2013 Was a Year of Extraordinary Change for Caribou Coffee. We started the year with new owners and transitioned from a public company to a private one. We said goodbye to stores and transitioned some to Peet's Coffee & Tea. While change is rarely easy, it gave us the opportunity to innovate and evolve what we do best — providing our guests an extraordinary experience with exceptional coffee and beverages.

Throughout the year, we focused on maximizing our potential as the leading coffeehouse brand in the upper Midwest, and strengthening our execution while investing in areas to unlock our brand's potential and enable national and international growth.

Our Accomplishments Included:

- Evolving our brand. While “Life is Short… Stay Awake for It” is still core to Caribou, we pushed our branding into new frontiers. The goal of the evolution was to align the brand across the entire store to show guests our heart and our soul.

- Launching our new loyalty program. Caribou Perks is intended to make the guest experience more personal, engaging and interactive.

- Enhancing our food platform. Our new offerings have helped satisfy our guests' food and beverage needs.

- Building a partnership with Bruegger's Bagels. The test is designed to give guests the best coffee as well as freshly prepared food options in a single visit. We created an integrated concept that features everything that is amazing about both Caribou and Bruegger's in a way that makes sense for consumers.

- Growing our store count. We increased our number of company stores by six and grew our domestic licensed locations by 18 and international by 28.

- Investing in our infrastructure. We remodeled five stores and are committed to remodeling all stores within the next five years. Our investment includes painting and adding new fixtures that are a modern twist on our existing décor.

As a result of our efforts, 2013 ended up being one of the most successful years in our history. That success has brought us one step closer to our aspiration of “Doing Good by Doing Well.” We know that successful business performance gives us an opportunity to give back in a meaningful way to our team members, our communities and our planet.

I am proud of the efforts that are highlighted in our annual Do Good report. We have worked hard to provide our guests with coffee that is sourced in a sustainable manner and to make a positive difference in our local and global communities.

Love, Mike
At Caribou, we “Do Good” differently. Why? Because for us it’s not “Corporate Social Responsibility,” it’s just what we think is the right thing to do — for our communities, our environment and our team members. We got our start in 1992 as one small coffeehouse in Minnesota and — although we’ve gotten bigger — our DNA hasn’t changed. John and Kim Puckett started Caribou with the idea that the best things in life are worth working hard for, and that’s what we continue to do. We work hard to Do Good because we think our people and planet are well worth the effort.

In fact, when we announced our new company strategies at the end of 2013, Do Good stayed right where it was. Some of our business goals may have evolved, but our commitment to how we do business will stay the same. We will continue to challenge ourselves to make decisions that are in the best interests of our people (guests and team members alike), our communities and the environment.

We published our last Do Good report in August of 2013, which provided a scorecard for how we performed in 2012 and painted a picture of some of our activities that year and in early 2013. The purpose of this report is to inform team members, guests, consumers and our suppliers of how we did in 2013. We’ll also get a chance to recognize our team members for the great work they have done this year and the time they have volunteered to make sure Caribou continues to live up to its mission of providing an extraordinary experience that feeds the soul.
For us, Do Good is not “Corporate Social Responsibility,” it is personal responsibility. Even though we have nearly 5,000 team members, product on grocery store shelves across the United States, and more than 500 corporate, domestic license and international franchise locations, we do not have a department dedicated to driving our sustainability efforts at Caribou. This is because we have so many team members from across the company that want to contribute, so we are able to Do Good with a cross-functional and volunteer-based team composed of Support Center and field leaders.

This cross-functional team is split up into three groups serving three primary areas: Community, Environment and Sourcing. All our volunteers donate their time and energy outside of their day jobs to help define Do Good goals and partner with others throughout the organization to make sure those goals are achieved. They bring the heart and passion to Do Good.

Throughout this report, you’ll see some stories you wouldn’t normally see in a typical sustainability report. These are stories about Caribou Coffee team members that are living our Do Good values. They’re not on any committees or cross-functional teams, they just saw an opportunity to do some good on their own. From getting creative with boxes, celebrating milestones in a whole new way or literally going the extra mile to do the right thing, these team members are proof that — at Caribou — Do Good is everywhere.

THE DO GOOD TEAM

The Do Good Volunteers: Dave Fredrickson, Sheila Koeving, Charla Evenson, Masik Terenga, Jeremy By, Jon Emough, Nate Hrobak

The Do Good Volunteers: Jeff Lane, Laurie VanWinkle, Laura Bruno, Jamie Brus, Heather Pedraza, Brett Struck [Not Pictured: Darrell Hiedeman, Jon Olsen, Wyatt Yeater]
The coffee industry is unique. It reaches across cultural, geographical, and social lines and encounters myriad challenges. As a coffee company, we must consider how decisions affect not only the bottom line, but every person in that supply chain.

Coffee producers bear the weight of many of the industry’s challenges. Growers and their families have little protection against low global prices or environmental factors like drought or blight. The rural communities near coffee farms are often isolated from essential social and economic resources, and can have limited access to healthcare and education. With such economic and social constraints, it is difficult for producers to enact sustainable agricultural practices. The increased cost of these practices makes implementation impractical. In some cases, it is simply a matter of education. Farming practices have been handed down from generation to generation with very little understanding of modern sustainability standards.

The structure of the industry itself can lead to difficulties. Market forces can affect prices dramatically. Coffee can change hands multiple times between the producer and the consumer making transparency difficult. Certifications may help promote fiscal equality for producers, but the responsibility is still on the coffee buyers to understand the real impact for the grower.

