

THE KARMA COLA
FOUNDATION REPORT
2012 - 2017



**WE STARTED
SOMETHING**

**THERE ARE ABOUT 2
BILLION COLA BRANDED
DRINKS CONSUMED EVERY
DAY— OVER A MILLION A
MINUTE. BUT THE WEST
AFRICAN PEOPLE WHO
DISCOVERED THE MAGICAL
PROPERTIES OF THE COLA
NUT DON'T MAKE A PENNY
FROM THE WORLD'S MOST
POPULAR FIZZY DRINK.
WE THOUGHT IT WAS TIME
SOMEONE DID SOMETHING
ABOUT THAT. SO WE MADE
KARMA COLA.**

We took our friends Phil & Tom, the founders of Honest Burgers, to Sierra Leone to make burgers for the people who grow the cola in Karma Cola. They loved them.

You can see the story of 'Burgers In The Jungle' at karmacola.co.uk. Go to our journal then the collab.





WE MADE KARMA COLA TO TASTE GOOD AND BE GOOD. GOOD FOR THE LAND, GOOD FOR THE PEOPLE WHO GROW THE INGREDIENTS, AND AS GOOD FOR YOU AS FIZZY DRINKS CAN BE — SO YOU CAN FEEL GOOD ABOUT DRINKING THEM. WE SET UP THE KARMA COLA FOUNDATION TO HELP ENSURE THAT HAPPENS.

Levi Hawken of 'nek minnit' fame and fan of Karma Cola necking a can after showing us how to skate very fast down the back streets of Auckland's CBD.

You can read Levi's story at karmacola.co.uk. Go to journal and then people.

IT'S BEEN **5** YEARS SINCE WE MADE THE FIRST BOTTLE OF KARMA COLA. IN THAT TIME WE'VE MADE ANOTHER **3** GREAT TASTING, FAIRTRADE AND ORGANIC FIZZY DRINKS. WE CREATED **1** SUGAR FREE VERSION OF KARMA COLA. WE FORMED A COMPANY THAT'S GROWN TO **35** PEOPLE. WE'VE SOLD **12,000,000** OF OUR GOOD KARMA DRINKS IN **23** COUNTRIES. ALL THIS HAS ENABLED THE KARMA COLA FOUNDATION TO SUPPORT FARMING COMMUNITIES IN **8** VILLAGES IN SIERRA LEONE. WE'VE HELPED BUILD **1** BRIDGE. WE'VE PROVIDED BURSARIES FOR **75** GIRLS TO GO TO SCHOOL. WE'VE PAID **5** TEACHERS TO EDUCATE ANOTHER **265** CHILDREN EACH YEAR. WE'VE INVESTED IN **18** LOCAL ENTREPRENEURS TRADING THEIR WAY TO A BRIGHTER FUTURE. BUT THAT'S NOT ALL.

This boy can dance. He showed us his skills when we visited his class at Saahun School.

See how the Karma Cola Foundation is helping children like him in Sierra Leone in the short documentary TVNZ Sunday made about Karma Cola. It's also on our website karmacola.co.uk/journal/growers/tvnzsunday



**IF YOU'RE READING THIS IT'S BECAUSE:
A YOU'VE HELPED US GET THIS FAR OR B
YOU COULD HELP US GET EVEN FURTHER
OR C BOTH. THANKS FROM EVERYONE**



AT KARMA COLA, ON BEHALF OF EVERYONE WHO BENEFITS FROM THE SALE OF OUR DRINKS. THE MORE DRINKS WE SELL, THE MORE GOOD WE CAN DO.



The kids of Naiahun Village waving goodbye the last time we visited.

You can see more of life in the villages surrounding the Gola Rainforest in Sierra Leone in a documentary about the work of The Karma Cola Foundation on our website.

karmacola.co.uk



If you have any questions or suggestions please get in touch, that's how we learn and do better.

haveyoursay@karmacola.co.uk



Fans of Karma Cola at the Laneway music festival in Auckland in 2015. Free drinks and bean bags in exchange for a photograph. What goes around comes around.



14 What our friends have done with a little help from Karma Cola.

18 Imagine yourself in the shoes of a young girl in Sierra Leone.

CONTENTS

The story of Karma Cola has become woven into local mythology. Here the storyteller of Boma tells how a gift of cola to some people far away in New Zealand was repaid with generosity.

- 
- 20 Where does cola come from?
- 22 Karma Cola's supply chain; what goes around comes around.
- 24 This is our Foundation's first major report on the work we've done.
- 24 We have nothing to hide.
- 26 We are taking one of the world's most recognisable products back to its roots and making it a force for good.
- 27 We want Karma Cola and family to be the world's most delicious organic and ethical soft drinks.
- 28 The second most popular drink in the world after water and the second most popular word in English after OK.
- 29 The Karma Cola team are repeat offenders when it comes to making organic soft drinks, making some noise and making a difference.
- 31 From the first bag of nuts, to the first bottle of Karma.
- 32 Why Sierra Leone?
- 34 A natural ingredient from a natural source — the rainforest.
- 36 The Karma Cola Foundation is the karma in Karma Cola.
- 38 Karma Cola's beginnings can seem a bit, shall we say, unorthodox.
- 40 Here are a few important ideas that Karma Cola lives and loves by.
- 42 The foundations of the Karma Cola Foundation.
- 44 Decisions about the individual projects Karma Cola supports are made in collaboration with the community.
- 46 Small farmers in Sierra Leone, harvesting crops like cola from the rainforest for local markets have the odds stacked against them.
- 48 How Karma Cola works on the ground in Sierra Leone.
- 49 Putting it all together.
- 50 You don't have to take our word for it, we're certified.
- 52 Don't panic — we're organic.
- 54 Putting our money where our mouth is.
- 55 There's a little bit of Sierra Leone in every bottle of Karma Cola.
- 56 The Karma Cola family.
- 56 What goes into our drinks?
- 57 The United Nations of fruit.
- 58 Karma by design.
- 59 Karma by nature.
- 60 Karma by culture.
- 61 Who owns and runs this thing?
- 61 The fairest trader of them all.
- 62 What next?



**BUILT A NEW BRIDGE
ACROSS THE MAKENNEH
RIVER**



**HELPED VILLAGE
ENTREPRENEURS START
NEW BUSINESSES**



**REHABILITATED
RAINFOREST FARMS**

WHAT OUR FRIENDS HAVE DONE WITH A LITTLE HELP FROM KARMA COLA.

Before Karma Cola the only connection between Boma's old and new parts was a wooden bridge over a river. It was frequently damaged or completely washed away. There was often no easy way for people or goods to make the journey. Replacing this with a more permanent concrete structure was the first Karma Cola project completed.

Karma Cola has helped 18 entrepreneurs establish new businesses in their local area. We invested in leadership and business management training for community leaders and entrepreneurs. For a quarter of them, this was the first time they had generated their own independent income.

Albert Tucker, Chair of The Karma Cola Foundation says: "The growers came up

with a series of new business ideas during the Ebola crisis.

"We were wondering whether we should shift Karma Cola's development funding away from other projects to the Ebola work. But they said it would be more useful to invest in small businesses. They could collect necessities from the markets by motorbike and sell them in the villages. We agreed, as long as they could repay the investment over time and contribute to a development fund for other projects. That's what they have done."

Karma Cola backs sustainable initiatives with a business behind them. For example, when Karma Cola funding was used to build a guest house it became a business, charging guests and raising an income.

Most of the people in the areas where Karma Cola works rely on subsistence farming. During the Civil War it had not been safe to work the forest farms, and they had been



EMPLOYED FIVE NEW TEACHERS TO TEACH 265 CHILDREN & PROVIDE SCHOLARSHIPS TO SEND 75 GIRLS TO SCHOOL



HELPED VILLAGERS BUILD RICE HULLERS FOR FOOD SECURITY AND EXTRA INCOME



TAKEN ACTION TO PROTECT THE PEOPLE FROM EBOLA

left dormant. In a rainforest climate like Sierra Leone's they were quickly reclaimed by the jungle.

The relationship with Karma Cola has enabled their reinstatement. It's a big boost to the health and resilience of the community. The farmers themselves continued the process of rehabilitation after the initial support from the Karma Cola Foundation.

Education is crucial to economic independence and providing people with more choice in life. This is especially true of educating girls, who have been shown to be a vital asset in sustainable development. They have often been overlooked in Sierra Leone. Where three quarters of all females are illiterate.

The teachers that have been funded through Karma Cola meant another 265 children could be educated. Karma Cola has also provided 75 bursaries for girls to go to school.

Karma Cola didn't start supporting girls education as an attempt to tackle this nationwide problem. It was prompted by the growers themselves. Albert says: "The farmers told us that people who don't have much money don't send their girls to school. If they are forced to choose to only send some of their children to school, they send the boys. It's not so long ago that this would have been the case in many countries around the world. They had economic reasons for doing that, but they wanted it to change."

Rice is the staple diet in Sierra Leone, most of it locally grown. Pounding the inedible husk to separate it from the rice without a machine is an arduous and time-consuming chore. It's expensive if you take it to town to be milled. Three of the villages of the Tiwai communities now have new rice hullers. This frees up time for other things and earns income from those coming into the villages to mill their rice.

Thankfully, no one in Boma and the Tiwai communities was infected with Ebola due to the diligence of the local leadership, Government, NGO's and community members.

