting them in day-to-day operations, helping them to plant and harvest with environmental and social responsibility, promoting fair purchasing, and gaining a deeper understanding of their realities, desires, and challenges, which are also ours because, like them, we are also producers. And we emphasize: we take pride in being producers, supporting family farming, and promoting the appreciation of coffee growers in our country.

"Onward" is the name we have given to our Sustainability Policy. Our strategic planning is focused on the future: Onward. Growing and maturing, like a plant, takes time. And performing our best requires a self-analysis that allows for continuous improvement. Let's reach this future together: GMT will be alongside its producers, supporting their evolution, demonstrating the best practices, and helping each one to perform their best, in their own time.

**Our strategy is based on three pillars, namely:**

1



**Recognition and Compensation**

2



**Supply Chain Development**

3



**Connecting Production to Consumption**

2.

## GOALS AND PROGRAM STRATEGY



## 2. GOALS AND PROGRAM STRATEGY

The desire to recognize and reward our producers, develop the supply chain, and connect production to consumption gave rise to this project: GMT GREEN. Aware of all the challenges faced by producers, we understood that we could and should support a change in the sector, a change that would bring benefits to all involved in our business. By improving working conditions, land management, and community relations, we are improving our chain and increasingly enhancing shared value. We also understand that this change is gradual, not immediate, but we are willing to evolve together, set improvement goals according to each producer's reality, support individual challenges, and thus enable our production to mature in sustainability concepts, much like a coffee bean: born green and in need of attention, care, resources, and time to mature.

We believe that this work and effort will impact the improvement of the quality and reputation of Brazilian coffee, open up new market opportunities, and bring prosperity to all involved. This is our way of sharing value with our partners, sharing our knowledge, and promoting the evolution in practices, product quality, and quality of life for those who join us in this challenge.

GMT GREEN aims to develop the producers who work with us, sharing best practices and encouraging continuous improvement in their processes. We assess each point of the practices employed and, thus, can identify opportunities for improvement in the properties, allowing the evolution of each one individually. In addition to promoting the evolution of good practices in the coffee production market in Brazil, the program will support the improvement of the traceability of our suppliers. Today, GMT already has tools that allow the traceability of each batch delivered to our customers. However, to ensure the effectiveness of the processes, our suppliers need to understand the importance of this mapping and engage in the safe and effective delivery of the necessary information for the total trace-

ability of our supply chain. Therefore, the program foresees, through educational reinforcement, the awareness of the base of producers in order to ensure commitment to true and valid information for our tracking process. Participating producers undertake not to supply GMT with coffee produced on farms not participating in the program and to carry out actions within their properties that guarantee the effective segregation of the lots marketed with the Group.

This program was developed by Peterson Consulting, based on the Coffee Sustainability Reference Code, the Brazil Coffee Sustainability Curriculum (CSC) and its Implementation Guide, all documents published by the Global Coffee Platform. The Guide is also based on and follows the guidelines in the manual of the Ministry of Agriculture, Livestock and Supply (MAPA) which provides Good Agricultural Practices applicable to the Brazilian reality.

All criteria present in GMT GREEN, as well as the guidelines for its governance and management, are in line with the highest level of demand of the Conventions established by the International Labour Organization (ILO), Brazilian National Legislation, and the 38 Regulatory Norms (NR) that are complementary provisions regarding Safety and Occupational Health) of Title II of the Consolidation of Labor Laws (CLT) applicable in Brazil.

Additional items have been included to ensure the standard of practices, conduct, and management that GMT seeks for its supply chain. In order to customize the requirements and dynamics to the reality of our production, we invite clients, producers, and the entire technical field team of the Group to contribute observations and suggestions, adopting, from the beginning of the process,

the concept of continuous improvement. This concept is the foundation of the entire program, employing continuous improvement as a master tool to develop the evolution of partner producers, thereby maximizing the achievement of the outlined objectives.

## 2.1 General Objectives

- Boost shared value in our production chain;
- Promote sustainability in the coffee sector;
- Enhance the reputation of Brazilian coffee in the international market.

## 2.2 Objetivos Específicos

- Promote awareness of human rights, ensuring an ethical chain that respects the integrity of each worker.
- Promote agriculture that respects the environment;
- Share knowledge to develop partner producers;
- Enhance coffee production chain practices, making it more sustainable;
- Improve the remuneration delivered to coffee producers, thereby enhancing the quality of life in rural areas;
- Ensure the implementation of good practices that meet international standards;
- Ensure traceability of our coffees from origin.





3.

SCOPE





**This implementation guide was developed to instruct all those involved with GMT GREEN in understanding the rules, procedures, and operations related to the compliance verification strategy of the requirements established.**

It is particularly directed to coffee producers, suppliers of the Group, and to the customers who will receive products with greater quality assurance in both the product and production methods, aligned with the most stringent standards for human rights and environmental respect.



## 3.1 Definitions

**Auditor:** individual responsible for conducting the audit.

**Audit:** process of verifying compliance with the criteria established by GMT GREEN, highlighting the conformity or non-conformity found during the verification.

**First-Party Audit (or internal audit):** self-assessment conducted by the internal team of the property.

**Second-Party Audit:** external audit conducted by a representative of GMT or by a stakeholder representative, such as a client, for example.

**Third-Party Audit:** external audit conducted by an independent and impartial certification body, which may or may not be accompanied by a GMT representative.