The café side of the coffee industry has the greatest opportunity for improvement in regards to energy and waste reduction. The Environmental Protection Agency estimates that restaurants use 2.5 times the energy per square foot than other commercial buildings. Lights, refrigerators, brewers, and espresso machines all use significant amounts of electricity. Water consumption is also substantial from brewing and the washing of equipment.

Considerations extend outside of the café walls. There are many facets of manufacturing and distribution that all have economic and environmental costs. Everything from smallwares to marketing material must be sourced from companies with their own supply chains. It requires a constant effort to make sure that our business partners are like-minded in our work to act responsibly.

As a retail coffeehouse operator, consumer packaged goods manufacturer, and participant in a global market, Caribou Coffee is dedicated to face these challenges to the best of our ability and act with integrity in regards to the social and environmental impact of our business.
At Caribou, WIGs are our “Wildly Important Goals.” Each Do Good group is responsible for developing their WIGs each year by tracking their progress on these goals, we can ensure continual progress in our Do Good efforts.

The 2013 Scorecard provides a high-level overview of each team’s progress toward achieving their WIGs in 2013.

**HOW WE SCORE**

- **3 cups**: The group achieved their goals.
- **2 cups**: The group was able to achieve a portion of their goals.
- **1 cup**: The group was not able to achieve their goals.

**SOURCING**

The Sourcing team focused on integrating social, economic and environmental considerations into every product we purchased through the supply chain. The green coffee sourcing team engaged the supplier base to protect our Rainforest Alliance Certification™ in Kenya, Colombia and Sumatra. They also investigated expansion into East Africa and Papua New Guinea.

See more detail on page 16.

**ENVIRONMENT**

The Environment team focused their efforts on implementing recycling and composting in our stores and at the Support Center — as well as reducing energy consumption. Though they face industry-specific challenges with consumables, they were able to achieve all their WIGs this year!

See more detail on page 20.

**COMMUNITY**

This year, our Community team was all about volunteering and monetary donations and met their goals in both areas. They raised money and donated time to make a positive impact on our communities, in our workplace and in coffee-farming communities. There is, however, some room for improvement on team member participation rates.

See more detail on page 26.
WHAT’S A BIG WIG?
We’re proud of the progress that our Do Good volunteers have made this year. Their 2013 WIGs were an important stepping stone to our ultimate goal: The Big WIGs. These are the Big Kahuna of our Do Good aspirations. We know it will take a few more years to reach them, but we take it one step at a time (and one year at a time) until we get there. And once we do, we’ll get to dream up even bigger WIGs – and that’s the exciting part.

THE BIG WIGS:

BIG WIGs

THE ZERO WASTE STORE
OVER $1 MILLION IN COMMUNITY GIVING

SOURCING
SOCIALLY AND ENVIRONMENTALLY RESPONSIBLE PRODUCTS

COMMUNITY
ENVIRONMENT
PARTNERSHIPS

We couldn't do all this alone. Thankfully we have some really great friends and partners to help us reach our Do Good goals.

ACADEMIC COMMUNITY

Since 2010, Caribou has partnered with Robert Strand, Ph.D., assistant professor of leadership and sustainability with the Copenhagen Business School and adjunct with the University of Minnesota. In the beginning, Robert helped to envision our Do Good strategy and goals and continues to be a vital partner. In 2010, he created a sustainability course at the University of Minnesota Carlson School of Management in partnership with Caribou Coffee and The Rainforest Alliance. That course returned in 2013, this time bringing in one more partner: Chiquita.

The students in the sustainability course (International Business 5080 Sustainability & CSR) embarked on an educational journey to a coffee farm in Costa Rica. While there, they immersed themselves in life on the farm. Upon their return, they were able to bring a fresh perspective to Caribou's Do Good program. They met with Caribou team members to learn more about what we do and provide new points of view on how we support sustainability and partner with coffee farmers.

Olivia Diaz was a Caribou Coffee team member before she signed up to take Robert's course. Her experience in the class, when coupled with her familiarity with Caribou culture and products, gave her a unique perspective. She shares some of her thoughts with us:

During a class trip to Costa Rica I spent two weeks learning about coffee in a sustainability and social responsibility class led by the University of Minnesota's Carlson School of Management. I was introduced to the harvesting season, the mutations of coffee and even the social aspects that the Rainforest Alliance considers when evaluating a farm. One of the most memorable parts of the trip was a visit to Doka Estate, a Rainforest Alliance Certified™ farm that helps make up Caribou's inventory. Our tour guide was Omar Sentales, a Nicaragua native who moved to Costa Rica as a child to pick coffee with his family as a way of providing financial support. He walked us around the farm and demonstrated the process of picking coffee. He also showed us coffee plant leaves with coffee rust. He talked about working long days from sun up to sun down filling up baskets of coffee cherries to get paid. He shared how families chase the harvest season out of necessity, a hardship that must be done in order to put food on the table.

Caribou's commitment to being the first major coffeehouse to have 100 percent Rainforest Alliance Certified™ coffee beans has impacted many people. Certification puts a premium on the welfare of workers. If children must contribute to their family's livelihood, like Omar did as a child, they are safeguarded from exploitation and assured access to education.

Something very valuable I took away from this trip was learning that the coffee I serve daily is not just simply coffee. It is the product of a process Caribou Coffee has made, not only to the guests, but also to those that help make up what we serve to the guests. This is yet another piece of Caribou that feeds my soul.
In 2012 Caribou achieved our goal of 100 percent Rainforest Alliance Certified™ coffees and espresso. This made us the first major coffeehouse in the United States to reach this milestone. For more than ten years, we have teamed up with The Rainforest Alliance to gradually get our established coffee farm partners certified. This meant we did not have to transition to new farms that already held the certification. We could continue offering the same, quality coffee we always have while helping to improve the environmental, economic and social conditions in the communities from which we source our coffee.

