WE DID IT WITH YOUR HELP! We achieved our mission to steward and restore 200,000 acres of South America Atlantic Rainforest by 2020. While our vision to "Inspire Us All to Come To Life" is aspirational, our mission has served as a long-term goal as well as a commitment to customers that they will drive regeneration of communities and ecosystems by consuming Guayakí Yerba Mate.

Whether you are a customer, employee, supply partner, investor, or community grower, we are deeply grateful for your contribution to regeneration!
2020 WAS A YEAR OF MONUMENTAL CHANGE for Guayaki Yerba Mate and the world. Despite the pandemic, we expanded our self-distribution nationally and took over distribution to Whole Foods and Sprouts, among others. We restructured our corporate governance, onboarded three amazing women to the Board, and began building the infrastructure and systems that will enable us to drive exponential growth. 2020 sales reached $96mm, 14% growth over last year—very impressive amongst all the hurdles.

Other major achievements in 2020 that are preparing us for future success include forming a beneficial alliance with a new investor, refreshing our Vision, Mission and Values, and developing leadership training on diversity and inclusion. We continue to make significant progress on integrating our brand, distribution, and Latin America operations and cultures, supported by improved employee communications in three languages.

As we look to 2021 and beyond, we are focused on positively transforming Guayaki to make the most of the opportunities before us. This includes developing our teams, while retaining the core values at the heart of our culture. As part of our strategy to operationalize regenerative values, Guayaki is launching four new Impact Targets in this report and recertifying as a B Corporation across brand, distribution, and Latin America operations.

2021 is Guayaki Yerba Mate Co.’s 25th anniversary! We are celebrating our anniversary by releasing a new flavor, Tropical Uprising, consisting of 60 calories and created with the help of student Ambacebadores. It will be in stores this spring. We appreciate all of you who work to make Guayaki what it is—a profitable regenerative business providing meaningful jobs, connecting communities, restoring forests, and leading the way for other businesses. Thank you!

Salud a la vida.

Chris Mann—President and Chairman of the Gourd
GUAYAKÍ’S MARKET DRIVEN REGENERATION

WHEN YOU OPEN A CAN OF GUAYAKÍ YERBA MATE . . .

YOU SUPPORT THE REGENERATION OF RAINFORESTS...

25 YEARS OF SERVING GUAYAKÍ CUSTOMERS

SHADE GROWN ORGANIC YERBA MATE

MAKE RAIN

CO₂ CARBON SINK

Biodiversity

YOU MITIGATE OUR FOOTPRINT...

YOU MITIGATE OUR FOOTPRINT...

TRADITIONAL CULTURES

REDUCE REUSE RECYCLE

COMMUNITY REGENERATION

FAIR TRADE PREMIUMS TO INDIGENOUS & SMALLHOLDER FARMERS
YOU PROVIDE MEANINGFUL WORK...

NET ZERO CARBON TARGET

HIRE FORMERLY INCARCERATED

STANDARDS FOR BUSINESS

IGUÁZÚ AGROECOLOGY FOUNDATION

DIVERSE & INCLUSIVE CULTURE

IMPACT INVESTORS REINVEST PROFITS

YOU CELEBRATE COMMUNITIES AND CULTURES...

SHARE THE SPIRIT OF YERBA MATE WITH CUSTOMERS

YOU INSPIRE US ALL TO COME TO LIFE!

AMPLIFY VOICES OF THE REGENERATIVE MOVEMENT

STUDENT AMBACEBADORES & COMMUNITY COLLABORATORS
PARTNERING WITH OUR VALUES

SOURCING YERBA MATE grown under the shade of forests and collaborating with forest stewards and local nonprofits are key to regenerating the biologically significant Atlantic and Amazon Rainforests.

“I am fighting in defense of our native forest by growing yerba mate. Our partnership with Guayaki has helped improve our quality of life by providing an income source for the community while conserving the environment. If we continue to deplete our native forests, there will be no future for the Aché people. This fills me with great sadness and gives me great reason to protect the little we have left. This work is empowering us to value our culture and follow in the steps of our ancestors. We must remember where we come from in order to move forward, in order to continue fighting as a community.” —MARGARITA MBYWANGI, COMMUNITY LEADER FOR THE ACHÉ KUETUVY IN PARAGUAY

IMPACT TARGET: Regeneration of 2 million acres by 2030.
RAINFORESTS CONSERVED AND WOMEN EMPOWERED

A women’s cooperative in Tavapy, called Virgen del Rosario, is conserving the last remnant of 1,482 acres of Atlantic Rainforest in the region while employing local women. After decades of massive deforestation in Paraguay to make way for mechanized agriculture, the Atlantic Rainforest has been decimated, and industrial farming has provided few local jobs. Guayaki started working with the women’s cooperative through an agreement with the World Wildlife Fund. Guayaki provided technical assistance in sustainable economic and environmental development to keep forest remnants intact and restore land previously used for soy. Another co-benefit is that when local women earn a good income, young family members are more likely to stay in the community.