**Auditable:** the target of the audit, which can be a management system, process, supplier, or the entire organization.

**Cycle:** period stipulated for the development of the program, referring to three years from the signing of the Commitment Letter. The program is cyclical, meaning it does not end at the end of the cycle. A new cycle begins after the previous one ends.

**Audit Client:** the eligible supplier to the program that must undergo an audit.

**Program Criteria:** requirements related to coffee

production practices, including the management of necessary resources and other listed practices.

**Conformity:** compliance by the audited party with the analyzed criterion.

**Audit Team:** two or more individuals involved in the audit process.

**Audit Scope:** delineation of the audit and its scope, thereby determining certification based on program requirements and criteria such as grouping, leveling, rural property, and other relevant and necessary information to verify conformity in meeting criteria during the audit.

**Audit Evidence:** documents, materials presented by the audited party to the auditor, and interviews and notes taken during the audit to prove compliance with the analyzed criterion. All evidence must have a copy saved in the records of the participating property's files.

**Producer:** also referred to as a supplier or rural producer, is the coffee supplier to GMT, who may be the audit client.

## 3.2 Program Management: Roles and Responsibilities

### The program management is the responsibility of the GMT Sustainability Coordinator.

He reports to the organization's Sustainability Committee. The program management, from implementation to communication, planning, team management, hiring support services, resource allocation, auditing process control, analysis, and necessary adjustments are all under his responsibility. In summary, his duties include:

- The establishment of the program, internal communication, negotiation, and facilitation of GMT GREEN actions;
- Management of financial, economic, human, and time resources necessary for conducting GMT GREEN;
- External communication with stakeholders for program dissemination;
- Monitoring of audit processes at all stages;
- Monitoring of progress and compliance with actions proposed in action plans;
- Management of program information, indicators, and documents, including their collection, control, validation, archiving, organization, and access;
- Handling and execution of exception request procedures;
- Management of the Remediation Plan;
- Analysis and evaluation of continuous improvement of GMT GREEN.

## 3.3 Producers: Eligibility and Adherence

All program participants must be previously approved as GMT suppliers through the company's own mechanism for this purpose. This mechanism was not included in the program scope or audit process as it is an internal procedure already established within the company. To include suppliers in the program, they must first be approved as suppliers by GMT. Candidates for the program should be officially notified about the program's start through any means, including in person, electronically, or collectively at events.

The formalization of the candidate's adherence begins with the presentation of GMT GREEN to the producer. This can be done at an event for collective presentation or individually. The presentation should follow this guide's outline, including at least the following sections:

- **OBJECTIVES**
- **PROGRAM MANAGEMENT RESPONSIBILITIES AND DUTIES**
- **ELIGIBILITY AND PARTICIPANT ADMISSION**
- **PARTICIPANTS' RESPONSIBILITIES AND OBLIGATIONS**
- **TYPES OF AUDITS**
- **AUDIT CONDUCT**
- **REMEDIAION PLAN**
- **ACTION PLAN**
- **GMT GREEN CRITERIA (APPENDIX)**

The requirements and criteria of GMT GREEN should be presented and explained. The candidate's understanding of the program's responsibilities should be confirmed.

A participation list must be completed to confirm the candidate's participation in cases of collective presentation. For this record, the Attendance List template, attached to this document, can be used. The responsible Technician should fill it out with their name and the date of the presentation. Participants should fill in their full name, identification document (CPF), name of the rural property, and signature. If a supplier has more than one rural property, they should repeat the personal information for each property they wish to include in the program.

After the presentation, the candidate should fill out the Commitment Form, also attached to this document, formalizing their inclusion and participation in GMT GREEN. In this document, the producer will confirm that they have received guidance on the program, including participation responsibilities.

Each accession corresponds to a rural property and its responsible producer. They may appoint a representative, which must be formalized in the Commitment Form in the designated field. If a rural producer owns more than one rural property, they must fill out a corresponding Commitment Form for each rural property.

## 3.4 Responsibilities and obligations of participants

**Each program participant must commit to achieving compliance with the defined criteria. To do so, it is the responsibility of the participant:**

- Participate actively in events promoted by GMT for the program;
  - Comply with legal obligations required for agricultural activities;
  - Provide the GMT representative with necessary and truthful information to demonstrate compliance with GMT GREEN criteria;
  - Grant access to the auditor (second or third party) to conduct inspections on the rural property and its improvements, for all audits;
  - Fulfill actions and deadlines agreed upon in the Action Plan to meet program requirements;
  - Ensure compliance with the GMT traceability system, meeting coffee provenance requirements by delivering solely coffee from own production and their participating property in the program;
  - Report any eventualities, issues, or improvement suggestions related to the program. Communication
- should be delivered to the GMT representative through channels defined by GMT;
  - Fill out and sign the GMT GREEN Commitment Form.

These terms are highlighted in the attached Commitment Form to this guide and must be fully complied with by all participants.

Audit-ready documents should be made available in a way that allows for easy location and consultation. It will not be necessary to keep the original documents on the rural property for audit purposes; copies, including digital ones accompanied by a regularity certificate when documents are obtained electronically, or authentication by a Notary Public for physical copies, can be provided.

## 3.5 Communication with stakeholders

**To meet and facilitate the communication dynamics specific to the program, we provide an exclusive communication channel for it:**



**gmtgreen@montesantotavares.com.br**

Through this email address, our business partners were introduced to the initiative and, through it, were able to contribute collaboratively to its construction and evolution.

This tool will also serve for any communication related to the program: formalizations, records of exceptions or petitions, disclosure of events and to meet complaints made by workers, producers and any interested party. No party making a complaint or communication will suffer any kind of retaliation.