ABOUT THE RAINFOREST ALLIANCE

The Rainforest Alliance is an international nonprofit organization that works to conserve biodiversity and promote the rights and well-being of workers, their families and communities.

WHAT DOES CERTIFICATION MEAN?

Rainforest Alliance certification is based on the three pillars of sustainability, which cover environmental, economic and social concerns. On Rainforest Alliance Certified™ farms, the environment is protected and workers have access to education, health care and safe and decent living and working conditions. They also learn more efficient methods for farming so that they can increase productivity and yields.

IS IT THE SAME AS ORGANIC?

No, even better! The Rainforest Alliance adheres to the standard of the Sustainable Agricultural Network (SAN) — which follows an internationally recognized pest management model that allows for some (and strictly controlled) use of agrochemicals. SAN criteria go beyond organic in two very important ways: Wildlife conservation and worker welfare. Rainforest Alliance Certified farms are required to continually reduce their agrochemical use and use biological substitutes wherever possible.

IS IT FAIR TRADE?

The Rainforest Alliance and Fair Trade are both international organizations committed to improving the lives of farmers and farm workers in the developing world. While they share similar missions, they differ in focus and strategy.

ONCE A FARM IS CERTIFIED, WHAT'S NEXT?

The path to sustainability is ongoing. Certified farming operations are audited annually to ensure they are continuing to make improvements.

SOCIAL

Supporting farmers and communities:

- They work with coffee farmers to improve their livelihoods and the health and well-being of their communities.
- The Rainforest Alliance Certification promotes decent living and working conditions for workers, gender equality and access to education.

ECONOMIC

Farmers who use the Rainforest Alliance sustainable farming methods increase yields and achieve cost savings through more efficient farm management. Certification also helps farmers reach new markets, negotiate better prices and improve their access to credit.

ENVIRONMENTAL

Protecting Land and Waterways:

- On Rainforest Alliance Certified™ farms, coffee grows in harmony with nature. Soils are healthy, waterways are protected, trash is reduced or recycled and wildlife thrives.

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ENVIRONMENTAL

Protecting Land and Waterways:

- On Rainforest Alliance Certified™ farms, coffee grows in harmony with nature. Soils are healthy, waterways are protected, trash is reduced or recycled and wildlife thrives.
The products we offer to guests — from the individual ingredients in your favorite drink to the packaging it comes in — are as much a part of our Do Good impact as any new project or initiative. For that reason, the sourcing team is focused on making socially and environmentally responsible choices whenever possible.

SOURCING

This holiday season, we wanted to make sure guests could feel good when giving gifts from Caribou Coffee.

THE VALUE OF FAIR TRADE PRODUCTS

- Artisans make living wages
- Creates employment opportunities for women and promotes gender equality
- Ensures a safe and healthy work environment
- Promotes economic stability and economic empowerment
- Supports and maintains a cultural tradition in the area

Our gift cards are made with 50% recycled material and the gift card sleeves are made with 100% recycled coffee bean bag fiber and post-consumer waste material.

Our fair trade holiday ornaments and felt coin purses were more than just cute; they were made by artisans living in the Kathmandu valley.

2013 SOURCING SCORECARD & PROGRESS

<table>
<thead>
<tr>
<th>WIC</th>
<th>PROGRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve our disposable cup options</td>
<td>Tested and introduced alternatives to reduce usage of materials in hot and cold cups.</td>
</tr>
<tr>
<td>Publish Supplier Diversity information for team members</td>
<td>Published information quarterly on Caribou’s corporate intranet.</td>
</tr>
<tr>
<td>Develop a supplier scorecard</td>
<td>Completed the process and framework for a supplier performance report, implemented in 2014.</td>
</tr>
</tbody>
</table>

GIVE GOOD & DO GOOD

This holiday season, we wanted to make sure guests could feel good when giving gifts from Caribou Coffee.
The incredible shrinking clutch

The disposable clutch that hugs your to-go cup and protects your hands has gotten a lot smaller over the years, but you may not have noticed it.

The sourcing team has worked to chip away at the size and amount of materials used — leaving us with a clutch that does the job just as well while using much fewer resources. Another way we cut down on disposable clutch waste? By changing our standard procedure from putting one on every cup down on disposable clutch waste? By changing our standard procedure from putting one on every cup to allowing guests to grab their own if they need one.

Our supplier diversity statement

• We value the skills, experiences and perspectives that characterize our employees, partners and customers.
• We believe a diverse supply base fosters increased competition and innovation.
• We believe these suppliers help grow the economic health and diversity of communities around the world.

Sourcing – 18

ThinkiNg INSiDE the box

The team members in our distribution center send out the “ugliest pallets you’ll ever see” and they are extremely proud of it, according to Jon Christensen, Senior Director, Distribution & Contract Services. They’re proud because the Swiss-lace patterns of repurposed boxes are proof of their creativity and common sense.

Distribution Center team members saw an opportunity with how we use our manufacturer’s cardboard boxes. Vendors would ship their product to our warehouse and we would discard the boxes. Then, when we created shipments to send to the stores, we would order boxes that were uniform in size. “We were throwing away all these boxes and then buying new ones,” Jon recalls. “We’ve got to be smart about this.”

So the team started to reuse the boxes that manufacturers shipped to us for shipments to our stores. The boxes aren’t lined up perfectly, but the team uses their skills to make it work. “Team members are pretty creative about how to stack it all together,” says Jon.

