COME TO LIFE & REGENERATE
GLOBAL IMPACT REPORT 2017–2018
FROM THE CHAIRMAN OF THE GOURD

I am happy to introduce, for the first time ever, this Guayaki Global Impact Report. More and more people are embracing the power of Guayaki Yerba Mate. As a result, we surpassed our 2017 forecast with over $60 million in revenue (a 24% increase over 2016). 2018 is an even more pivotal year as we close in on accomplishing our 2020 mission and build out the infrastructure that will take us to 2030 and beyond.

Guayaki stands for a new model of regenerative business that reaches deep and wide across our supply web to regenerate the life, health and future prosperity of the social and ecological systems that we touch. We are building a culture around conscious engagement and purpose for those that believe we have the collective will and skills to create a world where all of us can thrive.

In this Report, we introduce six aspirational objectives that guide our Market Driven Regeneration™ business model, from Regenerative Agriculture for our ingredient sourcing to Zero Waste for our packaging. Each objective lists key sustainability metrics alongside a regenerative indicator and self-assessment (on a scale ranging from Engaging to Innovating). Together they form the ‘whole systems’ picture of our global impact.

We recognize that regeneration is an evolving continuum and not an end point. Therefore, we continue to look for ways to evolve our business practices while remaining focused on our vision.

Looking forward,

Chris Mann, Chairman of the Gourd

regenerative lens

Re-patterns our thinking to see things holistically and systemically until we begin to view ourselves as nature itself, and we act to regenerate the health and vitality of ourselves, our natural places, communities and economies.

Except where noted, all metrics in this Report are based on 2017 annual figures for all domestic and international operations.
Guayaki’s Mission is to steward and restore 200,000 acres of South American Atlantic rainforest and create 1,000 living wage jobs by 2020 by leveraging our Market Driven Regeneration™ business model.

RAINFOREST STEWARDSHIP
- **81,066** acres of rainforest stewarded to date—40% of target.
- **40%** of yerba mate producer communities engaged at the highest level and committed to land stewardship.
- **$66 million** in ecosystem services provided by stewarded rainforest.
- **27** acres produced certified Biodynamic Guayaki Yerba Mate.
- **5,300** saplings cultivated at native tree nurseries in Paraguay and Argentina.
- **2,500** native trees planted at the Fundación Agroecológica Iguazú.

COMMUNITY REVITALIZATION
- **670** living wage jobs created to date—67% of target.
- **1,126** families of indigenous and small-hold producers in three nations grew yerba mate.
- **60** Aché families were served by newly built school with native language instruction, funded by the Guayaki Foundation.
- **22** acres dedicated to food sovereignty programs in the Aché and Marrecas indigenous communities.
We source yerba mate grown regeneratively under the shade of native forests, which produces a better tasting beverage while building healthy soil, storing carbon, and preserving air quality, water supply and biodiversity.

**2020 Focus:** Accomplish Mission and develop 2030 Mission.

- **127** stakeholders from four countries identified their challenges, strengths and dreams at a workshop in Brazil.  
  *Our goal: host 2019 workshop.*

- **390** students from 16 schools were educated about shade-grown yerba mate at Guayaki education and research nonprofit Fundación Agroecológica Iguazú.  
  *Our goal: educate 500 students for the 2018 school year.*

- **99.9%** of purchased ingredients certified Organic.  
  *Our goal: participate in Regenerative Organic Certification Pilot.*

- **91%** of purchased ingredients certified Fair Trade.  
  *Our goal: develop Fair for Life Strategic Plan.*

- **$130,000** in Fair Trade premiums to enrich yerba mate producer communities.

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**Regenerative Agriculture**

Does it improve whole agroecosystems, express the essence of place, and ensure reciprocal relationships amongst producers, their land and communities?  
(adapted from Terra Genesis 4 Levels of Regenerative Agriculture)

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**Innovating > Leading < Expanding Improving Engaging**
VALUES-ALIGNED SUPPLIERS AND PROCESSING

We partnered with B Lab and Sustainable Food Trade Association on a Supplier Engagement Initiative to benchmark our suppliers’ performance.