To use the channel, proceed by sending an email with your request. Requests will be carefully analyzed by the program manager, who will have up to 30 calendar days to respond to the requester. Requests for exceptions to the compliance with any of the criteria are explained in the chapter "EXCEPTIONS AND INFRACTIONS". For other requests, the Program Manager will proceed accordingly. The response may include requests for further information or deliberation on the request. The final resolution will be shared with the interested party, reinforcing the commitment to impartiality and fairness to all involved. In cases of unresolved issues, the Sustainability Committee will be involved in investigating the case.

The manager of this communication tool will be the Sustainability Manager. They will be responsible for reporting any formalities to the Sustainability Committee of the Group according to the urgency of the matter: immediately when the issue is urgent, or at the regular meetings of the Committee when it concerns routine matters.

The communication channel will be monitored and will feed into some of the program's strategic indicators.

GMT does not authorize participating producers to commercially disclose their categorization in this Private Standard. Changes to this rule will be widely disseminated through official communication channels.

4.

STAGES

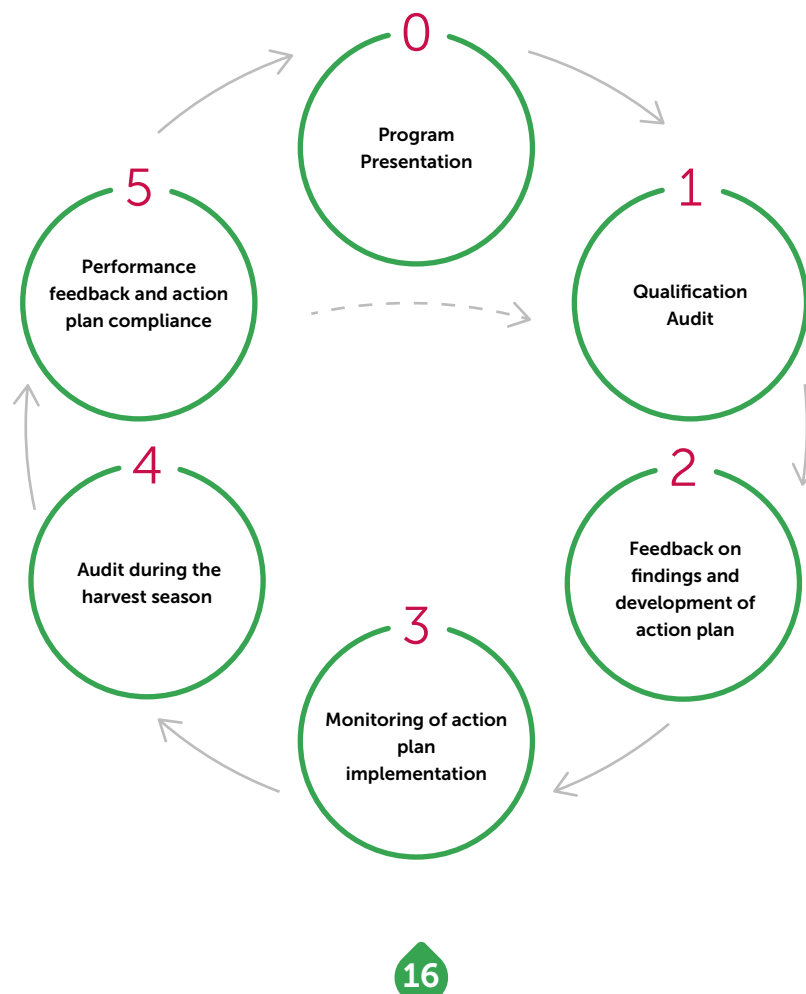




The program has been developed based on the process of continuous improvement of the practices employed in coffee-producing farms. To this end, six different stages have been conceived, each with a specific objective, to ensure the verification, qualification, and evolution of participants at the stipulated levels.

The first stage is necessary for the producer to join the program. This initial phase involves the effective presentation of the program according to established criteria and complying with the minimum agenda set. It also includes formalizing participation through the Commitment Agreement.

The program presentation is only conducted for new participants. The remaining stages are ongoing, applied, analyzed, and evaluated annually to recognize progress in meeting the GMT GREEN criteria. The following figure illustrates the stages of the process.



## 4. Stages

### STAGE 0 – PROGRAM PRESENTATION

This stage involves introducing the program to the participants. The requirements for joining were described in the "Eligibility and Participant Adhesion" section.

### STAGE 1 – QUALIFICATION AUDIT

The initial stage consists of conducting a second-party audit, carried out by a GMT representative, to verify compliance with the requirements and to level the participant. A program-trained technician will conduct the audit, sequentially checking compliance with each criterion. This audit will be conducted in person at the participant's rural property. The visit should be scheduled, and the participant may request or receive guidance and recommendations for preparing for the audit.

### STAGE 2 – FEEDBACK ON FINDINGS AND ACTION PLAN DEVELOPMENT

After the qualification audit, the participant will receive feedback on program requirements compliance and an action plan identifying the necessary points to be developed to improve their categorization in the program. The supplier, together with the GMT representative, must define the number of program criteria possible to meet and the respective deadline for implementation.

### STAGE 3 – MONITORING ACTION PLAN COMPLIANCE

All actions agreed upon in the action plan must be

monitored by the GMT Field Technician assisting the property. This monitoring should be organized through the control of existing action plans for each participant. This stage continues until the deadline is met or compliance with the requirements of the desired category is achieved.