But the risk of the disease spreading limited the work people could do in the fields, forests and outlying areas. Dealing with it stretched the government and NGO resources available.

Karma Cola funded Ebola sensitisation programmes. They helped make people aware of the best ways to manage the risk of the disease and limit its spread. Karma also paid for hygiene and medical supplies.

The UN estimates that there were more than 5,000 new HIV infections in Sierra Leone in 2016 and just under 3,000 AIDS-related deaths. There were about 67,000 people living with the disease. Only about a quarter of them had access to the appropriate antiretroviral therapy. Doctors are few and far between, and knowledge about disease prevention is often lacking. This makes education through entertainment a vital tool in helping people stay healthy.

Street fashion Sierra Leone style. A performance encountered walking from Boma to Tiwai Island through neighbouring villages of the Barri Chiefdom. These women are warning of the dangers of promiscuity and unprotected sex.





**SUPPORTED AN AIDS/HIV
EDUCATION PROGRAMME
AND THEATRE TROUPE**





IMAGINE YOURSELF IN THE SHOES OF A YOUNG GIRL IN SIERRA LEONE.

If you have shoes.

Firstly, because your parents are likely to be earning less than \$2 a day, they may not be able to send you to school.

Maybe you're the one in your group of four friends who's made it through primary school.

And if you've made it this far, there's still only one chance in six that you'll go to high school.

But if your mum was educated it's twice as likely that you will be. And for every year you spend at school your income is likely to rise by up to 25%.

This is why we back girls going to school.

IN THE GOLA RAINFOREST OF WEST AFRICA THEY SAY 'HE WHO BRINGS COLA BRINGS LIFE'. COLA ISN'T NEW THERE. FOR CENTURIES PEOPLE HAVE CHEWED COLA NUTS FOR ENERGY AND SHARED THEM TO CELEBRATE FRIENDSHIP.

There is a local legend about Mami Wata, the spirit of the river that flows alongside Boma Village, the village we principally trade with for cola.

Generations ago the Chief of Boma was visited by her in his sleep. She spoke to him saying that Boma would prosper on the condition that, after him, all future Chiefs would be women. Since then her instructions have been followed.

The current Chief is Kadie Bao. It's her job to see that the people of Boma are fairly represented amongst the people of all the other surrounding villages in the Barri Chiefdom, to mediate disputes and lead the village.

A carving of Mami Wata from The Museum of Sierra Leone. The catalogue explains; "... she is half human half fish and is found in the sea and rivers. If she likes a person she can make them fortunate while those she hates she will give misfortune..."giving and taking life like a river.





Cola is literally woven into the fabric of life in West Africa. It is used to dye cloth, welcome people, celebrate friendship, as a wedding dowry and as a way to respect departed loved ones.

Freshly picked cola and Kadie Bao, Chief of Boma, sharing cola when welcoming us to her village.

MONEY FROM THE SALE OF EVERY BOTTLE GOES BACK TO THE PEOPLE WHO GROW THE COLA IN KARMA COLA AND THE KARMA COLA FOUNDATION GUARANTEES THE FUNDS ENABLE THE GROWERS' SOCIAL AND ECONOMIC DEVELOPMENT.

THE DIRECT CONNECTION BETWEEN THE PEOPLE WHO DRINK THE DRINK, AND THE PEOPLE WHO GROW THE COLA, IS HOW WE LIVE UP TO THE NAME ON OUR LABEL.

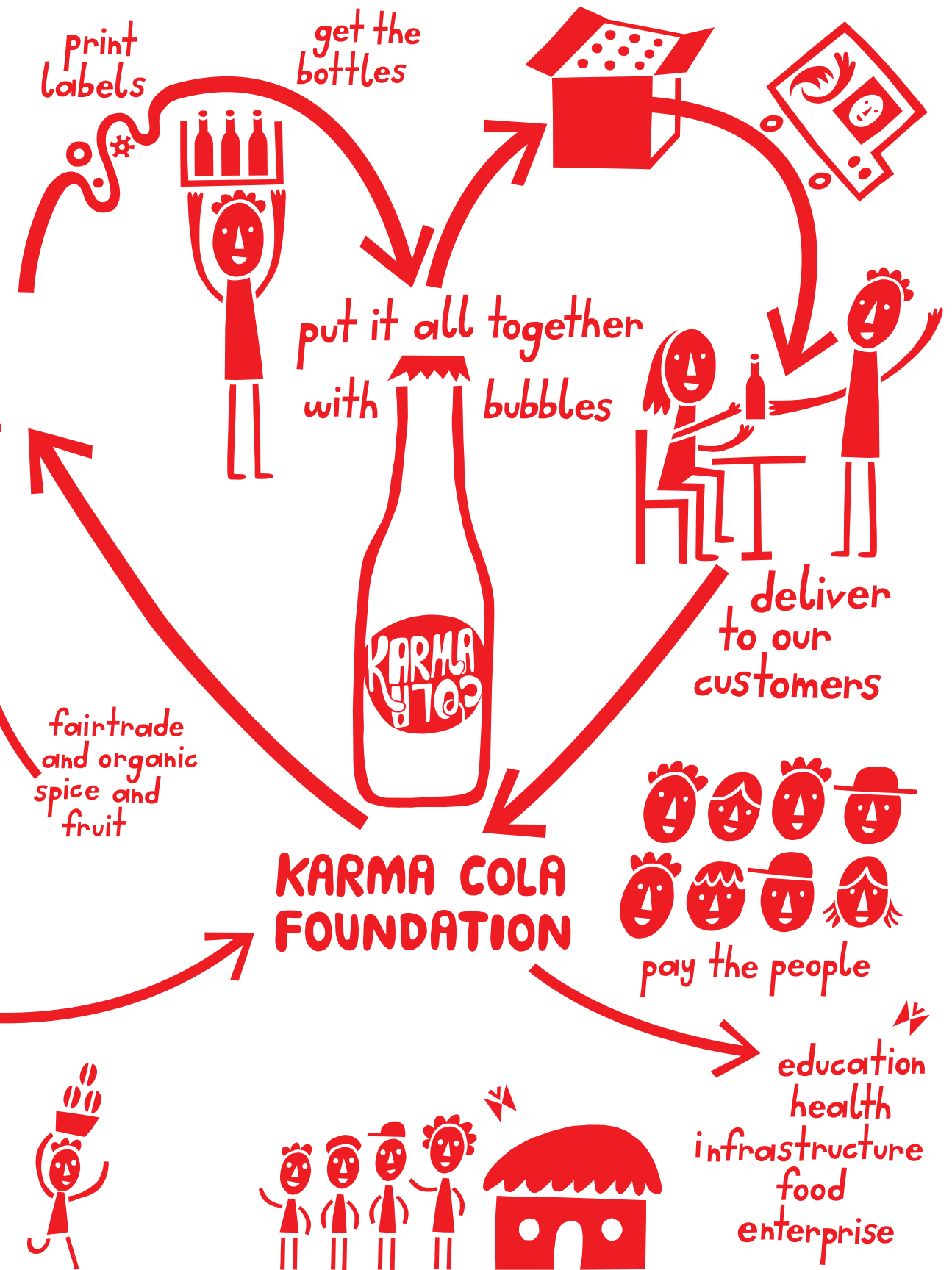
KARMA.

WHAT GOES AROUND COMES AROUND.



get the ingredients





THIS IS OUR FOUNDATION'S FIRST MAJOR REPORT ON THE WORK WE'VE DONE.

WE HAVE NOTHING TO HIDE.

WE'RE NOT BIG ON PAPERWORK FOR ITS OWN SAKE, BUT WE THINK THIS IS IMPORTANT.

We've taken stock of our first five years. We wanted to be sure we are holding true to the mission we have set ourselves. We wanted to make that public for all to see. To some extent we hope to recruit everyone who reads this to our cause, even if they only tell us how we can do better.

Our challenge is that there's no neat template for what Karma Cola is doing. (That's also part of the fun of it.). So there's no set format for our report either. We have taken best practice from transparency reports and the like and added our own twist and a slice of lemon. We plan on reviewing this every year. The recipe will evolve as time goes on.

Remember: you don't have to be a passive consumer of this report, or anything. Feel free to kick up a fuss or tell us how we could do better. That's how we got into this in the first place.

Something missing?
Have questions you'd like us to answer?
haveyoursay@karmacola.co.uk

KARMA COLA GIVES PEOPLE A BETTER OPTION WHEN THEY FEEL LIKE A COLA.

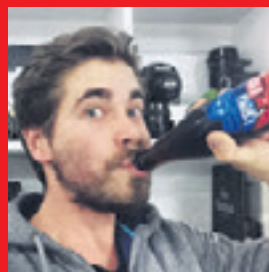
Because you should always know what's in your drink.

You should know how it is made and where it comes from. You should know all the effects each choice has, on you and the world around you.

That's why we're committed to being completely open about how we work and what we do.

Nobody's perfect. There are always trade-offs and compromises along the way, especially when trying new ways of doing things.

But we believe in laying our choices out on the table for all to see. That way you can tell us what you think, and we can learn, improve, and come up with fresh ideas.



WE ARE TAKING ONE OF THE WORLD'S MOST RECOGNISABLE PRODUCTS BACK TO ITS ROOTS AND MAKING IT A FORCE FOR GOOD.

Karma Cola challenges the drinks industry to take a fresh approach at ethical sourcing, human rights and empowerment. We base every drink on authentic natural organic ingredients. We source them fairly, in full cooperation with the growers. And we make sure the growers benefit from the success of what we do together.

