## TALASI BALI COFFEE

Our coffee venture started when we started operating in Batukaru. As Talasi is about discovering and empowering the Origin, we found that the coffee commodity around our estate had good potential. And so the story began...

The local people around our estate in Batukaru are mostly farmers. Their commodities were usually sold to middlemen in their village, city, or directly to the local market. They didn't sell it directly to the end users, hence, there are some loss from their side such as:

- 1. Low price
- 2. Seller-buyer relationship only
- 3. Low bargaining power
- 4. Limited access to market
- 5. High production cost due to transportation
- 6. High carbon emission
- 7. No social impact

When Talasi came, we tried to create a better way to cooperate with the farmers by making market access close to the raw material source and applying a Short Food Supply Chain system. This applied to ensure Talasi offers the best product for consumers while giving positive impacts to the farmers and planet. Below are what Talasi do for the coffee farmers:

- 1. Increase potentials to local farmers and/or community
- 2. Transparency to farmers & increase trust to farmers
- 3. Better pricing for farmers
- 4. Training/socialization for local farmers

From this model, Talasi helps create benefits; economical and environmental, such as:

- 1. Lower carbon footprint
- 2. Less packaging (plastic/cardboard) used hence lower waste
- 3. More competitive pricing hence higher margin for farmers
- 4. Open bigger access to market for farmers
- 5. Contribute in increasing gross regional domestic product
- 6. Shorter value chain resulting in lower transportation cost

This model then also replicated as we explored coffee from Kintamani, from which we produce our Arabica coffee. We continue to pursue better sourcing practice by starting a collaboration with Masyarakat Perlindungan Indikasi Geografis (MPIG), an organization initiated by the government to ensure the originality of Arabica Kintamani Coffee geography and quality.

Talasi understands the importance of trust from the farmers and community and continues working to increase that trust. We often come to visit them and work together not only to check on the quality of the crops, but also try to find a way to better the community through empowerment and education. This is how we continue to enrich and build trust with the local community.

In addition, we are aiming for a more sustainable, cleaner, and greener process. Previously, the farmers dry their commodity by laying it on the ground, creating a higher chance for contamination. Besides applying Short Food Supply Chain, Talasi is also using green technology - Dome Dryer - to dry the coffee. This is done to live on to our commitment to make our products sustainably and ensure better quality of the raw material.

We also committed to support soil health by applying the Nutrient Balance concept where we utilize coffee waste and make organic fertilizer out of it. This is done so to ensure micro and macro nutrients are contributed back, resulting in fertile soil.