### STAGE 4 – HARVEST SEASON AUDIT

During the harvest period, approximately between the months of March and September, all rural producers participating in the program who have passed the previous stages will be subject to an audit for monitoring purposes. The audit result will be shared with the rural producer to validate compliance with the requirements achieved or to adjust the action plan proposed in stage two.

The harvest period is understood as the period when farms have ripe cherries that can be observed during the inspection.

The audit may be second or third-party, accompanied by a GMT Technician, but this is not mandatory. The audit will verify compliance with the GMT GREEN program criteria of the program category, regardless of the action plan agreed with the producer.

## 4. Stages

### STAGE 5 – PERFORMANCE AND ACTION PLAN COMPLIANCE FEEDBACK

At the end of the harvest season, the producer should receive feedback on their performance in fulfilling the action plan and the audits conducted. They should be informed about the compliance with the criteria, and if there are any actions not completed, recommendations and revised deadlines for completion should be provided. Opportunities for improvement to achieve criteria not yet met should be identified, which were not previously included in the action plan. If any regression or non-compliance with previously met criteria is observed, the feedback should address the issue, and adjustments should be made in the existing action plan or a new one established if there is none in progress. Upon completion of the feedback and full completion of the Action Plan, the producer will undergo a new qualification audit.



## 4.1 Schedule

To understand the occurrence dynamics of the stages, we have illustrated an annual schedule that identifies the months in which each stage is scheduled. This schedule is a reference for conducting the actions that will occur annually, and may be altered at the discretion of the program manager. The figure below illustrates the proposed schedule.

STAGE / PERIOD	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Presentation of the Program												
Scheduled Audits												
Qualification and Action Plan												
Courses promoted by GMT												
Action Plan Evolution												
Harvest Audit												
Performance Feedback												

### GMT-Sponsored Courses

Following the spirit of promoting continuous improvement, GMT offers various courses to all GMT GREEN participants, focusing on their capacity building. Knowledge can be imparted through lectures/courses, which may be delivered in a single or modular format. The Coffee Sustainability Curriculum (CSC) and its Implementation Guide were used as guiding principles for the national context.

#### The program provides training that enhances the technical skills of the producers.

- BPA-related techniques and practices:

Producers receive guidance on good agricultural practices (GAP), applicable national standards such as the manual of the Ministry of Agriculture, Livestock, and Supply (MAPA), post-harvest and management practices, good farm management, and quality practices that can be implemented on the farm. Quality standards are established for moisture content, physical defects, and residue limits. Good governance practices on the farm are also addressed.

- Integrated Pest and Disease Management Techniques:

Guidance on methods for controlling pests, weeds, and coffee diseases without the use of pesticides.

- Soil erosion control techniques

Care for springs, proper planting, and plant intercropping.

5.

CATEGORIES

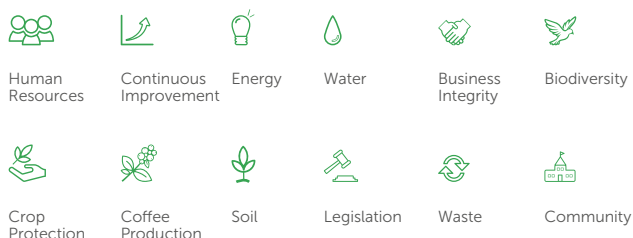




## 5. Categories

For the definition of each of the program's categories, 117 criteria were listed for analysis of the practices employed on participating properties. The complete list of criteria used in this analysis is included in the annex of this document.

There are a total of 12 themes that transversely address environmental, social, and GMT GREEN-related issues.



It's likely that properties may not meet all the criteria listed in the program during their first assessment, and that doesn't make a producer's participation impossible. With this in mind, we have designed four compliance categories, representing the level of sustainability maturity of the processes employed on the property. They are:



**Bronze:** These are producers who meet the minimum requirements set out in the program. They can and will evolve through the GMT and established action plans.



**Silver:** These are producers who have knowledge of good practices, but who, for numerous reasons, have not yet been able to adopt them on their property.



**Gold:** These are producers who already have a high level of maturity in the practices adopted in the management of the property.



**Diamond:** These are producers who already have a high level of maturity in sustainable property management and serve as a reference and inspiration to others.

The aim of the program is for all coffee producers in the Group's supply chain to achieve Gold and Diamond categories. To achieve this, the program was developed based on the methodology of continuous improvement, where the implementation of actions determined in the action plans will allow properties to evolve their practices and progress their categorization in GMT GREEN.

To achieve classification in one of the presented categories, it is necessary to meet 100% of the criteria requested in the category. Failure to meet any of the criteria listed in the category renders categorization impossible.

Those producers who do not meet 100% of the criteria of the first category of the program, called Bronze, will be participating in the improvement program if, by signing the Commitment Letter, they have undergone the initial presentation and within the Bronze Category meet all critical criteria.

These producers will be in the initial development phase and will be considered as beginner producers; they will not have a category until they meet all the Bronze requirements.

Producers who meet 100% of the Bronze criteria are classified as Bronze, those who meet 100% of the Silver criteria are classified as Silver, and so on. Those who meet all critical criteria but do not meet Bronze entirely are within the program but without a category. Producers who do not meet all critical criteria will not be participating in the program.

## 5.1 Criterion Compliance

### The criteria are presented methodically in the following format:

**QUESTION:** There will be an inquiry about a specific practice. It tends to be quite objective, and the description below may help in understanding.