“We’re doing it because it’s really the right thing to do,” explains. And fortunately Caribou’s distribution process allows this. “Many of these tree farmers have been managing their land for generations and it is in their best interest to manage their land in a sustainable manner so they can continue passing it down to future generations.”
At Caribou, we’re tree-huggers and proud of it! And not just regular hugs, we give those big bear hugs. Of course, within the coffee industry, we face difficult challenges with the volume and disposability of consumables. Despite these difficulties, the Environment Committee was able to focus their efforts on recycling, composting and energy reduction — meeting all of their 2013 WIGs!

2013 ENVIRONMENT SCORECARD & PROGRESS

<table>
<thead>
<tr>
<th>WIG</th>
<th>PROGRESS</th>
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</thead>
<tbody>
<tr>
<td>Achieve 95% Store Participation in Recycling Program</td>
<td>97.58% of stores do some form of recycling!</td>
</tr>
<tr>
<td>Coffeehouse Recycling Toolkit</td>
<td>We met our goal of 100% store participation and are project ready!</td>
</tr>
<tr>
<td>Reduce Energy Consumption</td>
<td>We implemented energy efficiencies in all our new stores and remodels.</td>
</tr>
</tbody>
</table>
UP NEXT COMPOSTING

This year, we tested a new composting program with ten (very amazing) pilot stores. These stores worked with our commercial composting partner, Sanimax. Commercial composting is different from how you might compost in your own backyard. Their facilities are designed to compost a whole lot more. Stores are able to compost everything from cups to napkins to bakery products. This significantly cuts down on their waste.

Since launching the pilot in May 2013, these ten pilot stores have already made an impact on the environment.

RECYCLING: CONQUERING CARDBOARD

There’s a lot of cardboard that makes its way through our coffeehouses. From product shipments to packaging, cardboard made up a decent chunk of each store’s average waste. So the fact that every Caribou store is now equipped to recycle cardboard is a big deal — and no small feat, either.

In order to make this happen, we had to first work with landlords to find out if cardboard recycling was offered. If it wasn’t, we worked with some landlords to get this set up. If that didn’t work, Caribou took control and hired companies to pick up cardboard for recycling from those stores.

SEE YA ‘ CFL!

We want to make recycling easy for our store team members, so they can spend their time doing what they love: talking with guests and making coffee. We made CFL (Compact Fluorescent bulb) recycling as simple as we could. All stores now participate in our new CFL recycling process: the Support Center sends them a box, which they fill with their old CFL bulbs and send back to the Support Center. From there, we ship it to waste management for proper disposal so that none of the mercury in the bulbs can enter into the water supply.

TAKING RECYCLING INTO HER OWN HANDS

Store Manager Rebekah Jacob has managed four different locations in her career at Caribou and each time she started at a new store, she upped her recycling game. It all started in her first location, which — due to lease restrictions — didn’t have plastic recycling available. They went through a decent amount of milk jugs each day.

“If it wasn’t a lot,” Rebekah recalls, “but it was enough to make you feel guilty about throwing them away.”

So she and her team decided to take matters into their own hands. They put a laundry basket in their back room to collect all the plastic jugs they used that day. Rebekah and team member volunteers would take the jugs home with them to make sure they were recycled.

“The team loved it,” Rebekah says. “No one complained about having smelly milk jugs in their car.”

The next store Rebekah moved to had recycling available and her current store in White Bear Lake, Minn. is participating in the composting pilot — in fact, Rebekah and team members would take the jugs home with them to make sure they were recycled.

“Sure enough, I found them at Aveda,” Rebekah says. “The team loved it. Rebekah says. “No one complained about having smelly milk jugs in their car.”

That is the equivalent of taking 64 CARS OFF THE ROAD FOR A PERIOD OF ONE MONTH.

LOOKING AHEAD:

We hope to launch commercial composting in an additional 150 stores in 2014.

Every new store we opened in 2013 opened with back-of-house recycling capability.

TOTAL: 56,480 POUNDS

<table>
<thead>
<tr>
<th>Month</th>
<th>Pounds</th>
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<tbody>
<tr>
<td>May</td>
<td>6,500 pounds</td>
</tr>
<tr>
<td>June</td>
<td>7,050 pounds</td>
</tr>
<tr>
<td>July</td>
<td>7,910 pounds</td>
</tr>
<tr>
<td>August</td>
<td>7,010 pounds</td>
</tr>
<tr>
<td>September</td>
<td>6,500 pounds</td>
</tr>
<tr>
<td>October</td>
<td>5,195 pounds</td>
</tr>
<tr>
<td>November</td>
<td>5,875 pounds</td>
</tr>
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</table>

That is the equivalent of taking 64 CARS OFF THE ROAD FOR A PERIOD OF ONE MONTH.
COLORS THAT ARE VOC-FREE

All the paint colors in our new stores are made by Benjamin Moore and are created with no VOC (Volatile Organic Compound). Fun fact, each color is named after one of our coffees!

A COMMUNITY TABLE THAT DIDN’T TRAVEL FAR

PARTNERING WITH WOOD FROM THE HOOD

The community table at our new store in Mall of America came from a tree in the 55419 zip code. Minneapolis-area residents may have even driven by it once or twice. How do we know this? We partnered with Wood from the Hood, a Minneapolis-based organization that reclaims discarded trees from urban neighborhoods to create new and unique wood products.

Community tables are a focal point of our stores’ design and culture. They’re a great place to congregate with a big group or make new friends. So when we approach a new store design, we want to make sure that these tables are meaningful and inviting. This particular table (and matching bench) made by Wood from the Hood achieves that goal with the rich color and texture from a Black Walnut tree.

