

Kōkako
Organic
Coffee

Released
December 2020

Sustainability
Report
Rīpoata Toitū

kōkako



Coffee beans still encased in parchment collected at Unen Choit Coffee Cooperative, Papua New Guinea

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01

Welcome from Mike

The report you are reading was compiled and written in 2020 and released at the end of the year; probably one of our most challenging yet, but also, despite Covid-19, one of our most productive. Although we could easily have put this report into the too hard basket (Covid has given many of us justification for changing our strategy this year) we knew that it was probably even more important to commit to it. We learnt a lot from our 2018 report and we've committed to reporting on

our progress every two years, pandemic or no pandemic. And it would be weird to have done consecutive reports in 2016, 2018 and then 2022 with a big hole for 2020.

Reflecting on what we had committed to in 2018 there are several areas that we could have improved upon - these are outlined later in the report

where we listed all the actions we'd take including the status of each one. But there are also lots of great achievements that you'll read about in the following pages. A personal highlight is a big swing in the gender split within our organisation; we have more women in senior positions than ever and 68% of our team are female.

Another is our long-standing commitment to Fairtrade. In the reporting period Kōkako has generated significant Fairtrade premiums (through the purchase

of coffee, sugar, and cocoa) and paid Fairtrade License fees that have a combined value of NZD \$187,910.85 ex GST. This is a clear example of where, as an organisation, we could choose not to be Fairtrade just to save money and be more profitable, but we are prepared to take a long term view that factors in the needs of coffee farmers and their livelihoods, and we believe this is the right way to do business.

A benefit of the last report was our ability to incorporate better structure and discipline into the process; this still includes late nights and weekends of cramming but that's what happens when you are trying to run a business and report on your sustainability achievements and goals. With heaps of support and guidance from Nick and Anna at Go Well consulting for this report, we had a depth of collective understanding for what needs to be delivered. A big learning from our last report was to share the load of the project and I'm really proud of the work that our Customer Service Administrator Charlotte Moss and Marketing Manager Olivia Coote have both put into this report - thank you!

Summarised below are just some of the things Covid has taught us this year, and we have taken these on board for our future strategy. Number one is to have a rainy day fund. It's common for business to be all about growth and we have been focused on this for years, trying new ideas and committing funds (borrowed from the bank) at projects that could either work really well or be a liability for us. Covid has taught us the importance of having a strong





Portrait of
Mike Murphy by
Sam Murphy (Age 5).

balance sheet and having some cash in the bank. Without a progressive government who is willing and able to step in and support small business in times of adversity we need to ensure that we can weather future financial, health, geo-political or environmental events on our own two feet. Had we not been able to access the Government Wage Subsidy in March 2020 our business would have been in a far more precarious position - mainly due to us not having that rainy day fund and a reasonable amount of existing debt to service. Lesson learnt - we are now doing something we've never prioritised before; starting to put away some modest savings to protect us in the event of future events beyond our control.

We're also mindful of our current governance and shareholding structure which we've identified as being something that could be improved upon if we want to realise the true potential of our brand locally and globally over the next decade. Our existing shareholders have been instrumental in ensuring that Kōkako could survive and thrive through its formative years; we've been fortunate to have shareholders that have not only injected capital when we've really needed it but also offered specialist advice in business strategy, governance, financial sustainability and design.

Kōkako will have been operating for 20 years in 2021, and we'll be looking at progressive and responsible ways that the brand can be grown and governed over the next decade. Our ambition is to attract investment and talent that aligns with our values and fresh ideas that will help us capitalise on the stable foundations that we've created.

Mike Murphy
Managing Director

02

About this Report

Kia ora, and thank you for taking the time to download our third, bi-annual Sustainability Report. This report covers all Kōkako operations in New Zealand, and internationally from July 1st 2018 to June 30th 2020 unless otherwise stated. This is a slight change from our [2018 report](#) in which our reporting period was 1st November 2016 to October 31st 2018. The time frame reported on allows us to capture the delayed opening of our Commercial Bay Coffee Bar and the impacts of Covid-19 on the business. This is our second report that has been prepared in accordance with the GRI Standards: Core option compiled with the help of locals Go Well Consulting, and follows on from our first GRI report released in 2018.