**TOPIC DESCRIPTION:** In this section, we aim to explain the entire context surrounding the above inquiry, in order to address any doubts. This part serves to support understanding and clarify, both for the producer and the auditor, regarding compliance with the criterion.

**EXAMPLES:** Some questions provide examples of evidence that can be presented to qualify compliance with what is addressed in the question.

Every compliance audit of GMT GREEN must follow the order in which its criteria are presented. Each criterion of the standard must have its compliance, or lack thereof,

indicated in the corresponding columns, following the established recording structure.

YES	NO	NA	METHOD OF VERIFICATION	FIELD OBSERVATIONS
X				

compliance with the requirement. Each criterion has a field called "Method of Verification," which indicates the format in which the evidence should be collected, including through interviews, documentation, visual checks, or others.

Each criterion includes a field for "Observations" where the auditor can report details about the situation encountered. Additionally, there is the option to mark the field "Not

Applicable" (NA) if the requirement is outside the scope of the property. In this case, the auditor must provide a written justification, explaining the situation and why the criterion does not apply to the property in question. The same applies to responses marked as "No"; in these cases, a justification is necessary in the "Observations" field.



## 5.2 Exceptions and Infractions

In certain situations, an exception to the compliance with any of the listed criteria may be requested by the producer. These cases will be handled individually. The exception request must be justified and formally recorded by the producer and/or GMT auditor via the program's contact email: [gmtgreen@montesantotavares.com.br](mailto:gmtgreen@montesantotavares.com.br). Requests will be thoroughly reviewed by the program manager, who will have up to 30 calendar days to respond to the requester. The response may include requests for further information or a decision on the request. The final resolution will be shared with the interested party and all program technicians, reinforcing the commitment to impartiality and fairness to all involved.

In the event that a participating Property is identified with a serious infraction of the criteria stipulated herein, the lots

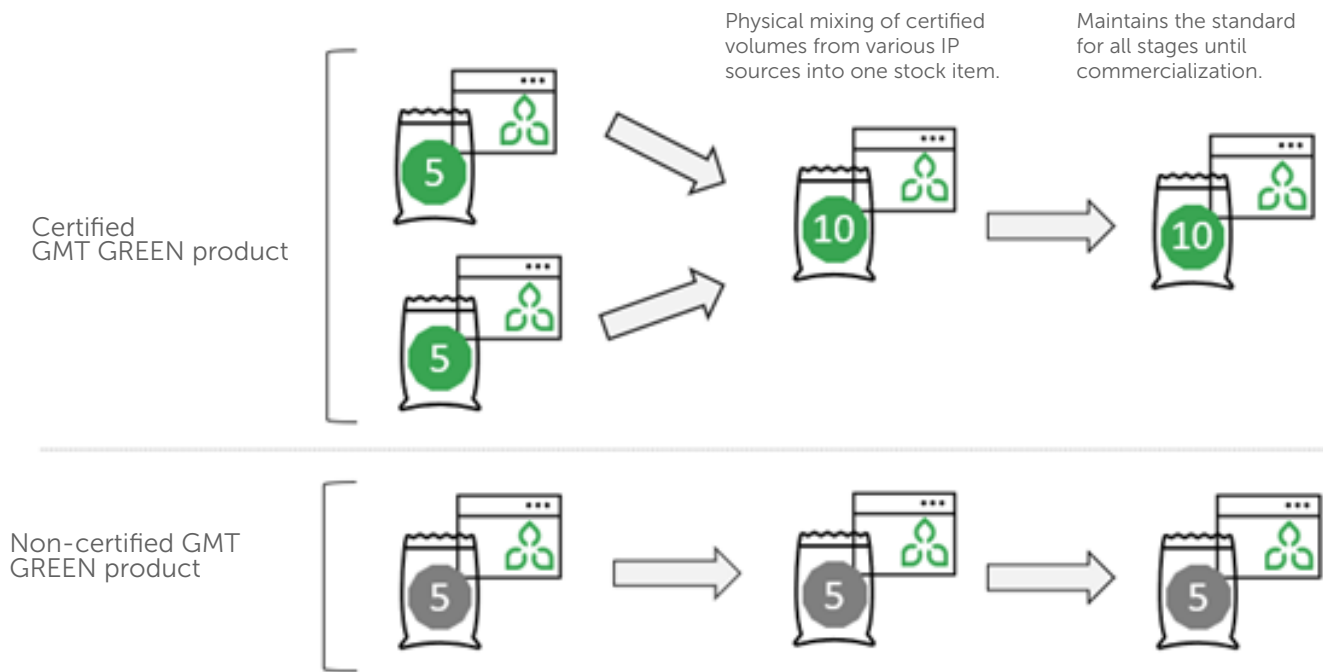
purchased from the site will be immediately suspended for commercialization through supplier tracking. If the products have already been acquired, customers will be informed, and if they wish, the lots will be returned. A Remediation Plan will be opened with the producer, with deadlines for solutions and full attention from the program manager in its monitoring. By joining the program and signing its Commitment Form, the producer affirms their commitment to ensuring compliance with the criteria stipulated for this standard.

## Chain of Custody Model

The chain of custody model envisaged by GMT GREEN is segregation. This model ensures that the certified product is kept separate from uncertified sources at each stage of the supply chain, allowing to ensure that the ingredients of a particular product originate from certified sources, although it may not be possible to identify which molecule came from which certified source.

It allows the mixing of certified products/ingredients from various sources certified to the same standards. In this model, certified material cannot be physically mixed with uncertified material of the same commodity. The physical mixing of certified material from two or more different certified sources is allowed and must be properly documented.