More about Wood from the Hood can be found on the company’s website at www.woodfromthehood.com

SUSTAINABLE STORE DESIGN

As Caribou grows and opens new stores, we’re making sure that we keep our Do Good hats on as we select materials. Check out some of the features from our new store openings in 2013.

LET THERE BE (ENERGY-EFFICIENT) LIGHT

Lighting features in our new stores are interesting visual elements, illuminating and (most importantly) reducing energy consumption. All our lighting in new stores is either LED or fluorescent — resulting in a more than 80 percent energy reduction.

REUSING MATERIALS IN REMODELS

We are investing in our stores, which means that a lot of your favorite locations are getting remodeled. As we spruce things up, we do our best to reuse materials to reduce waste and consumption. For example, in some stores have tables made from the timbers that used to decorate the ceiling.

The average store’s energy savings from switching from halogen to LED bulbs is equal to planting three acres of trees or taking two cars off the road.

ENERGY STAR APPLIANCES

For our new stores, we source Energy Star-certified products to reduce our energy consumption.

ENERGY STAR APPLIANCES

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More about Wood from the Hood can be found on the company’s website at www.woodfromthehood.com
We started in Minneapolis. We grew up in towns across Minnesota. We expanded into other great communities across the United States and internationally. Those places are home. That’s why we care so much about giving back and getting involved in the communities that nurture us.

2013 COMMUNITY SCORECARD & PROGRESS

**WIC**

- Increase team member volunteering to 1,500 total hours, 20% field participation and 55% Support Center participation.
- 1,923 volunteer hours were logged with 6.5% field participation and 44% Support Center participation.

**PROGRESS**

- We donated $564,798 in community giving.
- We donated $536,000 in community giving.

- Increase store participation in our Food donation program and develop a process for tracking both field and Support Center donations.
- 70% of our stores are participating in the food donation program. Researching options for tracking donations.

- Improve recognition for Do Good efforts.
- Implemented the Do Good externship and provided team members with “Be Gooder” shirts when they completed their volunteer hours.
Caribou Coffee team members are passionate about giving back to their communities. Why? Because we know that making a connection through volunteering feeds our souls as much as it helps others. To make volunteering even easier for our team members, we introduced the Volunteer Hours program to our team members in the field in early 2013. The program allows full-time team members (those working 32 hours per week or more) eight to 16 hours of paid time off to volunteer. Team members can select an organization of their choice or participate in company-sponsored volunteer events. What’s important is that they get a chance to help support a cause that’s close to their hearts.

**PLACES WHERE TEAM MEMBERS HAVE VOLUNTEERED:**

- **NEAR FOODSHELF**: Feed My Starving Children, AHS Day Camp
- **TONKA CARES**: Elyria Pride Day, Junior Achievement
- **HENRY FORD ESTATE MUSEUM**: Defense Visionary
- **CHRISTMAS WITH DIGNITY**: Habitat For Humanity,
  - Twin Cities Marathon, PEP Food Shelf, HUMANE SOCIETY
- **COOKIE CART**
- **CHRISTMAS WITH DIGNITY**
- **NEAR FOODSHELF**
- **JUNIOR ACHIEVEMENT**: Susan G Komen walk
- **HOSPITALITY HOUSE**: Henry Ford Estate Museum, Hospice Home Rx Rescue
- **LOCAL ARTS COUNCIL**: Walk to End Hunger

**TOTAL # OF HOURS:**

1,923

**IN DONATED PAID HOURS:**

$47,095.51

(Hot of our full time team member dedicated to only volunteering)

When Support Center team member Judy Timmons celebrated her 50th birthday, she wanted to do something different. “Some time ago, I determined I would focus my giving efforts on causes related to providing food and shelter to those in need.” She said, “On the occasion of my 50th birthday, I was interested in doing something to mark the milestone but didn’t want it to be all about me.”

Judy decided to make an event of it and approached Habitat for Humanity with the idea of four days of volunteering. Of course, Judy called on all of her friends and family to join in the fun, “I decided to think about how I could spend time with family and some other special, fun and important people and do something that would be more meaningful to me and help another.”

Judy’s commitment to the community is an inspiration, and a great example of how Caribou hopes to empower team members. “We are very fortunate to work for a company with a culture which encourages volunteering.” She said, “Without that support, some may not have felt comfortable taking a day off of the office to put some work clothes and man the power tools.”
Each year, Caribou Coffee team members get together to support two very big events in the Twin Cities: The Susan G. Komen Race for the Cure and the Twin Cities Marathon. Volunteers get up well before sunrise (a few hours before, in fact) to brew coffee that they will hand out to runners, walkers, and supporters because …

Life is helping others go that extra mile.

14,000 CUPS OF COFFEE SERVED at Race for the Cure

35,000 CUPS OF COFFEE SERVED at Twin Cities Marathon

FOOD DONATION

Our baked goods are really yummy and it would be a shame for even one crumb of that deliciousness to go to waste. Caribou partners with the Food Donation Connection to help us distribute our surplus food to organizations in the communities in which we do business.