THE JAGUAR RETURNS

Forest monitoring cameras are installed in different projects in South America as part of Guayaki’s efforts to support biodiversity. Guayaki’s Iguazu Agro-ecology Foundation in Argentina captured images of a jaguar never seen before in the region. We’ve teamed up with local partners to assure the protection of the jaguar and promote forest conditions for the species to thrive in the region. Jaguars play a critical role in balancing the rainforest, as a top predator and a keystone species, and influencing food chains, soils, water and plants, as well as holding cultural significance for local communities. The presence of other keystone animal species, such as pumas, ocelots, tapirs, and pecaries in our yerba mate forests of Argentina, Brazil and Paraguay confirms Guayaki’s direct contributions to biodiversity regeneration.

RESILIENCE OF HEALTHY SYSTEMS

Healthy and diverse ecosystems and communities are better equipped to handle outside stressors such as drought and COVID-19. The regions where we source yerba mate showed their resilience in 2020. Guayaki field operators observed our producers’ shade grown yerba mate was stronger and more abundant than nearby mate grown in the sun with chemicals in a monocrop system. Similarly, the Aché Kuetuvy had such an abundance of food from their community garden that they shared with neighboring territories suffering from the pandemic. They were able to share 4,400 pounds of manioc as well as 1,100 pounds of beans, corn, pumpkins, and grapefruit, turning a COVID challenge into a CO-VIDA (“collaborative living”) opportunity.
GREENING OUR OPERATIONS and mitigating our environmental impact are key to ensuring a healthy planet.

“It's important to always be aware of my surroundings, whether it's an approaching forklift in a warehouse aisle or the environmental impact of our daily operations. Small, simple changes can make a world of difference for all of us and the generations to come. 'It always seems impossible until it's done.' This quote by Nelson Mandela hangs on the wall in our warehouse, and I've always felt that it applies to not only my efforts in the warehouse but also to Guayaki as a company.”

—DARREN O'BRIEN
PETALUMA WAREHOUSE & LOGISTICS

IMPACT TARGET:
Net zero carbon, zero waste, and renewable-energy powered fleets and facilities by 2030.
**NET ZERO BY 2030**

Certified B Corporations are tackling some of the most pressing global challenges and leveraging the power of collective action. Together with hundreds of B Corps across sectors and countries, we’ve pledged to accelerate the reduction of our greenhouse gas emissions and be **Net Zero by 2030**—20 years ahead of the 2050 targets set in the Paris Agreement. To make good on our pledge, we’re decarbonizing our operations by developing an electric vehicle fleet, sourcing renewable energy, and installing efficient lighting in our facilities. We’re investing in forests as carbon sinks in a way that supports climate justice and developing traceability of our tree planting on producer lands. In 2020 we began partnering with nonprofits CERES and The Climate Collaborative to support advocacy and talk to Senators about our commitment to climate policies.

**ZERO WASTE WAREHOUSES**

Warehouse Managers implemented a Zero Waste Pilot Project for our distribution warehouses that started with measuring how much of their waste is currently being “diverted” (recycled, composted, or reused) and how much is ending up in the landfill. After weighing all discarded material flowing out of the warehouse for four weeks, they were able to establish that the waste diversion rate was an astounding 97%. Following the standardization of signs and bins, the next steps will focus on training employees, establishing an ongoing audit process, and implementation at other warehouses.

**PROVIDING LIFE TO LOCAL COMMUNITIES**

We completed construction of a yerba mate processing facility in the Parana State of Brazil. The facility has begun receiving and processing yerba mate from our producers. Our Brazil team hired 10 locals including a resident of one of our Indigenous community partners. Next steps include a zero waste program and regenerative landscaping aimed at restoration and integration of the surrounding Araucaria Forests. With rapid deforestation occurring in southern Brazil, our small piece of land and the forests of our producer partners serve as important “communities of life and regeneration” that safeguard regional biological and cultural diversity.

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**64% Post-Consumer Recycled or Plant-Based Packaging**

**97% Recyclable or Biodegradable Packaging**

**97% Waste Diversion at 1st Distribution Warehouse to Pilot the Zero Waste Program**

**6,167 MT CO₂e from Fleets, Facilities, Business Travel & Employee Commuting (complete Scope 3 reporting to begin 2022)**

**90 MWh of Renewable Energy Generated from Onsite Solar**

**4 Facilities Powered by Renewable or Clean Energy**

**81% of Yerba Mate Dried using Low-Emission Methods**
INTEGRATING REGENERATIVE VALUES into our business culture and governance is key to seeing it reflected in our team leadership, personal responsibility, and inclusion of people held back by historical and systemic oppression.

Los Angeles resident Cuahutemoc Romero began working for Guayaki Yerba Mate in 2016 after serving 20 years of a life sentence in prison. “At Guayaki I am accepted for who I am and not what others believe I should be. The opportunity to work here has been life changing. Guayaki not only offered me a future but also gave me, and others who are system affected, love and support through the G3 program. My entire family is so proud that I have this chance to prove that I can achieve anything.”