### Representation of the segregation model:



\*In green are the certified products, and in gray are the non-certified ones.

- The certified product is kept physically separated from the non-certified product at each stage of the supply chain.
- Allows the mixing of certified product: Different lots/quantities/shipments of certified physical product can be mixed only with other lots of certified physical product under the same standard, i.e., GMT GREEN. In this process, GMT GREEN can mix certified categories, Bronze with Silver, Silver with Diamond, and sell everything as certified GMT GREEN without using the categorization nomenclature. In the case of mixing the same category only, for example, Silver with Silver, it can be marketed as GMT GREEN Silver.
- The documentation associated with the certified physical product clearly separates between certified and non-certified and can be used to track each individual lot/quantity/consignment of certified physical product separately in the associated documentation. The associated documentation refers to the mix of certified physical product lots.
- Certified products are mixed, but the documentation can retain specific origin information to denote the origin from a specific region or country in the statement.

6.

AUDITS



## 6. Audits

The guide determines that all participating suppliers in the program must be audited without exception. This document outlines the entire audit management system, the schedule model, and the definition of the supplier sampling within a cycle.

The audit process has been defined through a set of systematically established, ordered, documented, and scheduled actions for conducting compliance checks and categorizing coffee producers, GMT suppliers. Its organization has been outlined in activities that must be followed for managing the process and monitoring compliance with the established practices and adherence

to the commitments agreed upon in the action plans.

For the development of the audit process, this guide was additionally based on the guidelines of ISO 9001:2015 Quality Management Systems and ISO 19011:2018 Guidelines for auditing management systems.

The methodology developed for the conduct of verification audits provides for two levels of audits: second and third-party audits.

TYPE OF AUDIT	EXECUTION	AUDITED CATEGORIES	MINIMUM FREQUENCY	MODEL	PROJECT STAGES
Second-party audits	GMT	Bronze, Silver, Gold, and Diamond	Anual obrigatória	1 scheduled qualifying audit + 0 or more surprise or scheduled audits	1 and 4
Third-party audits	External company	Bronze, Silver, Gold, and Diamond	Not determined	1 scheduled qualifying audit + 0 or more surprise or scheduled audits	1 and 4

## 6.1 Qualification Audit

**The initial assessments will be second-party audits and will occur at least once a year for all participants of GMT GREEN. At this time, a representative of GMT will validate compliance with the requirements, which will determine the category in which that property fits.**

## 6.2 Program Audits

The GMT GREEN participating producers underwent both second-party and individual audits.

After the qualification audit and the resulting categorization within the program, the responsible party for the property will receive a proposed action plan and must list the improvements to be made in that cycle. The program stipulates that by implementing the proposed initiatives, the producer will enhance the management maturity of their property, thereby demonstrating the use of continuous improvement as a tool for the development of our production chain. Since the progression to subsequent categories within the program depends on the development of this action plan, GMT Field Technicians will provide support as needed.

All categories may undergo surprise audits, where the producer will receive audit notification up to 48 hours in

advance. These audits will be conducted by GMT Technicians and/or third-party companies.

GMT GREEN allows for the possibility of third-party audits. These checks will be carried out by independent companies contracted solely for this assessment activity, thus ensuring impartial reporting. This audit aims to confirm and validate compliance with the criteria, the achieved categorization, and ensure the integrity of the program.

The Gold and Diamond categories will be audited by sampling, as the maturity level of management in these properties already provides greater confidence regarding compliance with the criteria required by GMT GREEN.

## 6.3 Grouping of Participants

To facilitate the conduction of audits, producers in the Gold and Diamond categories may be grouped together based on similarities. The criteria assessed will align with the size and characteristics of the property and/or region.

The dynamics of each group will depend on the interaction among participants, meaning their reciprocal influence among suppliers. GMT encourages groups to develop a routine of information exchange to share their experiences

regarding the main challenges encountered, changes made, and achievements attained. This methodology promotes peer-to-peer relationships, knowledge exchange, and the possibility of inspiring other producers. In this way, we understand that the positive impact generated by our program becomes multiplied and enhances the shared value in the production chain.

## 6.4 Sampling

Intervalo	0-10	11 a 30	31 a 50	50 a 100	101 a 150	151 a 200	201 a 300	301 a 400
Sample	5	7	11	20	28	31	36	40

**For standardizing the sample size for Gold and Diamond audits, the following steps should be observed:**

- List all suppliers classified as Gold. In another list, list all suppliers classified as Diamond. Sampling will be handled by list.
- Sum the number of suppliers in each list.
- To determine the sample for each category, the following table should be applied.

- To determine the sample for each category, the following table should be applied.

In the table above, the audited sampling always remains above 10% in all intervals, thus ensuring an adequate margin of transparency and integrity for audits and results.

## 6.5 Qualification of GMT Auditors

For qualification as second-party auditors, GMT representatives, minimum quality assurance requirements for the execution of audits have been defined.

- **Be part of the GMT field technical team, or possess a professional qualification as an agricultural technician, or equivalent education with experience in coffee production;**
- **Have undergone the hiring policy of Grupo Montesa Tavares, which evaluates issues of conflict of interest, qualifications, roles, and responsibilities.**
- **Receive training on the GMT Code of Ethics and Conduct;**
- **Receive internal training on GMT GREEN, covering all requirements and criteria, as well as the necessary documents and procedures for program compliance.**

These requirements should be ensured by the Program Manager, who should facilitate the gathering of evidence and document the list of qualified auditors and their qualifications. As evidence, diplomas from technical training programs, certificates of participation in extracurricular courses related to sustainability and good practices, even in related areas, may be accepted. Participation in the program's training and capacity-building activities should also be recorded and maintained. Periodic review of training on the requirements and criteria of the implementation guide is also anticipated, potentially on an annual basis.