2020 FOCUS: Drive continual improvement for suppliers and reduce short-lived climate pollutants from processing.

- 50% of significant suppliers were educated about B Corps and completed the Quick Impact Assessment (QIA). Our goal: Engage 100% of significant suppliers in the QIA and integrate QIA into supplier onboarding.

- 288 cubic yards of byproduct diverted from landfill per year at partner manufacturer. Our goal: 90% of byproduct diverted from landfill for all processing and manufacturing.

- 16% of yerba mate drying used low-emission methods. Our goal: maximize low-emission drying without sacrificing flavor.

- 96% of units sold were manufactured in water-stressed regions. Our goal: benchmark water usage and research options.

- 100% renewable electricity at headquarters (HQ) from local geothermal source, preventing 86 MT CO2e. Our goal: increase renewable energy percentage.

- 71% overall renewable energy at HQ and two international offices. Our goal: increase renewable energy percentage.

- 100% of “Cebadores” (employees) trained on zero waste and new Regeneration Policy. Regeneration training was incorporated into new hire orientation.

- 76% waste diversion from landfill at HQ with 64 tons material recycled, reused and composted, preventing 35 MT CO2e. Our goal: 90% waste diversion from landfill.

Do our operations and the operations of our partner manufacturers support the regeneration of impacted communities and bioregions?

| INNOVATING | LEADING | EXPANDING | IMPROVING | ENGAGING |
WE COMPLETED A THIRD-PARTY GREENHOUSE GAS INVENTORY, SHOWING WE’VE BEEN CARBON BENEFICIAL OR “NET NEGATIVE” FOR 22 YEARS DUE TO RAINFOREST CARBON STORAGE. THAT DIDN’T DISSUADE US FROM JOINING THE CLIMATE COLLABORATIVE AND PLEDGING CONTINUAL IMPROVEMENT IN ALL NINE AREAS TO REVERSE GLOBAL WARMING. OUR WORK EARNED US AN OUTSTANDING VALUE CHAIN ENGAGEMENT AWARD FROM NATIONAL CO-OP GROCERS, OSC2 AND SFTA IN 2018.

2020 FOCUS: Reduce emissions from miles traveled and build 100% fossil fuel free fleet.

- 17 MT CO2e offset from UPS carbon neutral shipping and 52 MT CO2e prevented by using SmartWay long-haul carriers. 
  
  *Our goal: increase usage of rail freight for finished product.*

- Operated the largest commercial fleet of all-electric Chevy Bolts for our DSD distribution. 
  
  *Our goal: 100% fossil fuel free fleet.*

- 21 electric tricycles served Guayakí Yerba Mate at gatherings and events.

- 30% of HQ Cebadores commuted by bike/public transit/carpool/EVs and received credit at Guayakí Mate Café. 
  
  *Our goal: install EV charging stations at HQ.*

- 5,200 fleet miles + 760 business miles + 16,100 flight miles traveled per Cebador. 
  
  *Our goal: 100% fossil fuel free where available and educate Cebadores about their impact.*

- 50 MT CO2e from flights to Cebador Summer Gathering offset by personal carbon offset purchases, home tree planting, and drinking loose leaf Guayakí Yerba Mate.

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**ZERO EMISSIONS**

Does our technology advance a carbon-balanced renewable energy future?

> INNOVATING <

LEADING  
EXPANDING  
IMPROVING  
ENGAGING
CONSCIOUS LEADERSHIP

We make time and space for: expressing gratitude, experiencing the outdoors, engaging with each other in fun ways, growing personally, traveling to South America, volunteering in our communities, and being of service through the sharing of yerba mate.