The GRI framework helps businesses, governments and other organisations understand and communicate the impact of their operations on critical sustainability issues. They were designed to guide sustainability reporting for any organisation, in any industry, allowing us (and you) to compare our performance with other organisations and sectors across the world. To follow the GRI framework there are a number of disclosures we are required to make; these are listed on pages [58](#) to [62](#). Further to this we have reported on the topics most material to us and our stakeholders, of which you can learn more about on page [07](#). The boundaries for our material topics are disclosed throughout the report.

Many of the topics we have reported on are the same or similar to our 2018 report, but with two notably additions – the impacts of Covid-19 and our efforts around increasing resilience to climate change.

This report has not been externally reviewed but was overseen by Go Well Consulting to ensure we delivered on the GRI reporting standards. For questions about this report or feedback please contact us via beancounter@kokako.co.nz or on the phone: +64 9 379 2868. This report is intended to be read online — there is no need to print it out as it includes hyperlinked case studies that work best on your screen (and it saves on paper!).

As with our previous reports we are happy for the information provided in this report to be widely read and circulated, but we ask that you respect our copyright, and if you'd like to use any excerpt of this report for your own means that you seek prior permission from us.

Trading Name: Kōkako Organic Coffee Roasters
Limited Liability Name: Trellick Retail Innovation Limited
Privately owned Limited Liability Company registered in New Zealand as Trellick Retail Innovation Limited.



03

Stakeholder Engagement and Materiality

When embarking on this report back in June 2020 we reconnected with our stakeholders to find out what topics they would like to see covered this year. Outside the engagement we have with our stakeholders through usual business operations, for this years report we held a staff discussion facilitated by Go Well Consulting, collected feedback via a public survey we promoted through our mailing lists and social media accounts, as well as a private survey that we shared with some of our major stakeholders (shareholders, major suppliers, cooperative groups etc). We also gathered feedback via a questionnaire through the Instagram story feature which was a new approach for this report.

Via our typeform survey we received feedback from 15 named stakeholders, 36 anonymous replies and 78.5 people (on average) responded to our 17 Instagram story sticker questions about the report.

The stakeholder groups we engaged with and the key topics and concerns they raised are displayed in the table on the following pages.

Following the engagement with our stakeholders we evaluated their feedback* and compared this with our known significant economic, environmental, and social impacts – and our values, policies, strategies, goals, and our 2018 report. Then through a discussion session facilitated by Go Well Consulting we decided on the material topics we would report on.

* You can find a list of the key topics and concerns raised by each stakeholder group in Appendix B

For each material topic through the report we have identified the Topic Boundary. If unstated the topic relates to our New Zealand operations only.

As we did in 2018 based on the materiality principle we have divided this report into 3 distinct parts.

The material topics we have reported on in this report, in the following sections, are:

Our World — O Tātou Taiao

The impacts of our business on the world around us and the rebound effects that has.

- Regenerative organic – biodiversity and environmental stewardship
- Climate change – our carbon footprint and climate resilience
- Climate Change Resilience
- Managing our Materials – What to do about Waste

Our People — O Tātou Iwi

The people we impact and who impacts us.

- Fairtrade – fair price, use of premiums, legitimacy of Fairtrade compared to other certifications
- Supplier relationships
- Working at Kōkako – professional development, living wage, resilience, culture, safety

Kind Business — Pākihi Atawhai

On being responsible, open- minded, empathetic, curious, open and transparent about what we do, how we do it, and why we do it.