—CUAHUTEMOC ROMERO
WAREHOUSE AREA MANAGER
The newly renamed G3 program—which stands for Guidance, Growth, Greatness—supported 83 formerly incarcerated employees with living wage jobs in 2020. To source this underutilized talent pool, we have built a network comprising of national and local non-profit organizations that serve individuals returning from incarceration and support them with the resources they need. This support can help them build career capital, develop financial stability and life skills needed to succeed, and find fulfillment. To advance criminal justice reform, G3 leaders joined businesses, non-profits, tribal community leaders, and academia to fight for an end to Los Angeles County’s ineffective youth justice system. In a historic moment, the Board of Supervisors voted in favor of dismantling the youth probation system in LA County and implementing a 5-year transition and creation of a new department called the "Department of Youth Development."

Guayaki managers and executives shared “identity stories” to bring awareness to their privilege and perspective as part of our JEDI Leadership Training. Armed with a JEDI Toolkit, they dug into the business case for JEDI and what it means to build diverse and inclusive teams. A survey established a baseline for inclusive practices related to equality, openness and belonging and identified the need for transparent metrics and steps. A 2021 Action Plan includes an equity pay analysis, fair and equitable hiring training, G3 resources for managers, and support in facilitating open and honest communication.

We identified a handful of core values that represent who we are as a company as part of our Vision and Mission refresh. We then discussed them in small groups across teams. Engaging with these values is the first step to refinement and integration. Meanwhile, our Latin America team practiced adopting a systems thinking perspective as part of an Earth Day activity. After participating in an Earth Charter webinar with Dr. Fritjof Capra and others, team members shared their reflections and discussed the following deep question: How does your daily role at Guayaki impact the regeneration of ecosystems and communities locally, regionally, and globally?

29% of Managers and Executives and 22% of Employees are Women
20% of Managers and Executives and 47% of Employees are People of Color
83 Formerly Incarcerated Employed with 78% Employed for 18 Months or More
216 Harvesters and Processors from Marginalized Communities (i.e., confined to the margins of society’s resources and power)
Inclusive Culture Scores: Equality 7.02, Openness 8.05, Belonging 8.26 (scale 1-10, from employee survey)
B Corporation Score 120 (80 is required for certification)
CELEBRATING COMMUNITIES AND CULTURES

AMPLIFYING AUTHENTIC VOICES, artistic expression, and diverse cultures is key to creating a future that is meaningful and nourishing.

“In Argentina we share yerba mate in a gourd as a symbol of friendship. This simple ritual has the power to connect and heal people. When sharing Guayaki’s yerba mate, we add the power to heal the planet.”

—FABIANA POSE
EXECUTIVE DIRECTOR SOUTH AMERICA,
Employed with Guayaki Yerba Mate for 17 years

IMPACT TARGET:
Share the regenerative spirit of yerba mate.
DIVERSE VOICES AMPLIFIED

We are envisioning a regenerative future and amplifying diverse voices through film. We produced three short films in 2020. La Guardiana showcased the yerba mate producers from the Aché Kuétvuy in Paraguay and a female community leader’s plea to save their forest. The spoken word film I Love America, produced with artist and activist Alfred Howard Writes Songs With Friends, sought to inspire positive conversations leading up to election day as part of our voter turnout campaign. Guayakí’s Four Pillars of Regeneration is another spoken word collaboration with a vision for a meaningful future where “together we will rise like tide.”

A STAGE FOR ARTISTS

Supporting activist artists allows us to express our company value of mobilizing change creatively and collaboratively. We hosted and co-sponsored a panel on “Inspiring the Regenerative Movement Through Arts and Activism” in collaboration with the nonprofit Bioneers. The virtual event provided a stage for artists and musicians to express their visions for a regenerative world and the pragmatic and passionate steps we can take to make those visions a reality. The event kicked off a year-long collaboration with Bioneers, which will include additional content in 2021 on arts and activism, criminal justice reform, and decolonizing regenerative agriculture.

COMMUNITY REIMAGINED

Sharing the regenerative spirit of yerba mate embodies the essence of Guayakí’s work with communities. With COVID-19, connection got reimagined. The Iguazu Agroecology Foundation receives hundreds of students every year through its environmental education program. With the pandemic preventing in-person visits, the team developed educational activities that allowed teachers and students to keep in touch and organize a local tree planting campaign with 4,000 donated trees from the Foundation’s native plant nursery. Our Brazil and Paraguay teams followed by establishing connection with quarantined Indigenous communities through mobile phone messaging apps. In the U.S., over 2,000 Ambacebadores introduced their close communities to Guayakí Yerba Mate through thousands of responsible sharing opportunities and engaged with other Ambacebadores through The Ambacebador Network.

287,350 Cans Shared by Ambacebadores and Community Collaborators

Over 2,000 Ambacebadores from 411 Colleges and Universities Engaged in Sharing Guayaki Yerba Mate

1,828 Yerba Mate Gourds Given or Sold

$606,260 in Cash and Product Donations

185,600 Followers and 35,333,920 Total Impressions Across Guayakí Social Media Channels

166 Youth Educated on Regenerative Yerba Mate by the Iguazu Agroecology Foundation

1,075 Indigenous and Smallholder Families Supported

$79,730 in Fair Trade Premiums • Donations to Indigenous and Smallholder Farmers