$544,117 OF PRODUCT DONATED BY STORES

$3,138 OF PRODUCT DONATED BY THE WAREHOUSE

2013

<table>
<thead>
<tr>
<th></th>
<th>POUNDS DONATED</th>
<th>% OF STORES DONATING</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAN</td>
<td>11,405</td>
<td>62%</td>
</tr>
<tr>
<td>FEB</td>
<td>10,079</td>
<td>64%</td>
</tr>
<tr>
<td>MAR</td>
<td>20,561</td>
<td>69.3%</td>
</tr>
<tr>
<td>APR</td>
<td>8,121</td>
<td>71.5%</td>
</tr>
<tr>
<td>MAY</td>
<td>3,370</td>
<td>68%</td>
</tr>
<tr>
<td>JUN</td>
<td>9,971</td>
<td>70%</td>
</tr>
<tr>
<td>JUL</td>
<td>6,576</td>
<td>68%</td>
</tr>
<tr>
<td>AUG</td>
<td>5,687</td>
<td>68%</td>
</tr>
<tr>
<td>SEP</td>
<td>7,050</td>
<td>69%</td>
</tr>
<tr>
<td>OCT</td>
<td>5,416</td>
<td>60%</td>
</tr>
<tr>
<td>NOV</td>
<td>5,443</td>
<td>58%</td>
</tr>
<tr>
<td>DEC</td>
<td>3,036</td>
<td>58%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>10,123</td>
<td>64%</td>
</tr>
</tbody>
</table>

$3,138 OF PRODUCT DONATED BY STORES

LOCAL GIVING

We believe it’s important to help out where you’re needed most: close to home.

DONATION CHARITY

$15,130 monetary donation

RSF Charities, Veterans Pain Program

$2,413 coffee, tea, and equipment donation to serve volunteers onsite

Second Harvest Food Banks

$1,800 monetary donation to Illinois tornado victims

Red Cross

$326 coffee donation

Taste of the Timberwolves—Fastbreak Foundation

$244 coffee donation to brew and serve at the walk

JDRF Walk

$50 coffee donation to brew and serve at their assisted living facility

Good Samaritan Society
Coffee Kids is a nonprofit organization that works with coffee-farming families to improve their lives and livelihoods. They do this through five areas:

- **Food Security**: Ensuring that coffee-farming communities have access to nutritional food all year.
- **Education**: Giving families access to the education their children need to get ahead and, in turn, give back to their communities.
- **Capacity Building**: Arming coffee farmers with the skills and expertise to increase yields.
- **Economic Diversification**: Income from coffee does not come year-round for most coffee farmers, economic diversification ensures that these communities are not entirely dependent on the coffee harvest.
- **Health Care**: Making sure that coffee-farming families have access to basic medical care for prevention and treatment.

**EL PARAISO CLINIC**

In 2004, we partnered with our exporter to build and open a medical clinic in El Paraiso, La Libertad in Huehuetenango, Guatemala. This community holds a special place in our hearts, as it’s where our Rainforest Alliance Certification™ efforts began. We continue to support this clinic because we’ve seen so many positive things happen in the community since it was built:

- People no longer have to walk a half-day just to get basic medical care.
- The clinic has expanded with two additional rooms.
- It has also become a place for education and community-gathering.

**Total Donation: $5,000**

**GROUNDS FOR HEALTH**

More than 80 percent of women diagnosed with cervical cancer live in developing countries, and within these countries, cervical cancer kills more women than any other form of cancer. The impact of losing so many of these women to cancer hits — often coffee-producing — communities especially hard and the repercussions are widespread.

Grounds for Health is working to change all this. The paradox is, cervical cancer is one of the easiest cancers to detect and treat if caught early. By setting up pre-cancer treatment services in rural areas they are able to establish some cervical cancer prevention. The organization also uses a single-visit model, which is ideal for low-income areas and allows for a sustainable system.

**Total Donation: $15,000**

**PROJECT 7**

Project 7 makes everyday products for good that help fund seven areas of need across the globe. They partner with nonprofits to help provide financial support and raise awareness for each organization while educating on global issues. Here’s a look at the impact of the money raised through Project 7 products sold at Caribou.

**COFFEE KIDS**

**EL PARAISO CLINIC**

**GROUNDS FOR HEALTH**

**PROJECT 7**
AMY’S

Each year in October, lots of companies devote time and money to support breast cancer awareness and research. At Caribou, we devote that month to Amy Erickson — one of our original roastmasters — who lost her battle with cancer in 1995. Amy has become a symbol of all the individuals who have battled this disease. For us, she is a constant reminder in a sea of pink of what we’re really doing this for.

LETTER FROM AMY’S FAMILY

While we are forever grateful for Caribou’s continued tribute to Amy, through Amy’s Blend and their support of Amy’s Race, we recognize that most of the country doesn’t know who Amy was or could never possibly know what she meant to us as a sister and daughter. But what Caribou has done through this campaign is to offer the name “Amy” as a platform for people to share their stories about their sister or mother. We will never forget our sister, but through your company’s work you’ve managed to put her name and the names of so many other loved ones into the minds of thousands of people who will never forget and will gladly contribute to fight against breast cancer. Amy may have been the initial inspiration, however, everyone on Caribou’s team that has been touched by cancer continue to keep awareness alive by dedicating so much time and energy to the Amy’s Blend Program. That is the true gift your company could have given our family. For that we say THANK YOU.

KNITS FOR A CAUSE

This year we introduced #CaribouKnits as part of our Amy’s campaign. This program helped to provide comfort in the form of scarves for people currently fighting cancer. Our fans helped us knit scarves by posting a message on Facebook or Twitter with the hashtag #CaribouKnits. Every hashtag equaled one inch of a real scarf. The scarves were made by volunteers on a knitting machine in our Support Center.

17,766
#CaribouKnits Hashtags
354 Skeins
of yarn used
90 Volunteers
39 Volunteer Hours
444 Scarves

The total number of scarves made by volunteers.
The total number of volunteers.
The total number of volunteer hours.
ABOUT CANCER CARE
In 2012, we partnered with the nonprofit CancerCare for our annual Amy’s campaign. CancerCare is a national organization designed to help patients live in the absence of a cure for cancer. We continued this partnership in 2013 because we are moved by CancerCare’s approach to provide personalized support services, including both emotional and financial assistance. Most importantly, CancerCare is able to target its assistance to the communities in which Caribou does business through phone/online counseling, support groups, educational programs, publications, and local referrals for breast cancer patients and their loved ones.