- Governance and decision making
- Cultural respect and understanding
- Transparency
- Covid-19
- Financial sustainability and long term growth



Fields Cafe, Albany, Auckland

04

The Sustainable Development Goals

In our 2018 report, we committed to supporting 8 of the 17 Sustainable Development Goals that “provide a shared blueprint for peace and prosperity for people and the planet, now and into the future.”

On this page are the Sustainable Development Goals (SDG's) that we felt we could have the most material impact on, and on the following page you'll find a table that outlines the actions we've taken to support them.

Upon reflection on our contributions to the SDG's over this reporting period and the challenge put forward to us by Go Well Consulting we are committed to enhancing our communication around the SDGs and are looking to develop projects outside business-as-usual to further support the achievement of the goals we have aligned with.

Further to this we have decided to add Responsible Consumption and Production to the list we started in 2018.

Throughout this report we have highlighted which topics relate to each these SDGs by displaying the relevant icon on the side of the page.



05

Contributions We've Made to the SDG's



A roadside hut on the drive from Wasu to Satop, home of the Unen Choit Coffee Cooperative in Papua New Guinea.

* these payments are made via our green bean brokers and through our license fee with Fairtrade Australia/New Zealand.

** in New Zealand this is currently set at \$22.10 per hour. We are not officially registered as a Living Wage Employer.

*** Exchange rate for Fairtrade and Organic premiums are calculated on historical EURO for Fairtrade and USD for Organic Premium and converted to NZD from the X-rates exchange rate website.

SDG	Action(s) Taken	Impact(s)
1 No Poverty	<ul style="list-style-type: none"> Fairtrade premium paid on all coffee, sugar and cocoa purchases to the corresponding cooperative*. Organic premium paid to all growers* (additional to FT). All Kōkako employees are paid above the Living Wage**. 	<ul style="list-style-type: none"> The total Fairtrade premium generated from Kōkako purchases of coffee, cocoa and sugar in the reporting period was \$116,579 ex GST*. Kōkako has paid Licence Fees to Fairtrade ANZ for the reporting period of \$71,331.85 ex GST; 30% of licence fee income goes to Fairtrade International and of that 47% is spent on direct producer services. Total Fairtrade Premium and License Fees paid in the period = \$187,910.85 ex GST***. Aside from the Fairtrade premium paid to farmers in the reporting period, coffee purchases made by Kōkako for our 100% organic coffee also generate an 'organic premium' for the farmer. In the reporting period (Q3 2018 to Q2 2020) the Organic Premium generated by Kōkako was NZD \$191,812 ex GST. The combined Fairtrade Fees, Fairtrade Premiums and Organic Premium paid and generated in the reporting period total \$379,722.85*** (this excludes Organic premium data for sugar and cocoa purchases that were made in the reporting period – this data was not available prior to report compilation).
3 Good Health	<ul style="list-style-type: none"> Purchase certified organic coffee only. The Emotional Culture Deck undertaken each year with our entire team. 	<ul style="list-style-type: none"> No hazardous chemicals or water/soil pollution or contamination. Promote mental and emotional health and well-being.
4 Quality Education	<ul style="list-style-type: none"> Fairtrade premium paid on all coffee purchases to the corresponding cooperative*. 	<ul style="list-style-type: none"> Multiple educational projects supported by FT premium payments. See appendix A.



Our team with the Rotoehu Ecological Trust volunteers after another successful work day in Nov 2020.