This is a different kind of drinks company. It's based on everyone working together, from the people growing the raw ingredients to those getting it into your local café.

You could call us a sustainable and ethically conscious, design minded, integrated, commercially driven social enterprise and Fairtrade development organisation. But that's a bit of a mouthful.

It's not about 'giving back'. We don't just take in the first place. We share. Ideas, inspiration, the work and the benefits. This entire endeavour revolves around the principle of what goes around comes around.

Our back label is as important as the front. We have no secret recipe and nothing to hide, every organic and Fairtrade ingredient that goes into our drinks is there in plain language and so is the acknowledgement of our growers.

WE WANT KARMA COLA AND FAMILY TO BE THE WORLD'S MOST DELICIOUS ORGANIC AND ETHICAL SOFT DRINKS.

“We called it Karma because it sounded good and as a challenge to ourselves. If you are going to call your company Karma you had better be living up to that by doing the right thing.

“We asked; could something as frivolous as a fizzy drink actually do some good?”

Co-Founder Simon Coley

Mr Musa outside the mosque in Boma, the village Karma Cola began trading with for cola in 2012.



THE SECOND MOST POPULAR DRINK IN THE WORLD AFTER WATER AND THE SECOND MOST POPULAR WORD IN ENGLISH AFTER OK.

The mega soft drink corporations switched out the 'real thing' for cheaper alternatives ages ago. They burn sugar for the cola colour. They use phosphoric acid for the bitterness and tang. (That's the stuff that makes their drinks so good for drain cleaning...)

We put the cola back in and we never used phosphoric acid in the first place.

It plugs our drinks back into their source.

Unlike the recipe for Karma Cola, the recipe for Coca-Cola is secret. So we can't be certain there's absolutely no cola nut in it. But if they were buying cola nut for all the 1.8 billion cola drinks sold each day, our friends in Sierra Leone would have noticed. And that's to say nothing of Pepsi.

The hand of Kadie Bao the Chief of Boma village offering cola nut to welcome guests.

THE KARMA COLA TEAM ARE REPEAT OFFENDERS WHEN IT COMES TO MAKING ORGANIC DRINKS, MAKING SOME NOISE AND MAKING A DIFFERENCE.



Michael Salu of AFFA who manages the Karma Cola Foundation's work on the ground in Sierra Leone, Albert Tucker our Chairman and Chief Hindowa Kamara with farmers from the villages in the Tiwai Community.

Karma Cola was founded by Chris Morrison, Matt Morrison and Simon Coley.

Chris' first taste of eco-entrepreneurship came when he went to work in a health food store in Canada in the early 1980s and started making his own organic dog food.

"I didn't have a business background and I didn't go to university," he explains. But I realised you didn't have to work for somebody else. All you needed was an idea that was good enough to be passionate about and work hard for."

Back in New Zealand he made an organic ginger beer by switching out the sugar for honey. People seemed to like it. He made a pioneering range of organic fruit juices and carbonated drinks. This included a very tasty organic cola. His company, Phoenix Organics, became the largest organic beverage company in Australasia. It was sold to another drinks company in 2005.

Simon began a career in design as a boy sweeping the floors of The Caxton Press in Christchurch, New Zealand. This inspired him to learn to be a graphic designer.

He went on to use his creative skills campaigning with Greenpeace to stop polluters, support the plight of banana farmers in the Windward Isles and to educate to curb climate change.

Simon's adventures in design took him around the world and back to New Zealand.

In 2010 Simon and Chris were sitting on a beach, considering their next challenge. They hit upon the idea of combining their talents and enthusiasms in a new company — All Good.

They set out to disrupt another of the largest and



most ethically challenged product sectors on the planet — the banana market. Chris’ brother Matt who then joined them.

He had an MBA, leadership experience from the NZ Army and a whole heap of financial acumen. It was Matt that established just how many bananas you can fit into a family car (a lot). He also discovered how hard

it is to get rid of a van load of rotten bananas in a heat wave (really hard).

The ongoing success of All Good Bananas is continuing to challenge and improve that industry.

The team returned to its expertise in beverage marketing in 2012. They set their sights on the next big market to disrupt with their passion

to do good - the cola market.

Simon says: “When we first started looking into this there was a ‘WTF?’ moment. How had the signature ingredient been left out of one of the most popular drinks on Earth, bypassing the people who grow it?”

It seemed like another unmissable chance to do the right thing.



FROM THE FIRST BAG OF NUTS, TO THE FIRST BOTTLE OF KARMA.

Matt Morrison recalls how it all started.

“Simon, Chris and I were having a pizza with a friend from the Fairtrade sector.

“We began talking about the story of cola with no cola in it. It happened that our friend knew Albert Tucker was travelling to his native Sierra Leone at the time.

“Albert is a London-based Fairtrade advocate. He’s also a former director of Twin Trading, the pioneering Fairtrade company. Twin Trading sourced the coffee for Café Direct, the UK’s first and largest Fairtrade hot drinks brand. It also supports Divine Chocolate, which is co-owned by the 85,000 farmer members of Kuapa Kokoo, the cooperative in Ghana that supplies the cocoa.

“We challenged Albert to get us some cola.

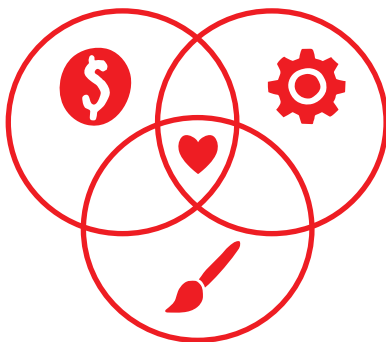
“He contacted Dr Hans-Peter Muller from the German NGO Welthungerhilfe in Sierra Leone. Hans-Peter tried to explain to local people why some blokes in New Zealand

wanted cola nuts. He eventually succeeded in Boma, and a package arrived at our office with 5kg of cola nuts in it. I have since found that this might have been illegal. Nobody had imported fresh cola nut to New Zealand before, so there was quarantine and all that to do. This became clear later when I got stopped at customs with quite a lot of cola nut in my baggage.

“Anyway, once we had the cola we went about making a drink from it.

“After six months and hundreds of different versions we sent a box of Karma Cola back to Boma. It must have been a bit of a surprise. Six months later we sent them the money from the proceeds of the first year’s sales.

“A little bit of magic had happened.”



Above are Matt Morrison, Simon Coley and Chris Morrison. Each of them brings a unique talent to their company united by their purpose to make and sell fizzy drinks that can do some good.

WHY SIERRA LEONE?

People walking home at dusk in
Freetown, Sierra Leone.

THE COMMUNITIES KARMA COLA WORKS WITH IN SIERRA LEONE ARE INCREDIBLY VIBRANT, RESILIENT, RESOURCEFUL AND POSITIVE. THEY HAVE A CULTURAL HISTORY AS RICH AND VARIED AS THEIR SURROUNDINGS. WORKING WITH THEM IS A VERY SPECIAL EXPERIENCE.

Karma Cola works with these people because the cola nut they grow is vital to our product, our brand and its purpose. We recognise that buying cola nuts from them contributes to their income, but on its own it's not enough to live on. That's why we allocate a small amount from the sale of every drink to fund the work of the Foundation and support the communities further. And it's why we work with the communities as they develop other businesses and sources of income.

Sierra Leone is an amazingly fertile country with tropical rainforests providing shelter and nutrients for wild and managed crops like cocoa, cola nut, spices and coffee. It is rich in natural resources — bauxite, aluminium, titanium and its sometimes notorious diamonds.

For centuries most ordinary people in Sierra Leone have

gained far too little from the abundance that surrounds them. More recently decades of conflict and political disruption have kept most of them poor and without basic public services.

Then a brutal civil war from 1991-2002 devastated the country. More than 50,000 people were killed. More than two million Sierra Leoneans were displaced as refugees into neighbouring countries.

Karma Cola works with eight villages in the Tiwai region, near the Liberian border. Local villagers spent many years hiding in the nearby Gola Rainforest during the war. Now they are trying to preserve it, while also endeavouring to rebuild their lives and communities.

Sierra Leone remains one of the poorest countries in the world. Life expectancy is around 50¹. 60% of the population lives on less than US\$ 1.25 a day and unemployment and illiteracy levels remain high, particularly among youth².

Sierra Leone was also one of the countries worst hit by the recent outbreak of the deadly Ebola virus,

beginning in 2014. The estimated impact on the economy in the West African region was projected to be \$32.6 billion by the end of 2015³.

Before Ebola Sierra Leone was one of the fastest growing economies in the world. Despite starting from a low base after the war, the people of Sierra Leone are working very hard to develop themselves and their country and are again trying to rebuild.

GETTING TO BOMA TAKES A BIT OF DOING.

It takes a couple of planes, a choppy boat ride across the harbour to Freetown, a couple of days in a four-wheel drive and a walk to get there. But it's always a worthwhile experience.

When we go we take time to meet people and do something useful or fun with them, just like we would with our neighbours back home.

We don't want to be the kind of people that turn up at your place, take a bunch of photos of your kids and then leave.

That would be weird.

1. <http://data.un.org/CountryProfile.aspx?crName=sierra%20leone#Social>

2. <http://www.sl.undp.org/content/sierraleone/en/home/countryinfo.htm>

3. <http://www.worldbank.org/en/region/afr/publication/the-economic-impact-of-the-2014-ebola-epidemic-short-and-medium-term-estimates-for-west-africa>

A NATURAL INGREDIENT FROM A NATURAL SOURCE — THE RAINFOREST.