“In 2014, we estimate that CancerCare will spend $1,174,345 to serve breast cancer patients in Caribou communities, of which Caribou’s continued support at the $250,000 level will have tremendous impact.”

–Nancy Romano, director of marketing and cause partnerships for CancerCare

STORIES FROM THE BATTLEFIELD
Caribou and CancerCare make such great partners because we share the same values. We’re so proud to support CancerCare because of stories like these.

JULIET
COPING WITH BREAST CANCER
As a single mom who recently moved to the United States from Ghana, Juliet needed a lot of emotional and practical support to win her battle with breast cancer. “Cancer turned my whole life upside down,” recalls Juliet. “I was constantly crying and constantly weak. I didn’t know what to do.” Fortunately, a fellow patient told her she didn’t have to go through cancer alone and referred her to CancerCare.

CancerCare gave Juliet a shoulder to cry on and tools to make her journey a little easier. “There are so many things I have learned,” she says, such as preparing a list of questions ahead of time, in order to communicate better with her health care team; and tips for coping with fatigue so it interferes less with her quality of life.

LEA
COPING WITH OVARIAN CANCER
Lea lives in an area in Missouri known as the “Cancer Cluster” because of the underground lead mines in the area. She was the fourth woman on her street to be diagnosed with ovarian cancer. Living in a rural area, there were not many resources — either financial or emotional — nearby. “You’ve got this ticking time bomb set in your lap that you can’t get rid of, and you don’t know what to do,” says Lea.

Lea learned about CancerCare through a brochure. She called the help desk and was set up with a social worker who registered Lea for a weekly telephone support group. “Since then, I have kept in constant touch with CancerCare,” Lea says. “It is so helpful to have someone to talk to, someone to listen to you when you’re in that ‘panic state.’”

KATHRYN
CAREGIVER
Kathryn’s husband referred her to CancerCare after he was diagnosed with Melanoma after he noticed that her caregiving responsibilities were causing stress. “I was having a very hard time socially, because I was surrounded by people who loved both of us and supported us, but there was no one in the room who really understood what I was going through,” says Kathryn.

CancerCare connected Kathryn with the young adult caregiver support group. “I initially came to the group looking for advice, but I realized by the end that advice wasn’t necessarily what I needed. I really needed a safe place to share what I was feeling with people who would listen and would understand,” says Kathryn. CancerCare was able to provide Kathryn with the tools and community that helped her be a better caregiver.

BARBARA
COPING WITH BREAST CANCER
Barbara was not surprised by her diagnosis. “I was very calm,” she remembers. “I kind of freaked the doctor out.” While she was able to take things in stride emotionally, that did not make her immune to the practical challenges of dealing with cancer. Getting to appointments and covering the cost of co-payments was difficult and Barbara was feeling overwhelmed.

A hospital social worker recommended she call CancerCare. They were able to help by providing financial assistance for transportation and defraying the cost of co-payments. Now that Barbara is done with treatment, she continues to rely on her CancerCare partners to help her face those emotional challenges. “In a way, it can be harder to survive cancer than to have it,” Barbara confesses. “[Because] once treatment is over, that’s when it hits you … I had cancer.”
We understand that our team members have a lot of passion and talent that lies outside of their work life. We believe that work is a lot more rewarding when we can nurture those passions. We have programs like self-managed vacation, paid volunteer hours and the Dreams Program to encourage team members to “stay awake” for life.

Before we can positively impact our communities and our planet, we have to make sure we are taking care of our home team. This is why we try to create a work environment that is not only competitive by professional standards, but fosters the personal growth of our team members. Engaged and energized team members bring our culture to life and help keep the business healthy (lower turnover, higher productivity, and talent retention). Our Organizational Design and Development department (we call them our ODD team) is focused on giving team members the tools that they need to perform and grow in their roles. Training, leadership development, and general development are the foundations of initiatives to exercise professional skill sets.

Caribou Cares is our nonprofit organization dedicated to providing financial assistance to team members in the wake of a natural disaster (fires, or other catastrophic event). It is for team members and funded by team members. “I contribute because I belong to the Caribou Family and family is there for each other” said one contributor, “I know how much it would mean to me if, in a time of need, I was able to call upon the assistance of the Caribou Cares program.” In 2013, Caribou Cares raised more than $18,000 for team members struggling through hardship. The money was raised by team member donations, either through one-time gifts, bi-weekly paycheck donations or through fundraisers. In August 2013, Caribou ran a match campaign in which the company matched every donation made by team members. The campaign raised $1,703. Right before the holidays, we also hosted a Holiday Bazaar at the Support Center for team members to tackle their last-minute shopping for a good cause—proceeds went to Caribou Cares. We raised $1,294!

Caribou does more to fuel budding scholars than provide them the caffeine and workspace to power through studying and writing papers. Eligible team members can apply for a $4,000 scholarship for the 2013 school year. The money can be used for tuition in any undergraduate, technical or graduate program. This year, eight winners were selected — ranging from undergraduates, technical or graduate students.
Congratulations to Nancy Fisher, Talent Development Manager. Nancy won an HR Excellence Award from the MRA (The Management Association) for creating our industry-leading self-managed vacation program—a program which allows eligible team members to manage their own vacation schedules so that team members can live the life they want to live outside of the workplace. According to the awards show’s emcee that evening, “When the committee read the nomination form, they knew they had a winner from the very start! The ideas were not only innovative, they were truly a testament to the strength of Caribou’s unique culture.”