2020 FOCUS: Strengthen the capacity, resilience, and diversity of our team.

- 100% of Cebadores received a living wage.
- 80% of Cebadores have experienced life-regenerating trips to South America producer communities. Our goal: keep annual trips a priority.
- 37 average training hours per Cebador. Our goal: develop our team and expand our training programs.
- 59% of Guayakí is owned by Cebadores and the remainder is owned by impact investors. Our goal: secure investors that allow Guayakí to remain mission-driven and not profit-driven.
- 13 B Corp metrics improved for diversity & inclusion, including a new policy and training, diversity outreach field initiative, and survey of self-identified ethnicity. Our goal: celebrate our overall diversity, increase Cebador ethnic diversity of 26%, and support programs that improve social equity.
- 41% female managers. Our goal: strengthen women’s leadership with women’s gourd circles and support.
- 90% of HQ Cebadores supported the local community with volunteering. Our goal: create more volunteer events and co-host local conscious gatherings.
- $341,000 donated in both product and charitable contributions.
- 120 is Guayakí’s B Impact Score, more than twice the average for all businesses having completed the B Corp Impact Assessment. Our goal: seek continual improvement.
- 140 volunteer hours spent delivering $41,000 of Guayakí Yerba Mate to firefighters, police, and volunteers responding to the devastating wildfires that burned in our community in October 2017.
Sharing yerba mate through the traditional gourd fosters community and connection. It’s catching on! Neptune Café in Boulder started offering gourds to its customers. World Cup media showed dozens of players and fans with gourds and thermos in hand, and even Pope Francis is routinely seen sharing a gourd.

**2020 FOCUS**: Educate and inspire people about yerba mate culture and regenerative lifestyles.

- **390,000** cans shared through 1,500 opportunities across 171 colleges and universities for school year 2017-2018. Our goal: 1,000,000 cans in hand by 775 University Ambacebadores and Cebadores.

- **675,000** lifetime video views on YouTube and Facebook + 115,000 social media followers across numerous social media channels. Our goal: share the yerba mate culture and inspire our followers to nurture regenerative lifestyles.

- **2nd annual** Activating Regeneration conference educated global leaders in Rio de Janeiro, Brazil. Our goal: build bridges among leaders that are regenerating ecosystems and communities worldwide at new Life Regeneration Center in Argentina.

- Guayaki launched *Come to Life*, a good news network for the regenerative movement experienced through the lens of film, music and productions. In its first year, *Come to Life* is producing 12 music events and films such as *Why B Corps Matter*. Our goal: promote activism and inspire change.

- **TEDx** with CEO Chris Mann educated people on how we can learn from native cultures, implement mindfulness, build long-term social infrastructures, and use ritual and play to inspire more connected, aware, and empathetic businesses.

- **TEDx** in Spanish with Chief Cebador Alex Pryor educated people about creating regenerative businesses and the challenges Guayaki faces in achieving its mission.

*Are customers and other stakeholders coming to life through social connection and shared purpose?*

- **INNOVATING**
- **LEADING**
- **EXPANDING**
- **IMPROVING**
- **ENGAGING**
ZERO WASTE

We assess our packaging and purchasing with an emphasis on using less, sourcing well, and considering the end-of-life treatment. We updated our policy to guide purchasing of supplies and merchandising, and we discontinued our mate bag overwrap and string.

2020 FOCUS: Continue to improve the environmental performance of our packaging.

77% of units sold were cans with 60-70% post-consumer recycled aluminum requiring 95% less energy.

33% of packaging by weight contained post-consumer recycled material. Our goal: increase percentage of post-consumer recycled material.

44,000 pounds of packaging reduced annually through packaging redesign. Our goal: continue to research opportunities for packaging redesign for better environmental performance.

92% of packaging was recyclable. Our goal: support recycling programs.

5% of packaging was home-compostable. Our goal: support composting legislation and learning through Sustainable Food Trade Association Packaging Working Group.

3% of packaging was from plastic. Our goal: source 100% renewable materials.

In 2015, the United Nations General Assembly identified 17 Sustainable Development Goals (SDGs) of critical importance around the world. The SDGs are the centerpiece of a new global agreement on what society seeks to become by 2030. As Guayakí aligns our impact objectives with the SDGs, we recognize that:

* It will take a new way of thinking to achieve goals of such scale and complexity. It will require a regenerative mindset that recognizes living system principles and the interconnectedness of all living beings.

regenerative
Does our packaging utilize resources that support regenerative economies and communities?

> IMPROVING <
ENGAGING

INNOVATING
LEADING
EXPANDING
GUAYAKÍ YERBA MATE • COME TO LIFE