**SUSTAINABLE TRADE,
INCLUDING THE COLA
NUT TRADE WITH KARMA
COLA, IS ONE WAY IN
WHICH LOCAL PEOPLE
CAN DRAW INCOME
FROM THE RAINFOREST
WITHOUT DISRUPTING
THE NATURAL ECOSYSTEM.**

**IT CAN HELP THE
VILLAGERS TO RESIST
THOSE SEEKING TO
PERSUADE THEM TO
FELL THE TREES FOR
TIMBER AND PALM OIL
PLANTATIONS.**

The Gola Rainforest is home to chimpanzees, rare pygmy hippos and Diana monkeys and more than 250 species of birds. It's a haven for more than 60 globally threatened species. In 2007 it became Sierra Leone's first protected Rainforest National Park. This came about through a pioneering project to reduce greenhouse gas emissions from deforestation. The project has been funded by the European commission, the French government, the Royal Society for the Protection of Birds and Conservation International.

The headline for the poster with the illustration on the opposite page reads; 'The rainforest is a better factory than the factories they cut the rainforests down for.'

Karma Cola grows naturally in the Rainforest of Sierra Leone and money from every Karma Cola goes to the people who harvest it for their independence and to protect the forest and these endangered species.



THE KARMA COLA FOUNDATION IS THE KARMA IN OUR COLA.



The Karma Cola Foundation distributes a share of the proceeds of Karma Cola sales to the farming communities that grow the cola nut we use in our drinks.

We want the Foundation to guarantee we do what we say on the label — karma.

The drink you buy has to have a positive impact on the people involved in producing it and the environment. What goes around comes around.

We also want it to be able to support further inspirational causes related to the products and their stories.

Karma Cola came about because we believed in creating drinks that would be:

- good for the land;
- good for the people who grow the ingredients;
- and as good for you as fizzy drinks can be.

The way we tell this story to our customers is to make sure our drinks:

- look good;
- taste good;
- and then let them know that they also do good.

THE KARMA COLA FOUNDATION HELPS COMMUNITIES THAT GROW THE KEY INGREDIENTS FOR OUR DRINKS TRADE THEIR WAY OUT OF POVERTY AND GAIN ECONOMIC INDEPENDENCE.

The Karma Cola Foundation guarantees Karma Cola lives up to its karmic commitment by providing:

- a fair price or better for the produce it purchases, and;
- supporting wellbeing and fair working conditions;
- environmental sustainability, and;
- economic sustainability.

As well as this The Karma Cola Foundation:

- actively supports women's economic empowerment, with a focus on education and gender equality;
- understands, promotes and protects the cultural identity of producer communities;
- empowers communities to decide for themselves how Karma Cola Foundation funding is used.





**KARMA COLA'S
BEGINNINGS CAN SEEM
A BIT, SHALL WE SAY,
UNORTHODOX.**

Our cola is not just for Christmas so we painted Chief Hindowa Kamara of Kambama as Father Christmas to wish a happy 365 days a year from all of us

at Karma Cola. Kambama is one of the eight villages the Karma Cola Foundation works with on the edge of the Cola Rainforest in Sierra Leone.

**IF ANY ONE OF US HAD
SAT DOWN AND WRITTEN
OUT HOW WE WERE
GOING TO DO THIS WE
WOULDN'T HAVE DONE
IT THE WAY WE HAVE.
BUT A PRETTY SPECIAL
COMBINATION OF
DIFFERENT EXPERIENCES
AND CULTURES HAS
GOT US TO WHERE WE
ARE TODAY.**

Albert explains.

“There is a tendency to think we made it up as we went along. I prefer to say we’ve responded to challenges and found solutions from collective experience. Sometimes when we are talking about it we can also make it seem a bit too easy. But then people can find things like this hard to replicate. This is because there are hidden costs and dramas along the way that we often don’t recall or think of as part of the process.

“A lot of the early work we did was based entirely on trust. Chris, Simon and Matt asked me to find someone who could locate some cola nut and I did it. I asked Hans Peter to find some growers and he did that. Then the growers trusted us with some nuts. That’s what got us started.”

One of the things we are clear on is Karma Cola is not now and will never be a charity operation. We are trading partners. The growers are as much a part of Karma Cola as we are. But we understand that people can’t live by just selling Karma Cola a few bags of cola nut each year. So we look to do more.

We talk to whoever we can wherever we can to learn

how to do this better. But we also maintain our own special Karma Cola take on things.

To deepen the relationships we have established, while also ensuring they work in a commercial sense, Karma Cola:

- Works in farming communities that have the potential to be well organised and know what they want.
- Works to enhance their organisation and the clarity of their aspirations.
- Requires our projects to operate cost effectively, demonstrating sound business practices.
- Stays nimble and lean. We take a ‘minimum viable process’ approach. This ensures we maximise the funds reaching community projects.
- Creates genuine partnerships with existing organisations and uses existing structures wherever they meet our needs.
- Does not take on work the community or government can do or is doing itself.

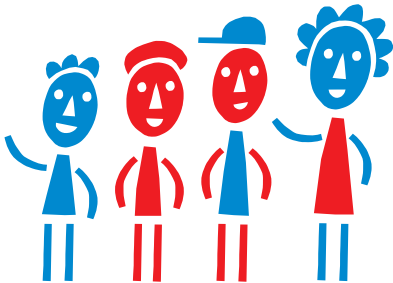
Albert says: “Essentially what we do is sit down with the people and talk about what they need. You really work with people, not organisations. The secret is to find people who have the same goals and will do what they say they are going to do. And it doesn’t really work trying to organise people. They have to organise themselves before you can work with them. They have to set up their own decision-making processes.”

Simon adds: “We didn’t start out to be experts in supporting developing economies or rural communities. It’s not something I thought I would ever end up doing. But because of the journey that we’ve been on, we have become intimately connected with quite a few people’s lives.

“We have started something, we have a responsibility to follow it through. Relatively small activities that we can support can really shift things. It’s a whole lot more than just being able to offer money. If you can create a sense of ownership and partnership and something you can do together into the future...it’s so powerful.”

IN THE FIRST FIVE YEARS OF KARMA COLA AND THE FOUNDATION WE'VE DEVELOPED A WAY OF DOING THINGS.

HERE ARE A FEW IMPORTANT IDEAS THAT KARMA COLA LIVES AND LOVES BY.



ONE WHANAU (MAORI FOR FAMILY)

The Karma Cola Company business and Foundation operate as a single symbiotic joint enterprise. One is not supporting or leading the other. We work together towards shared goals.

The people who grow our ingredients are part of Karma Cola. We treat them as if they live next-door, respecting them as neighbours and their land as if it were our own backyard.

UNITED BY KARMA

The more Karma Cola drinks that are sold the more good the Foundation can do. We believe in karma - what goes around comes around.

So we put others first and consider the consequences of what we do. This includes the consequences for the natural world.

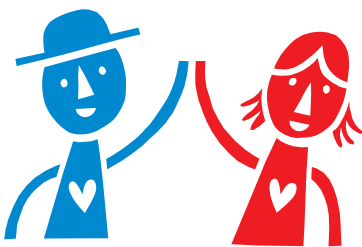
WITH NO SECRETS

We have nothing to hide so we don't hide anything.

Transparency is a key promise to our customers and to each other.

‘IF YOU DON’T STAND FOR SOMETHING, YOU’LL FALL FOR ANYTHING’.

MALCOLM X



AND A BELIEF IN POSITIVE CHANGE

Karma Cola’s business strategy is based on two assumptions: people enjoy great tasting drinks and they want to make the world a better place.

If we’ve got either of those wrong, we’re stuffed.

Our confidence in this powers our activism.



DRIVEN BY THE FUN OF THE CHALLENGES

We question everything rigorously and challenge conventions. But we do it with humility and a sense of humour.

Sometimes the way everybody else does something is the best way to do it and sometimes it’s not. We have a lot of fun finding out.



THAT OFTEN COME IN SURPRISING WAYS

Our defiance, energy, enthusiasm and sense of humour can get us into some odd situations.

But hey, they got us this far, right?

We owe it to people to never be boring.

THE FOUNDATIONS OF THE KARMA COLA FOUNDATION.

We focus our activities on the key development issues where we have found ourselves to be most effective.

We are always seeking to be innovative in the way we go about things. But we don't want to reinvent the wheel. We don't want to do things less effectively for the sake of it. And we don't want to disrupt or duplicate the good work others are doing.

We learn from organisations like The Fairtrade Foundation. We are always looking to support the goals of any more experienced organisations whose values and objectives we share.

We line up our work with the goals of the Government of Sierra Leone and United Nations Development Programme (UNDP). Together they have defined development priorities for the country. These were drawn up in reference to the UNDP's Sustainable Development Goals.

They include:

DIVERSIFIED ECONOMIC GROWTH

Agriculture, subsistence, cash crops, tourism.

ACCELERATING HUMAN DEVELOPMENT

Reducing poverty through improved education, providing safe water and improved sanitation (WASH).

LABOUR AND EMPLOYMENT

Reducing unemployment of youth and women through education, job skills training, small enterprise development and credit.

SOCIAL PROTECTION

Reducing social and economic inequalities through improving the education of women and girls, improving nutrition and health care, increasing participation in employment and decision-making.