## 6.6 Requirements for External Audit

For the conduct of third-party audits, the professional or company hired must provide proof of curriculum experience in sustainability or quality audits, knowledge in coffee production, preferably in products from agribusiness. This proof can be provided by individuals in the case of hiring independent auditors, or, in the case of hiring a legal entity, proof can be provided through market references.

The contracted external audit may be trained by the program manager or technical team of GMT, or may be instructed in an alignment meeting.

This contracted third party must have ISO 17065 accreditation, be accredited in ISEAL, and have knowledge

of the Global Coffee Platform and its most current equivalence mechanism. The contracted company must have a self-assessment process of the audits conducted in order to maintain the integrity of its services.



7.

## REMEDICATION PLAN



## 7. Remediation Plan

**If non-conformities related to previous categories to which the audited belongs occur, they will go through the following process along with an action plan:**

- They will receive a notification to correct the issue within 60 days and provide evidence of the correction.
- If they are repeat offenders, the Manager will evaluate the case with the committee and the producer.
- If it happens for the third time, the supplier/producer may undergo a downgrade of their category.
- In cases where the producer does not meet the critical criteria of GMT GREEN, they will not be eligible to participate in the program. In cases of non-compliance with these critical criteria by already participating producers, they will be subject to expulsion from the program.

Throughout all the stages mentioned above, the producer will have the assistance of a field technician from the program, who will help them to comply, whether through action plans, recurrent visits, knowledge transfer, and training offered by GMT GREEN. This practice aims for the continuous improvement of the producer as well as the reduction of risks and aggravating factors.

8.

EVIDENCE, DOCUMENTATION,  
AND INFORMATION CONTROL



## 8.1 Management Program Documents

The GMT GREEN Manager will be responsible for organizing the evidence filing system of the program. Documents such as relevant meeting minutes, internal auditor qualification evidence, external auditor hiring process, supplier and stakeholder feedback emails, audit reports, action plans, among others, will be stored and indexed for control.



The Montesanto Tavares Group reaffirms its commitment to maintaining confidentiality of all information and/or evidence acquired through individual assessments, and may only disclose consolidated information by groups in order to share program results and progress with stakeholders. Any disclosure will comply with the General Data Protection Law, Law No. 13,709 of 2018.

## 8.2 Documents of the Audit Process

The criteria of GMT GREEN listed require the presentation of evidence for validation of their compliance. For recording and documentation purposes, all required proofs are stored in an individual database for each participating property, where GMT keeps all its program-related information. The organization of information is of utmost importance to ensure proper program management, as these records will enable the fulfillment of necessary audits whenever needed. The evidence and documents that must necessarily be stored are:

- **The attendance list for training sessions;**
- **The Commitment Agreement;**
- **Evidence of criteria compliance;**
- **Action plans in progress and/or completed;**
- **Other supplementary documents and information provided by the supplier.**

The archiving of relevant information and documents should be for a minimum of four years, equivalent to one action plan cycle plus one year for the verification of past information when necessary.

9.

## ACTION PLAN



## 9. Action Plan

To achieve classification in one of the presented categories, it is necessary to meet all the criteria listed for it, meaning that 100% compliance with the category's requirements is required. Failure to meet any of the listed criteria in the category renders categorization impossible.

As previously explained, continuous improvement is the foundational tool for the success of this program. Thus, by assessing the producer's compliance with the criteria, we can classify them into one of the performance categories.

One of the objectives of this program is to encourage our supplier producers to improve their production practices towards a more sustainable value chain. Therefore, in order for them to increase their qualification in the program categories, a suggested action plan will be presented to the producer, encompassing the criteria of the subsequent category.

The action plans will be validated with the producer so they can identify which of the identified opportunities will be developed by them initially. A deadline will be established for each action, and GMT Technicians will monitor

the deadline schedule to track the producer's progress in the chosen practices. A cycle is understood as a period of 3 years for the producer to evolve in the practices of the first action plan created, and a period of 3 years initiated for each new action plan generated in the subsequent audits.

During the action plan development period, the Field Technician will monitor the producer's performance evolution and may provide guidance as needed.

At the end of the cycle, the producer will receive feedback on the treatment given to the action plan, the progress achieved, and the outlook for assessment in the next cycle. By signing the Commitment Agreement to this program, the producer commits to respecting and striving for the development of proposed action plans that promote continuous improvement in the coffee production chain, the foundation and objective of the program, respectively, as previously outlined.

**The action plan will contain the following fields:**

Theme	PGC	Criterion	GMT Technician Comment	Required Action	Deadline	Status	Responsible	Additional Notes
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**10.**

PROGRAM EVALUATION  
AND REVIEW



## 10. Evaluation and Review of the Program

The GMT reserves the right to review and amend the following document for the purpose of improving practical applications or evolving the project. The program evaluation methodology provides for an annual review, but exceptions may occur if deemed necessary by the GMT.

In order to ensure the impartiality and security of the program, all evidence, reports, and data management systems will undergo an annual verification process by the Group's Compliance sector. The evaluation report conducted by the group's internal audit will be reviewed at the Annual Sustainability Committee Meeting for this purpose, as well as the processes carried out in third-party audits, contracting, and audits conducted.