You know that vacation you’ve always wanted to take? The bad habit you’ve always wanted to quit? That goal that always seems to be just out of reach? We want our team members to have the tools to meet their personal goals, so in September 2011 we launched the Dreams Program. The program helps team members identify and achieve their own personal goals. With the help of “Dream Coaches” (Caribou team members who have completed the program and received training to be a coach), team members have been able to quit smoking, plan a long-desired family reunion, take charge of their health and much more.

“A lot of the images you see of team members in this report were taken by Jessica Ables, loss prevention specialist. Jessica went through the Dreams Program and came out with the tools and encouragement to make her dreams of becoming a professional photographer a reality. “I always had a windup disposable as a kid and then got the hand-me-down film cameras when my parents would upgrade," Jessica recalls. "[Being a photographer] was a held inside dream I had that I never thought I could ever act on. I never shared how much I desired it with anyone." The Dreams Program gave me the tools and mindset that if I start asking the right questions and start with the small steps I may just be able to make something happen," Jessica explains. "The program (not you see and awful dreams you didn’t even know you had. It lays the foundation that if you start with the small things, one step at a time, you can get there, and only you can make things happen for yourself, not excuses”). In May 2013, she started her business and by July she had an active website, Facebook page and more clients than she could have imagined. “I still can’t believe this and how quickly it has taken off,” Jessica says. “Pinch me! I have two weddings booked for fall already!”

This year, Caribou offered a one-week externship program for team members who really wanted to dive in and devote a chunk of time to the cause that mattered most to them. In August 2013, we started accepting applications from team members and selected two winners based on their submissions. Each winner received a paid week of volunteer time plus $1,000 to cover related expenses.

Marketing Manager Holly Emery spent her week developing a comprehensive marketing plan for The Council on Crime and Justice (CCJ). “The CCJ is a local nonprofit doing incredibly important and worthy work to eliminate racism in our criminal justice system and build a better Minnesota through community outreach, advocating for fair criminal legislation and redefining how we care for members of our community who are affected by crime,” Holly explains. “When I was introduced to CCJ, and they found out I had some experience in marketing, they asked if I could assist them with some simple needs. As I began looking through their current marketing platform, we quickly realized that this organization, while well run and prominent in the criminal justice network, has some very big marketing opportunities that I was honored to have the time to assist them with.”

Lexey Rust, a team member from Store 727 in Shakopee, Minn., elected to work with Mercy International in Yamaranguila, Intibuca, Honduras. Mercy International works directly with coffee farmers in remote villages in the Opalaca Mountain Range to help break the cycle of seasonal starvation and create methods for a sustainable economy. “They (the people of Mercy International) have incredible heart and passion for people and take on a personal responsibility for the needs of the poor in Honduras,” Lexey says. “They have been making connections with coffee farmers and their families for nearly 30 years now and value quality coffee as well as the story behind each farmer.” Lexey travelled down to the region to assist Mercy International in achieving their goals in Honduras.”

AWARD-WINNING VACATION PLANS

THE DREAMS PROGRAM

ONE-OF-A-KIND VOLUNTEER EXPERIENCE

PHOTOGRAPHY BY ... A DREAMER!

WORKPLACE – 40

WORKPLACE – 41
A Look Ahead
2014 DO GOOD WIGs

Wondering what the next steps are? Here’s a peek at what we’re working toward in 2014. We’ll let you know how we did in next year’s Do Good Report!

SOURCING

- Columbia Blender Proliferation
- East Africa Exploration
- Indonesia Development
- Product Focus - Cups
- Process development for suppliers

ENVIRONMENT

- Achieve Store Recycling Metrics
- Introduce commercial composting in 80% of stores

COMMUNITY

- 1,800 volunteer hours
- $450,000 in donations
- 75% percent store participation in food donation
- Support Caribou Cares

A Look Ahead
2014 DO GOOD WIGs

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HOW CAN YOU DO GOOD?

TEAM MEMBERS
× Read and share information from our Do Good report with friends, family, guests, and your fellow team members.
× Team members working more than 32 hours per week can get up to sixteen paid volunteer hours per year — so get out there and support a cause that matters to you.
× Donate to Caribou Cares and help support fellow team members during their moment of need.
× Share your Do Good stories with us — email Communications@cariboucoffee.com

GUESTS & CONSUMERS
× Share information from our Do Good Report with fellow guests, friends and family.
× Always use your reusable mug!
  You can save ten cents!
× Follow us on Facebook and Twitter to keep up-to-date with our Do Good efforts. You can share your feedback and ideas with us here, too!
× Send a message with your purchases, buy Rainforest Alliance Certified products and products from Project 7.
× In October, purchase Amy’s Blend coffee for yourself or make a donation at a store.

Always Use Your REUSABLE MUG
It Just Makes Sense. 10 CENTS THAT IS.
This Do Good Report was printed on FSC* certified, 100% post-consumer waste recycled paper, which is also Process Chlorine Free (PCF). No chlorine or chlorine derivatives are used in the de-inking or papermaking process. This archival paper is acid-free and manufactured with wind power. The inks used are UV inks which cure instantly, resulting in no release of Volatile Organic Compounds (VOCs) into the atmosphere. All waste materials were recycled in compliance with PIM Environmental Initiative.

*The FSC is a worldwide organization that certifies sustainable forestry practices. To earn FSC certification, a forest must be managed in a way that respects the forest’s natural ecosystem and habitats as well as the rights and interests of indigenous people.

While we encourage you to keep this report to share our Do Good messages, if needed, please recycle this report in a recycling receptacle.