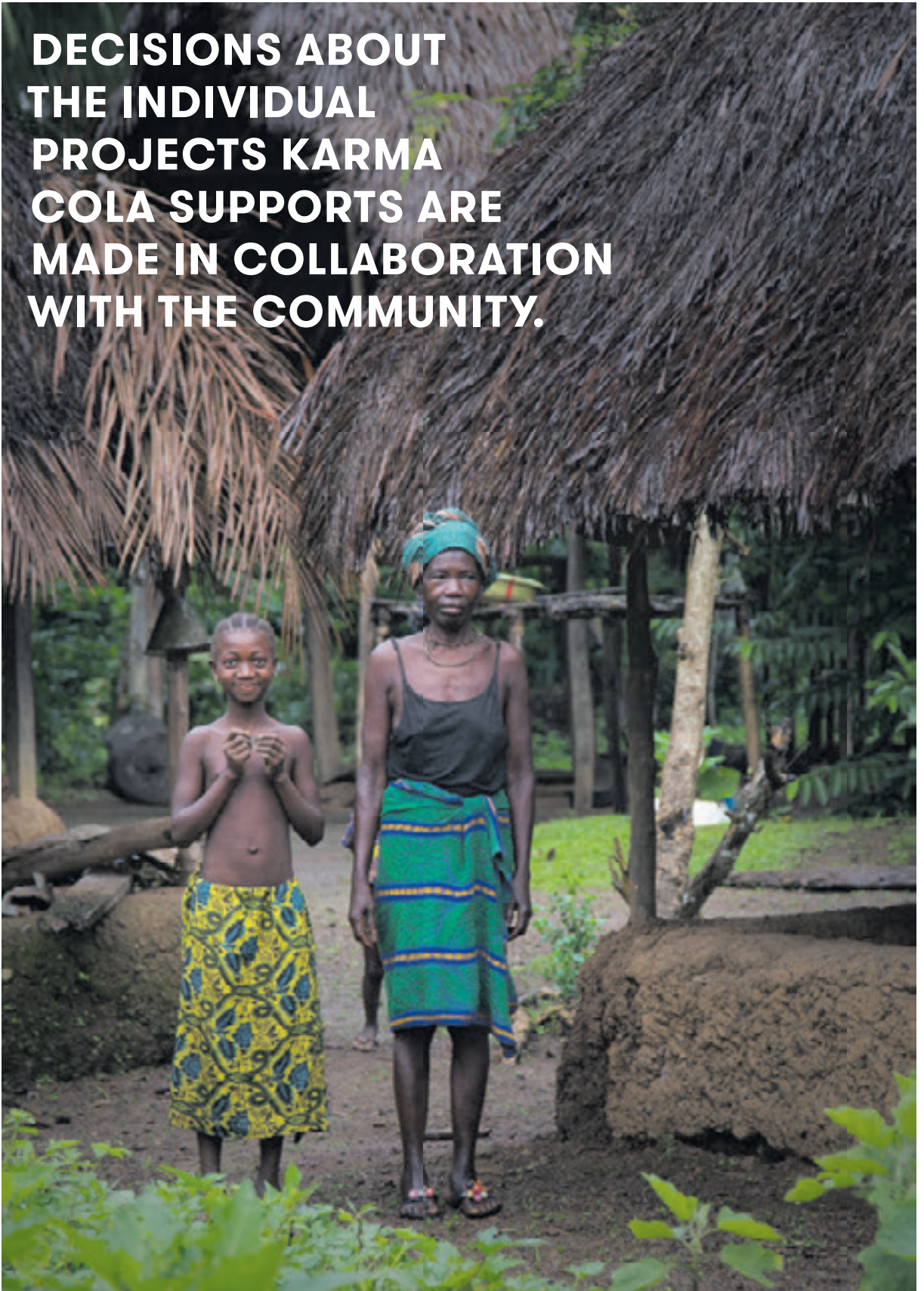
GENDER AND WOMEN'S EMPOWERMENT

Reducing institutionalized gender inequalities through improved access for women and girls to education, justice, health care, and decision-making.

We ensure our work fits within these priorities.



**DECISIONS ABOUT
THE INDIVIDUAL
PROJECTS KARMA
COLA SUPPORTS ARE
MADE IN COLLABORATION
WITH THE COMMUNITY.**



WE HAVE IDENTIFIED KEY ISSUES TO WORK ON THAT SPECIFICALLY SUPPORT OUR DRIVE TOWARDS GREATER COMMUNITY INDEPENDENCE.

THESE ARE THE CRITERIA FOR PROJECTS WE SUPPORT:

HEALTH AND WELLBEING

Economic independence is almost impossible to achieve and maintain if you are chronically hungry, unwell or unsafe. There will be some instances in which the Karma Cola Foundation can provide investment that alleviates immediate problems, either independently or in partnership with local government and non-government organisations. This includes food security and work we've supported to prevent the spread of infectious diseases like Ebola.

EDUCATION

Basic literacy and numeracy can be instrumental in securing an economically independent future. Karma Cola places special emphasis on the education of females. Their education has often been neglected. The education of women has proven to be a key driver in securing economic independence.

ENABLING LOCAL ENTERPRISE

Karma Cola can provide micro-loans or seed funding for small businesses. This can fund training in the skills required for these enterprises to succeed. It can include the teaching and administrative, negotiation, reporting and management skills. These are needed to secure support and funding from other businesses and organisations.

We find our most effective interventions are those that create irreversible progress towards economic independence, rather than short term fixes. So we favour training, education and the creation of infrastructure where it can be maintained by the community. We don't tend to support emergency relief or consumable support or equipment. We think this is best provided by others.

ENVIRONMENTAL PROTECTION, CONSERVATION AND RESTORATION

Healthy natural systems underpin all life and economic enterprise. Karma Cola can assist with the protection, conservation or restoration of key natural resources where this can be achieved and would not be achieved otherwise.

SMALL FARMERS IN SIERRA LEONE, HARVESTING CROPS LIKE COLA FROM THE RAINFOREST FOR LOCAL MARKETS, HAVE THE ODDS STACKED AGAINST THEM.

THE FARMERS WHO HARVEST KARMA COLA'S COLA AND OTHER INGREDIENTS ARE AT THE MERCY OF TRADERS WHO SET THEIR OWN PRICE FOR GOODS. MARKETS CAN BE FAR AWAY, ALONG POOR ROADS OR NO ROADS AT ALL. THEY CAN BE STOPPED AND 'TAXED' AT CHECKPOINTS. BY THE TIME THEY HAVE GONE THROUGH ALL THAT, THEY AREN'T LEFT WITH MUCH TO SHOW FOR IT.

Karma Cola changes that by plugging the growers we work with into an international market for their products, backed with fair and consistent agreements.

“Once we met the people who live in Boma, we knew we had to keep going. Eight villages directly benefit from the sale of our drinks: they motivate us to make it a success.”

Simon Coley

“Like two bags of kola nuts or three bags can bring in some good cash into my home. I can take care of my family throughout that year you know, so, with Karma Cola our lives rebuild again, we survive.”

Chief Hinduwa Kamara of Kambama Village, Tiwai, Sierra Leone



HOW KARMA COLA WORKS ON THE GROUND IN SIERRA LEONE.

WHEN KARMA COLA STARTED WE REALISED WE WERE GOING TO NEED HELP TO FIND THE RIGHT GROWERS TO WORK WITH, AND TO WORK WITH THEM IN THE RIGHT WAY.

Albert Tucker made the first connections and joined the team. He still visits the grower region at least three times a year to offer his advice and expertise.

We also needed somebody local to maintain a close connection to these villages while we ran round the globe trying to sell as many drinks as possible.

THE AGRO-FORESTRY FARMERS ASSOCIATION

Albert put us in contact with Michael Sallu and his organisation, the Agro-Forestry Farmers Association (AFFA). Michael helps to maintain our close connection to the villages growing cola nut for Karma Cola. He also works on development projects with us.

He visits the villages once or twice a week. He checks on the progress of any ongoing development projects. He ensures the accounts are up to date and allocates funds to where they are needed most. Michael and his part-time assistant are based in Bo, the nearest large city to the communities we work with in the region. Karma Cola bought Michael a motorbike to help him get out to the villages and pays his running costs.