If there are suspicions of non-conformities in any of the audit reports, the Sustainability Committee should request an assessment from another Field Technician for one or more properties. The verification will take place with a minimum notice of 48 hours and will serve to validate the findings made in the last report issued for that property. This initiative aims to ensure the integrity of the GMT in seeking truthful answers and evidence and in ensuring transparency and efficiency in the categorization proposed in this program.

The annual reviews aim at the overall evolution of the program and will focus on two main lines of investigation: the audit dynamics employed in the process and the analysis of the practices adopted by the producers. Therefore, the evaluation proposal foresees two significant moments:

- **Annual Closure Meeting:** with the participation of the entire team involved in the program, including all Field Technicians responsible for conducting second-party audits, and the Sustainability Manager, Program Manager. This meeting will be the moment where the group can share their feedback and map out the challenges and opportunities identified.
- **Sustainability Committee Meeting:** at this time, the Program Manager, Sustainability Manager, and the Sustainability Committee will assess the Field Technicians' deliverables for the period: the reports presented, the evidence accepted, and the support provided during the development of action plans. Field technicians will be evaluated on their field performance, and may be directed to refresher training, accompanied audits, and sanctions such as exclusion from the role of program auditor. Technicians will be individually assessed on standard tests, and program manager audits may occur to verify the impartiality of audits conducted by technicians. All contributions and suggestions from stakeholders will be evaluated and considered at this time. Additionally, in this meeting, a review of all exception requests and petitions received throughout the year will be conducted to highlight the need for any changes in criteria or processes.

If significant changes occur in criteria or dynamics, a notification will be sent to all stakeholders related to the program, and a copy will be made available on the group's institutional website. We fully respect transparency and equity requirements, and our goal will always be to promote information in an equal and democratic manner. To assess whether the changes have been adopted in the program's operation, implementation plans will be created, foreseeing training on the created changes and audits checked by the program manager to verify the quality and equity of the audits conducted by field technicians after any operational standard changes.



## 10.1 Resultados do Programa

In order to consolidate the achievement of the objectives proposed in the Objectives and Strategy chapter of the program, GMT has defined some indicators that will enable the measurement and evaluation of producers' progress and program success. They are:



The consolidated results of the performance and evolution of participating producers, along with the monitoring of program performance indicators, will be published annually in GMT's Sustainability Annual Report.

INDICADOR	2023	2024	2025
Number of participating producers			
Number of participants joining the program			
Volume of coffee acquired from participating producers (tons)			
Total production area enrolled in the program (hectares)			
Total average productivity of the program (tons of coffee per hectare)			
Average price per kg paid to participating producers			
Average price per kg paid to non-participating producers			
Number of participating producers in best practices events			
Number of Bronze category producers			
Number of Silver category producers			
Number of Gold category producers			
Number of Diamond category producers			
Number of proposed actions in Action Plans			
Number of actions accepted in Action Plans			
Number of actions completed at the end of Action Plans			
Number of producers who moved up a category			
Number of suggestions received from stakeholders			
Number of exceptions requested by participants			
Number of petitions requested by participants			



## TERMO DE COMPROMISSO – GMT GREEN

Código de Identificação GMT: \_\_\_\_\_

Indicação de representante	Nome:
	Telefone:

**Requisitos Obrigatórios para participação no programa:**

Ter recebido a apresentação sobre o GMT GREEN que inclui a instrução do Guia de implementação e que cobriu os seguintes temas: objetivos, atribuições de responsabilidades de gestão do programa, elegibilidade e adesão de participantes, responsabilidades e obrigações dos participantes; condução da auditoria; requisitos para auditoria:

Data da execução da apresentação acima: \_\_\_\_/\_\_\_\_/\_\_\_\_

- Estar em conformidade com todos os critérios alcançados em na categoria alcançada pelo produtor;
- Fornecer informações e evidências verídicas ao Técnico de Campo, representante do GMT;
- Cumprir todas as regras estabelecidas no programa;
- Dar livre acesso à propriedade, para o Técnico de Campo, na ocorrência das visitas de avaliação, sejam agendadas ou não;
- Comprometer-se com o desenvolvimento dos planos de ação propostos vistas à melhoria contínua de seus processos;
- Não pode alegar desconhecimento dos Planos de Ação recebidos após as auditorias.
- Comprometer-se com o sistema de rastreabilidade, garantindo a procedência verídica dos lotes comercializados com o GMT.
- Os responsáveis pela fazenda confirmam ou declaram ter plenos poderes para garantir a execução do programa.

Ao assinar este instrumento, declaro estar ciente e de acordo com os requisitos do padrão de certificação do *GMT GREEN*, bem como de todas as condições aplicáveis para ingresso no mesmo.

Todos os pontos de reclamação podem ser enviados no e-mail: [gmtgreen@montesantotavares.com.br](mailto:gmtgreen@montesantotavares.com.br) e o requerente não sofrerá nenhuma retaliação uma vez que o pedido será direcionado ao gestor e time de compliance do padrão.

Declaro, também, estar de acordo e autorizar que as informações, fotos e demais evidências coletadas através das avaliações poderão ser usadas e divulgadas pelo GMT, nos termos e limites da Lei nº 13.709, de 14 de agosto de 2018 – Lei Geral de Proteção de Dados Pessoais

\_\_\_\_\_  
Local e data por extenso.

\_\_\_\_\_  
Assinatura do responsável  
CPF do responsável

\_\_\_\_\_  
Assinatura do Técnico

