



# Human Rights Risk & Saliency Assessment 2026

Methodology and external report

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## 1 Introduction

This document provides an external overview of Neumann Kaffee Gruppe's (NKG) group-wide Human Rights Risk and Saliency Assessment conducted in 2026. The purpose of this report is to transparently describe the methodology applied by NKG to identify and prioritize human rights risks across its coffee supply chains as part of its Human Rights Due Diligence (HRDD) framework.

The assessment forms one core element of NKG's broader Human Rights Due Diligence (HRDD) approach, further information on which is available in the [NKG Policy Statement on Human Rights](#).

This report focuses exclusively on the process and methodological design of the assessment. In line with applicable legal requirements and recognized due diligence standards, NKG discloses how the assessment was conducted while limiting public disclosure of detailed findings, risk ratings, and saliency determinations. Assessment results are context-dependent and commercially and operationally sensitive; they are therefore not included in this external version and remain part of NKG's internal risk management, prioritization, and follow-up processes.

The assessment follows a risk-based, multi-step approach that aligns with the UN Guiding Principles on Business and Human Rights and NKG's HRDD framework, as set out in the NKG Policy Statement on Human Rights. It combines:

- supply chain mapping to identify structurally relevant sourcing countries,
- desk-based country risk screening using external indicators and sector-relevant sources, and
- internal expert saliency assessments to test and contextualize desk-based findings in the specific context of coffee supply chains.

This methodological design reflects a deliberate balance between systematic baseline coverage and practice-based expert judgment. Desk-based tools are used to identify potential risk exposure at country level, while expert assessments are used to determine whether and how such risks materialize in NKG's predominantly smallholder-based coffee supply chains, characterized by informal labor arrangements and household-level production.

Questions on this report or NKG's Human Rights Due Diligence framework may be directed to [compliance@nkg.coffee](mailto:compliance@nkg.coffee).

## 2 Supply Chain Mapping

Supply chain mapping constitutes the first analytical step of NKG's Human Rights Risk and Saliency Assessment and serves to define the geographic scope of the assessment. The mapping is based on group-wide, aggregated coffee sales volumes by country of origin, analyzed over a multi-year reference period to reflect structural sourcing relevance rather than short-term fluctuations or individual transactions. To ensure proportionality and effective allocation of due diligence resources, NKG applies a minimum volume threshold to determine which sourcing countries are included in the subsequent human rights risk assessment. Countries below this threshold represent sporadic and marginal sourcing only and are therefore excluded from deeper analysis. Supply chain mapping



functions exclusively as a scoping mechanism and does not assess human rights risks or imply any correlation between sourcing volumes and risk severity. All sourcing countries within scope are subsequently subject to desk-based country risk screening, while selected countries with ongoing operational presence are additionally covered through expert-based saliency assessments as part of the overall assessment design.

### 3 Desk-based assessments

Desk-based country risk assessments constitute the second step of NKG's Human Rights Risk and Saliency Assessment. Their purpose is to provide a systematic, comparable baseline view of potential human rights risk exposure across all sourcing countries identified through supply chain mapping, using externally recognized indicators and sector-relevant data sources.

For countries within scope, NKG draws on desk-based assessments conducted by the German Coffee Federation (DKV) in cooperation with Global Risk Assessment Services (GRAS), complemented by internally conducted desk-based screenings for sourcing countries not covered under the DKV framework. The DKV/GRAS assessments apply a structured methodology that combines publicly available indices, international statistics, and sector-specific sources relevant to agricultural and coffee supply chains.

Desk-based assessments are applied as screening tools and are not used in isolation to determine saliency. By design, indicator-based assessments operate primarily at national level and provide generalized risk signals. They do not differentiate between production models, labor arrangements, or stages of agricultural value chains and have limited ability to capture smallholder-based production systems, informal and household-level labor, or everyday practices at farm level that are characteristic of large parts of the coffee sector.

For this reason, desk-based results are treated as a starting point for further analysis rather than as a stand-alone risk conclusion. They are systematically contextualized and tested through expert-based saliency assessments that draw on operational experience and sector-specific knowledge. For external disclosure purposes, NKG does not publish country-level desk-based risk scores or aggregated risk comparisons. Desk-based assessment outputs are used internally to inform further analysis, prioritization discussions, and the design of proportionate due diligence measures.

### 4 NKG Expert Assessment

The expert assessment constitutes the third and decisive methodological step of NKG's Human Rights Risk and Saliency Assessment. Its purpose is to contextualize and test desk-based country risk signals against practice-based knowledge of how human rights risks materialize within coffee supply chains, and to inform internal prioritization through a sector-specific assessment of severity and likelihood.

Expert assessments were conducted through structured, moderated workshops involving a total of approximately 70 internal participants from across NKG's exporting countries. Participants were selected based on their direct involvement in and knowledge of coffee supply chains and represented a range of relevant business functions, including sustainability and farmer services teams, sourcing and commercial functions, human resources, and company management. This cross-functional composition was designed to ensure a balanced and practice-oriented perspective across different stages of the value chain and organizational viewpoints.

During the workshops, experts assessed a predefined set of human rights risk categories using a severity-likelihood framework. Severity was assessed in terms of the potential or actual impact on



affected rightsholders, considering scale, scope, and the possibility of remediation. Likelihood was assessed as the probability of risks occurring within NKG’s coffee supply chains, based on observed practices, production models, labor arrangements, and processing structures. A common set of risk category definitions and assessment criteria was applied to ensure consistency across workshops.

Expert discussions were explicitly grounded in coffee-specific experience and day-to-day operational realities at farm, processing, and facility level. Desk-based assessment outputs were used as contextual input, but expert judgments were not expected to align mechanically with indicator-based risk scores. Instead, the expert assessment served to evaluate whether nationally reported risk signals translate into material, severe, and recurring risks in the specific context of predominantly smallholder-based coffee supply chains.

The consolidated outcomes of the expert assessment inform NKG’s internal determination of salient human rights risks and underpin subsequent prioritization, mitigation planning, and ongoing monitoring within the group’s Human Rights Due Diligence framework. Given the contextual nature and business sensitivity of these outcomes, detailed expert assessment results, comparative ratings, and saliency determinations are not disclosed in this external report.

## 5 Salient Risks

Based on the assessment process described in this report, NKG determined salient human rights risks at group level as part of its Human Rights Due Diligence framework. Saliency was assessed by considering both the potential severity of adverse impacts on rightsholders and the likelihood of such impacts occurring within NKG’s coffee supply chains, informed by desk-based risk screening and expert-based contextual analysis.

The identification of salient risks serves as an internal prioritization tool. It informs the focus of NKG’s preventive, mitigating, and monitoring measures and supports a proportionate and risk-based allocation of due diligence resources. Saliency determinations are reviewed periodically and updated as sourcing patterns, operating contexts, and risk conditions evolve.

Given the context-specific nature of human rights risks and the potential for misinterpretation outside their operational setting, detailed saliency outcomes, rankings, and risk descriptions are not disclosed in this external report. These remain part of NKG’s internal risk management and decision-making processes.