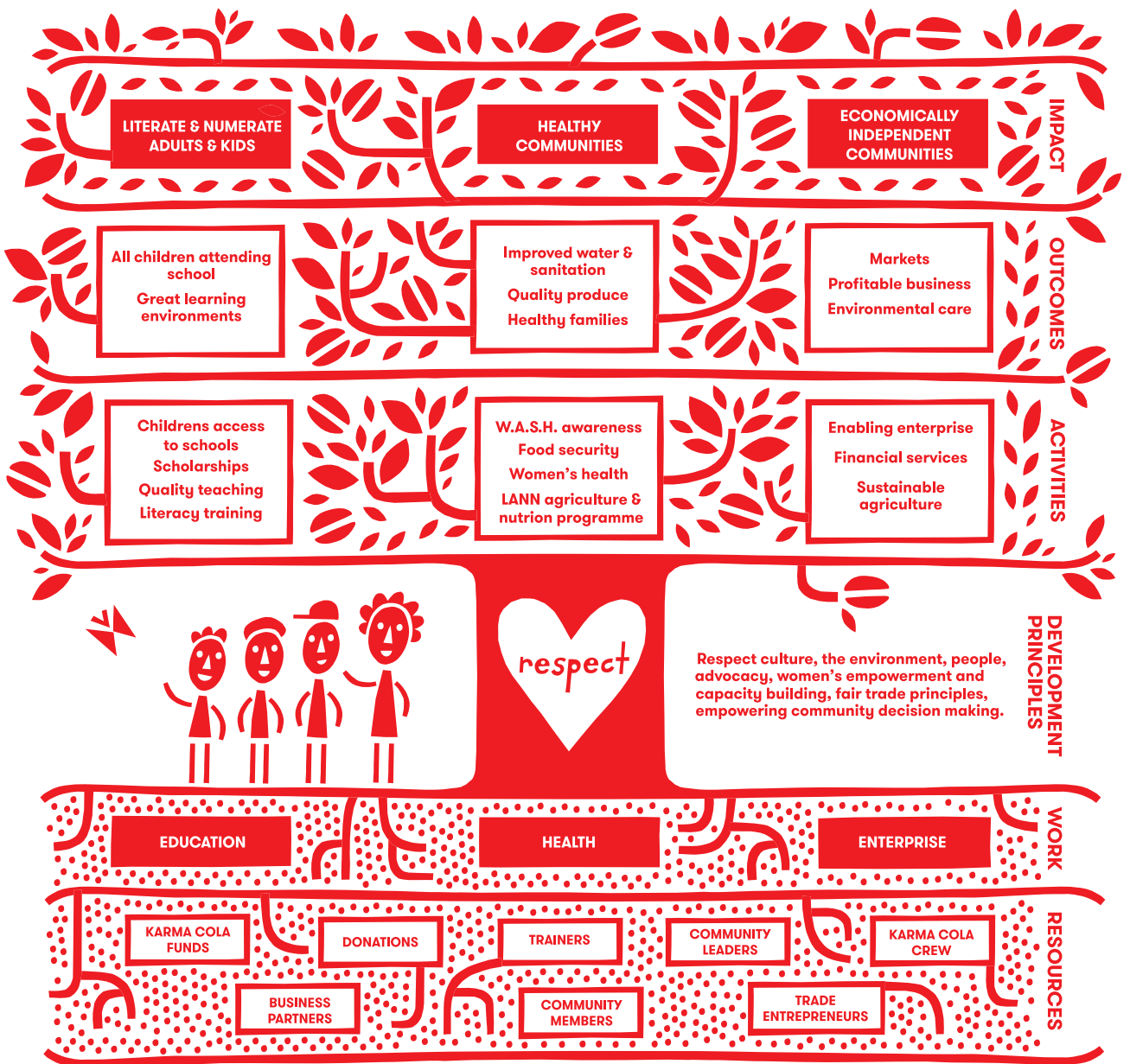
WELTHUNGERHILFE

The other great connection Albert made for us was with Welthungerhilfe. It's a large German development agency specialising in rural development, health, water and sanitation and food

security. They have a similar approach and values as us, with a strong focus on self-help for farmers.

Welthungerhilfe has a field office in Kenema City. It's not too far from Boma and the other cola nut grower villages we work with. Staff there have generously volunteered their time to help advise and support Michael.

Welthungerhilfe's expertise and experience in the area provides important validation and support for the work Karma Cola is doing.



PUTTING IT ALL TOGETHER.

The diagram shows how the Karma Cola Foundation works with the communities we support in Sierra Leone from the ground up.

The Cotton Tree is a historic symbol of Freetown, the capital city of Sierra Leone. According to legend, the “Cotton Tree” gained importance in 1792 when a group of former African American

slaves, who had gained their freedom by fighting for the British during the American War of Independence, settled the site of modern Freetown.

There is also a Cotton Tree sheltering Boma Village with whom we principally trade in the Tiwai District.

YOU DON'T HAVE TO TAKE OUR WORD FOR IT, WE'RE CERTIFIED.

WHEN EXPLORING NEW TERRITORY, IT'S GOOD TO HAVE SOME SIGNPOSTS. THAT'S TRUE FOR US AND THE PEOPLE WHO BUY FROM US.

AND SINCE WE'RE PUTTING IT OUT THERE THAT WE'RE THE GOOD GUYS, WE HAVE TO BE ABLE TO PROVE IT.

KARMA COLA HAS BEEN A FAIRTRADE COMPANY SINCE ITS INCEPTION.

Our products are made from several raw ingredients. For the product to be Fairtrade certified we must source Fairtrade certified ingredients wherever possible. To reach that goal Karma Cola includes sugar, ginger and vanilla traded on Fairtrade terms.

Fairtrade certification is part of how we learn and explore. It's also an inspiration. Massive positive social change has been enabled in the countries in which Fairtrade works.

The Fairtrade process also provides us with independent verification that we are living up to the values that we hold dear.



FAIRTRADE CERTIFICATION PROTECTS WORKERS' RIGHTS

All forms of forced labour are prohibited by Fairtrade certification.

Workers have the right to join an independent union to collectively negotiate their working conditions.

Working conditions must be equitable for all workers.

Salaries must at least match whichever is higher - the regional average or any legally stipulated minimum wage.

Health and safety measures to avoid work-related injuries must be in place.

Profits are equally distributed among the producers.

All members have a voice and vote in the decision-making process of the group's organisation.

FAIRTRADE PROTECTS CHILDHOOD

Fairtrade certification means not employing anybody under the age of 15 or the legally stipulated minimum, whichever is higher. Fairtrade's 'child's rights first' approach means that in instances where nobody in

a household is over 18, steps must be taken to ensure support for that household. It means companies wishing to be Fairtrade certified that previously employed children cannot abandon them to even worse employment or living conditions. And it means not employing anybody under 18 in potentially dangerous or exploitative situations.

FAIRTRADE PROTECTS THE ENVIRONMENT

Fairtrade certification prohibits the use of more than 200 substances on the grounds of their negative impact on people and the environment. It restricts the use of 39 others to certain limited and monitored circumstances. It has 'flagged' more than 100 more to be used only with extreme caution. These lists are regularly updated as new science emerges.

PAYING THE FAIRTRADE MINIMUM PRICE

Payment of the minimum price is regularly audited and checked. It provides a vital safety net for farmers and workers and protects them from fluctuations in the market prices of the products they grow. This protection secures an assured and

stable income so they can plan for their future. Fairtrade is the only certification scheme that does this.

PAYING AN ADDITIONAL FAIRTRADE PREMIUM

The Fairtrade Premium is another sum of money paid in addition to the Fairtrade Minimum Price. It goes into a communal fund. The fund is controlled by the workers and farmers. It is used to improve their social, economic and environmental conditions. This could be for education or health care for their children, improving their businesses or building vital infrastructure such as roads and bridges for their community.

FAIRLY TRADED COLA NUT?

Unfortunately cola nut can't yet be Fairtrade certified.

At the moment the commercial interest in Fairtrade cola nut is too small for it to have its own Fairtrade standard. The work of the Karma Cola Foundation, paid for through a contribution from each bottle of Karma Cola, is additional to our Fairtrade commitments. It's our way of supporting the cola nut growers and maintaining this important connection to our key ingredient.

DON'T PANIC — WE'RE ORGANIC.

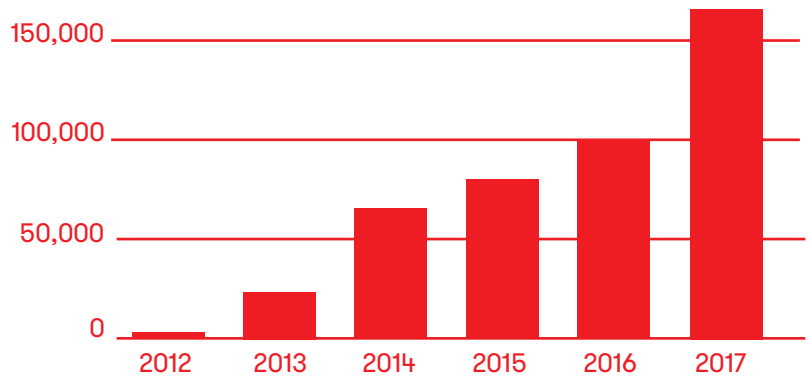
THERE ARE NO WEIRD CHEMICALS LURKING IN OUR DRINKS.

NO FRUCTOSE SYRUP, NO SODIUM BENZOATE, NO ASPARTAME, NO POTASSIUM SORBATE, NO PHOSPHORIC ACID, NO ARTIFICIAL COLOURINGS AND NO ARTIFICIAL FLAVOURINGS.

Although these are found in quite a few soft drinks, they have been linked to potential harm to your health.

WE USE ORGANIC CERTIFIED INGREDIENTS WHEREVER WE CAN TO ENSURE OUR DRINKS ARE PRODUCED IN A WAY THAT REDUCES THE USE OF PESTICIDES, HERBICIDES, AND ARTIFICIAL FERTILISERS.

THIS ALSO RULES OUT GENETICALLY MODIFIED ORGANISMS (GMOS) AND IRRADIATION.



TOTAL ORGANIC INGREDIENTS PURCHASED IN KGS*

Here you can see the growth of our organic certified ingredients including fruit juices, sugar, vanilla and ginger.

From 2018 we will purchase more than 200,000 kgs of organic ingredients for our drinks. We source them from India, Sri Lanka, Israel, Mexico and Italy.

Our impact on farmers in developing countries goes beyond Sierra Leone. For example, in India in 2017, the farmers we purchase our Fairtrade organic sugar from were supported with water coolers for local schools and solar street lights for local communities. To date we have provided our sugar cane farmers with over \$41,000 in development funding to social and environmental projects.

*amounts are measured in kilograms of juice concentrate

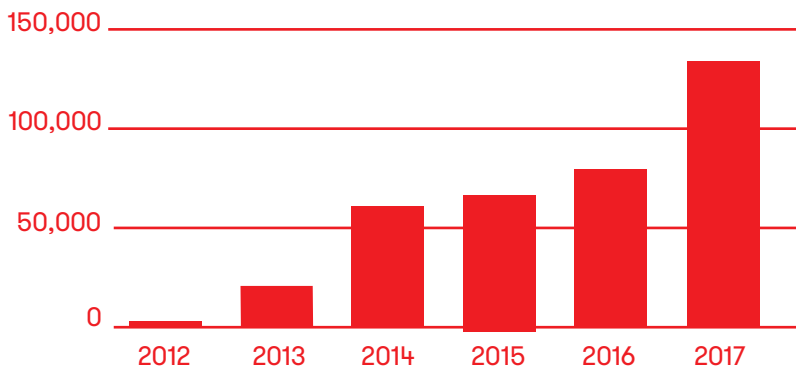
ORGANIC GINGER AND VANILLA FROM SRI LANKA

We use real organic vanilla pods and real organic ginger in Karma Cola and Gingerella, sourced from the communities in the Forest Garden Grower's Society in Sri Lanka.

Karma Cola's premium funding has contributed to the Forest Garden Growers Society with these projects:

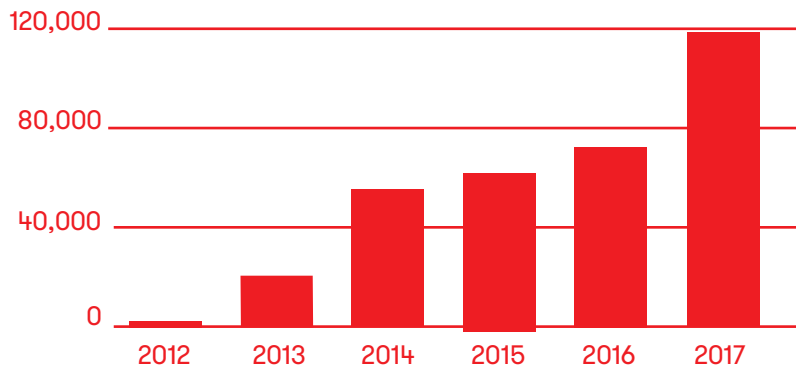
- Beehives throughout our growers communities and growing areas. To encourage diversification of income into honey and to support pollination and biodiversity 65 beehives have been delivered in 2017 and a further 50 beehives in 2018.
- School books have been supplied for the community school.
- A plant nursery has been supported to enable the farmers to diversify their crops into cardamon, mango and coconuts.

We plan to do more as we sell more drinks.



TOTAL FAIRTRADE CERTIFIED INGREDIENTS PURCHASED IN KGS*

The majority of our ingredients are Fairtrade certified. In 2017 we purchased more than 130,000kgs of Fairtrade certified ingredients.



FAIRTRADE PREMIUM PAID TO SUGAR FARMERS FOR DEVELOPMENT PROJECTS IN \$USD

Sugar Free Karma Cola in the UK and Europe is not organically certified. This is because stevia is not yet an approved ingredient for organic certification by the UK's Soil Association. We still source our stevia from spray free farms.

PUTTING OUR MONEY WHERE OUR MOUTH IS.



This is kola nut — all the way from the West African Gola Rainforest.

THERE'S MORE TO ALL THIS THAN NUMBERS, BUT THE NUMBERS MATTER. HERE'S A SNAPSHOT FROM OUR FIRST FIVE YEARS.

| | | |
|--|------------------|--|
| Karma Cola Foundation | \$190,000 | Funds from sales allocated to the Foundation to 31 December 2017 |
| Fairtrade premiums | \$34,000 | |
| Fairtrade international producer support | \$48,000 | Producer support services, monitor evaluation and learning, advocacy work and development of new programmes and initiatives to support producers |
| Fairtrade certification | \$87,000 | |
| Total | \$357,000 | USD |

KARMA COLA'S SUGAR IS GROWN ORGANICALLY ON A GROWER-OWNED, FAIRTRADE COOPERATIVE IN MAHARASHTRA, INDIA. KARMA'S SUGAR HAS FUNDED THE FOLLOWING PROJECTS FOR THE COMMUNITY SURROUNDING THE SUGAR FARMS.

WATER COOLERS FOR LOCAL SCHOOLS

Children from the local villages had to drink untreated tap water at school that put them at increased risk of disease. The water quality was particularly bad during the monsoon season when polluted rainwater enters the water-supply. Filtered water coolers have been installed in seven schools. This programme will expand in 2018.

SOLAR STREET LIGHTS

Funds have been used to install 50 low-cost solar lights in fields and streets in relatively remote farming areas. This has improved the safety of farmers and the hours they can work to feed their families.

DRIP IRRIGATION

Traditional irrigation techniques can be water intensive, leading to overwatering of some sugar growing areas. Drip irrigation can cut water use by up to 70% without affecting yields, and protect local water supplies.

THERE'S A LITTLE BIT OF SIERRA LEONE IN EVERY BOTTLE OF KARMA COLA. IT'S THE ONLY PREMIUM PRODUCT IN THE WORLD WITH 'SIERRA LEONE' ON THE LABEL.

The cola nut is the fruit of the cola tree, a genus of trees native to the tropical rainforests of Africa. Its caffeine content has seen it used since ancient times as a mild stimulant. In many West African countries it is chewed in ceremonies. It's an important way to show respect to chiefs or guests. It's an integral aspect of spiritual practices. Cola nuts are used as a religious object and sacred offerings during prayers, ancestor veneration and significant life events. You will see them at naming ceremonies, weddings, and funerals.

Cola nut has also been used as a form of currency among some West African people, including the Malinke and Bambara of Mali and Senegal. Even today you might see the nuts used in ceremonial bargaining during negotiations.

Karma Cola's source of fresh cola nut is the small family forest farms of the Mende people in and around the village of Boma in southern Sierra Leone. The cola trees blend seamlessly into the natural rainforest. Boma, otherwise called 'Bou bou ma' means 'on soft soil'. The cola nuts are harvested using six-meter sticks with wooden hooks on the end.

CAN A NUT TELL THE FUTURE?

The Obi divination originates from the Yoruba religion of Nigeria that has also influenced other traditions worldwide. The diviner casts cola nuts divided into four lobes onto a special wooden board. They use the patterns created to make pronouncements about events to come.



THE KARMA COLA FAMILY.

KARMA COLA

The taste of a cola drink is one of the most popular, distinctive and instantly recognisable flavours in the world. We set out to give Karma Cola that authentic flavour using top quality completely natural ingredients.

There are no preservatives or phosphoric acid, no high fructose corn syrup and no caramel colouring. No nasties, nothing we can't pronounce. Karma Cola uses all natural ingredients in pure sparkling water.

Cola nut itself is an intense flavour. The trick to making a great tasting drink from it is mellowing the bitterness. We add Fairtrade organic vanilla, cane sugar, citrus oils, spice and malt extract. Malt extract makes the colour and flavour of our cola even deeper. Then we mix the infusion with water and bubbles, pop it in a bottle and cap it. The use of real ingredients eliminates the need for the artificial ones, and surpasses their flavour. For a naturally sugar free cola we switch the sugar for stevia.

GINGERELLA GINGER ALE

Gingerella is made from Mother Nature's magical healer — ginger — grown organically by Fairtrade farmers in Wayamba, Sri Lanka. Its clean, crisp and fiery kick comes from a unique blend of Fairtrade organic ginger, lemons, sugar and spice and a fair deal for the people who grow them.

LEMONY LEMONADE

Lemons weren't known for their luck — until Lemony came along. Our combination of organic lemons and Fairtrade organic cane sugar brings good fortune to the farmers who get a fair deal for their crop, and a Lemony zing to you. If life gives you lemons, change your luck with a Lemony Lemonade.

FOR US CERTIFIED ORGANIC IS THE OLD NORMAL AND THE NEW NORMAL.

Future generations will be baffled by the idea that we ever needed a special category for food that wasn't exposed to toxic chemicals.

WHAT GOES INTO OUR DRINKS?

We never compromise on taste. Every time someone buys a Karma Cola they have to have the same great experience. We don't settle for anything less, and we don't expect you to.

Karma Cola builds on Chris Morrison's three decades



of experience and his enthusiasm as a soft drink connoisseur. Creating every new product involves a worldwide search for the right suppliers with the right ingredients. They have to be able to supply the consistent quality and quantities we need. Then there's recipe after recipe, taste tests and comparisons. Finally, we have the drink we dreamed of.

It took about two years working with Fairtrade and

organic suppliers around the world to get Karma Cola flowing. It works both ways — we get outstanding ingredients because we want an outstanding drink. Then we take care to make a great drink, because to do anything less wouldn't do justice to the ingredients and the people who grow them.

THE UNITED NATIONS OF FRUIT.

The fruit, sugar, spice and everything nice we put in our drinks is the best we can find on the planet — sourced from Fairtrade organic farmers.

If we can't find a Fairtrade farmer growing what we're after we search for the best tasting organic variety.



1. Cola — Tiwai, Sierra Leone
2. Sugar — Maharashtra, India
3. Ginger — Sri Lanka
4. Vanilla — Sri Lanka
5. Femminello Lemons — Sicily



KARMA BY DESIGN.

AS WE HAVE CREATED KARMA COLA, WE HAVE CREATED A SET OF DESIGN PRINCIPLES TO GUIDE US.

LOOK GOOD

We only have seconds to get our drinks off the shelf and in your hand. If that doesn't happen, none of the good stuff happens. So we make sure our drinks are the best dressed out there, and tell a great story from the instant you encounter them. After all, we've heard there's a wee bit of marketing competition in the cola industry...

TASTE GOOD

That's kind of the whole point, right? Our drinks must light up your taste buds and provide a rich, natural, authentic taste experience, so you will choose us next time.

DO GOOD

Our focus on doing good is what makes us different from the big corporate guys out there.

We like to think of it as an added extra for our customers. They just want a tasty drink, but they get to change lives too. Bonus!

KARMA BY NATURE.



BE GOOD

Doing good with a grumpy face doesn't inspire. We start by being nice to the people around us and take it from there. We want to make lots of friends to help us do what we do.

Unlike some soft drink companies, we don't have billion dollar advertising budgets. The quality of our product and our purpose is all we have to convince people to feel good about paying a bit more for a cola that isn't famous.

We take the same care with packaging and sending our drinks as we do making them.

Every drink must reach you in perfect condition. If not, all our hard work before that point is for nothing. They have to look good, otherwise people won't notice them.

But being Karma Cola means we also have to consider the impact our packaging is going to have on the world we love. Chris' passion for sustainability and three decades of experience means we are constantly researching the very latest packaging options.

Plastic is a nightmare for the environment, so we avoid it wherever we can. Glass is recycled and recyclable with a low carbon price tag compared with other materials.

But there's a balance to be struck in terms of weight and the associated transport impact on the environment.

As Karma Cola is still relatively small we also have limits on what we can do in terms of efficiencies of scale in our shipments.

We apply the Karma Cola guiding principles to every aspect of our work.

This means comprehensive recycling in all our offices. It means sourcing low impact toilet paper and non-toxic cleaning products. It means free fruit baskets for staff from a local co-operative. It also means supporting local initiatives, like the Sustainable Business Network of New Zealand and the Sustainable Restaurant Association in the UK, or providing local events with free drinks.

It's mostly small stuff right now, but it's important to how we consistently express our values. It's another area that will grow with us and be ever more deeply woven into our story.

KARMA BY CULTURE.

We have 35 staff across our offices in New Zealand, Australia and the UK. 13 women, 21 men and a cat. They come from Sierra Leone, Britain, Australia, New Zealand, Canada, Sweden, Germany, Scotland and Ukraine.

Karma Cola is Living Wage accredited in New Zealand. This means we pay no less than the Living Wage of NZ\$20.20 per hour. This also includes the cleaners for our Auckland office, who use environmentally friendly practices.

We also ensure all our UK employees are paid above the London Living Wage in the UK.

We have a number of other sustainability and social initiatives underway that we can keep you updated on if you sign up for our newsletter at karmacola.co.uk

The Karma Cola Crew in London above, Auckland in the centre and supporters marching with Gingerella placards at the Women's March in London.



WHO OWNS AND RUNS THIS THING?

Karma Cola Limited is a privately owned company. It is incorporated in New Zealand and based in Auckland New Zealand. Karma Cola UK Limited is our UK company, based in London.

THE BOARD AND DIRECTORS OF KARMA COLA LIMITED ARE:

Ant Howard is the Chair of Karma Cola. He has numerous other governance roles and a passion for building highly effective leadership teams. He is focused on keeping Karma Cola focused!

Morag McCay is a kiwi consumer marketer who led the global expansion of food-to-go retailer Prêt-A-Manger. Her expertise in service businesses where people are core to the brand experience is helping take Karma Cola global.

Lib Petagna is one of New Zealand's foremost investment bankers and a Founding Partner of Morrison & Co, leading investment and innovation in NZ's energy and transport sectors. Lib represents a group of very

supportive investors who share our vision for Karma Cola and our Foundation.

Patrick Coyle runs NZ and Australia, and is our CFO. Prior to Karma Cola Patrick has been involved in many early stage innovative companies. Patrick has the balancing act of driving our team in NZ while keeping the entire company financially sound.

Sergey Turtsevych leads our team in the UK and Europe. Sergey has been European Marketing Director for a number of world famous beverage and technology brands. He's focusing on making us famous from London to Lisbon.

Simon Coley Co-Founder & Creative Director

Chris Morrison Co-Founder & Operations Director

Matt Morrison Co-Founder & Director

THE TRUSTEES OF THE KARMA COLA FOUNDATION ARE:

Albert Tucker Chair

Simon Coley Trustee

The Karma Cola Foundation is a charitable trust incorporated in New Zealand.

THE FAIREST TRADER OF THEM ALL.

IN 2014 KARMA COLA WAS AWARDED THE INTERNATIONAL FAIRTRADE TRADER AWARD AT THE FAIRTRADE INTERNATIONAL GENERAL ASSEMBLY IN BONN.

The awards recognise outstanding and special efforts from traders worldwide.

According to International Fairtrade Awards judges, Karma Cola won by having:

“Demonstrated a strong commitment to Fairtrade and engagement with Fairtrade producers;

“Karma Cola is an incredibly creative and innovative product that is giving cola nut farmers in Sierra Leone an international profile and market for a crop that traditionally has only been locally traded. Karma Cola is not just about cola. It's a collaborative Fairtrade product that incorporates ingredients from a number of Fairtrade producers.”

WHAT NEXT?



There's still a lot to learn and do.

We are now in the process of establishing a consistent and regular monitoring and evaluation cycle for all our projects. This will particularly focus on the outcomes. What real improvements happen from the work that we do?

Monitoring collecting information from our people and partners working with cola communities.

Evaluation regularly analysing the information and asking questions about the impact, efficiency, appropriateness, effectiveness and sustainability of the work.

Reporting telling the stories of the projects through photographs, case studies, data and analysis. These stories will cover both what is done, and its ongoing effects.

Improvement using the information and lessons learnt to improve what we do.

We took our business buddies from Honest Burgers to show our friends in Boma how cola is consumed in the big city. They cooked burgers for 700 people in the 37

degree heat and humidity of the Gola Rainforest having estimated we'd be catering for about 150! Tom and Phil had the time of their lives.

We are proud of what we have built over the last five years.

We want to keep it going for years to come and expand on it. To do that we will need to provide those who work with us with more ongoing support.

We need to set things up so everything keeps going even if some of our people move on to other things.

So one of our next jobs is to make sure Karma Cola has clear, transparent processes in place that can grow with us. But we don't want to lose the agile, creative and personal way in which we operate.

We don't want to get weighed down with unnecessary processes, paperwork or costs. But we are keen to deepen our understanding of the impact our work has. We want to build on our intuitions, our experience and the expert support we have had so far to carefully extend our expertise.

The scale we are currently working at makes it relatively easy to keep track of the funding and projects. But as we grow we will need to enhance our monitoring and evaluation processes. This

will ensure we stay true to our standards for collaboration and effectiveness.

The more funds we generate, the more good we can do. The more we do the greater our impact and influence. This will bring with it an extension of our responsibility to handle that influence transparently and with care. We will focus on developing an ever more intimate knowledge of the cultural, political and economic factors at work in the areas in which we operate.

Perhaps most importantly, we will keep the conversations going between the people who work at Karma Cola our Foundation, the growers and their communities.

The needs are likely to evolve, we must also continue to develop, rather than get set in our ways.

There's so much more we think we can do.

If you would like to know more about us go to karmacola.co.uk or email haveyoursay@karmacola.co.uk

Thanks from the world's most ethical soft drink company.



“Karma Cola is a great company that produces delicious Fairtrade organic drinks, but it’s also a charity and its Foundation does fantastic work to support the Sierra Leone community that farm the cola nut.”

— Honest Burgers

“I love how Karma Cola has bought the side of sustainability - you look after the people you buy the ingredients from - there’s that lovely karma in how you treat your suppliers.”

— Thomasina Miers
Wahaca

“At Jamie’s Italian, the quality and source of our food and drink is one of the bedrocks of our offering. One of the things that attracted us to Karma Cola was the Karma Cola Foundation and the work they do with growers in Sierra Leone. Every time one of our customers buys a bottle, cola nut growers benefit, and that’s really important for us. It’s a great business model - where our customers’ actions positively affect others.”

— Jamie’s Italian

“The does good, tastes better cola we should all be drinking.”

— Scott Hallsworth
Freakscene

“We love the range of drinks from Karma Cola - they taste great but also do good things, which is really important for us and our customers. You feel good drinking them!”

— Tortilla

“([I want to] acknowledge the part and role that people like [Karma Cola] play in encouraging business to look at the kind of social enterprise and social justice role that they can play within their business model.”

— Jacinda Ardern
Prime Minister of
New Zealand



@karmacolauk

karmacola.co.uk

Get involved and join us so we can finish what we started. Sign up for our newsletter at karmacola.co.uk and we'll keep you up to date with the work of the Karma Cola Foundation and how you might be able to help.

And please buy our drinks.



THANK YOU