SDG	Action(s) Taken	Impact(s)
8 Decent Work and Economic Growth	<ul style="list-style-type: none"> Retention of 100% of salaried employees since the arrival of Covid-19. Fairtrade premium paid on all coffee purchases to the corresponding cooperative*. Organic premium paid to all growers*. 	<ul style="list-style-type: none"> Incomes retained. Protect labour rights and promote safe and secure working environments for all workers. Our commitment to organic is helping to decouple economic growth from environmental degradation.
10 Reduced Inequalities	<ul style="list-style-type: none"> Developed a new sustainable procurement policy. Fairtrade premium paid on all coffee purchases to the corresponding cooperative*. 	<ul style="list-style-type: none"> Work with suppliers who provide fair pay and safe working environments. See appendix A.
13 Climate Action	<ul style="list-style-type: none"> Purchased carbon credits through the Fair Climate Fund to offset 100% of supply chain and roasting emissions. 	<ul style="list-style-type: none"> Fair Climate Fund works together with Fairtrade Netherlands or Max Havelaar, in the Fairtrade Carbon Partnership (FCP) with the aim to distribute 40,000 cleaner cookstoves to 20,000 households in Ethiopia.
15 Life on Land	<ul style="list-style-type: none"> Purchase certified organic coffee only. Purchase Fairtrade certified coffee only. Annual financial contribution to Rotoehu Ecological Trust and staff volunteer day trip to Pongakawa Forest. 	<ul style="list-style-type: none"> Ensure the conservation, restoration and sustainable use of land and surrounding waterways. Fairtrade works with growers to ensure environmental sustainability. Kōkako numbers in the forest have increased from 129 kōkako in 2013 to 274 in 2019.
17 Partnership for the Goals	<ul style="list-style-type: none"> Longstanding partnerships with Fairtrade and suppliers. 	<ul style="list-style-type: none"> All of the above.

06

Fairtrade Premium Spending on the Sustainable Development Goals

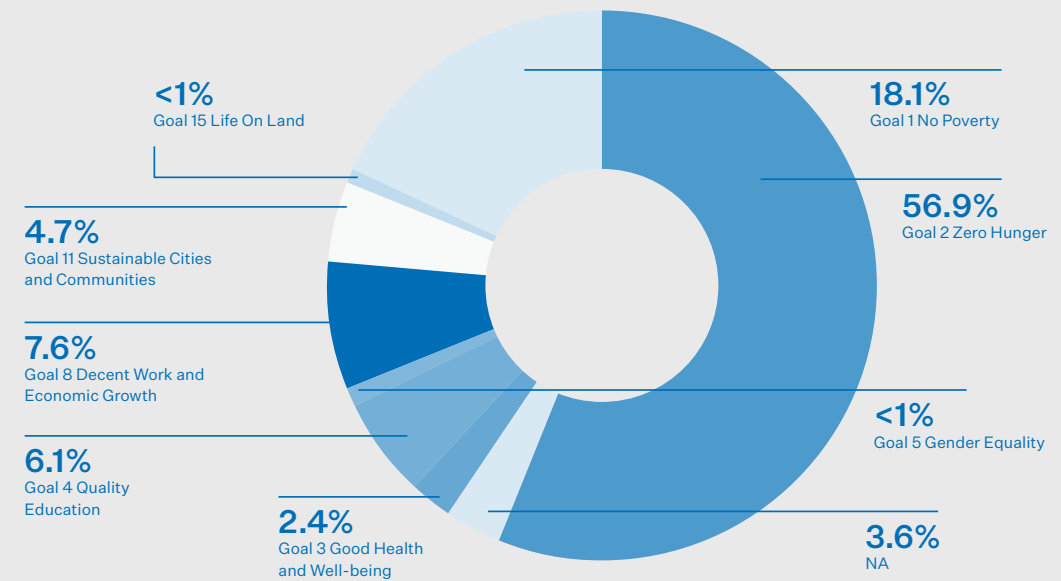
The vast majority of our contributions to achieving the SDG's comes from our relationship with Fairtrade due to their values, policies, operations, and impacts. We therefore felt it was relevant to include this data from 2016-17 that shows how the FT Premium Spending impacted the goals they are actively contributing to.

Fairtrade producers decide democratically how to spend the Fairtrade Premium (the amount that producer organisations earn on top of selling price for each Fairtrade sale). We analyse this Fairtrade Premium investment according to categories that we have defined. We have also started to map these categories to the UN Sustainable Development Goals (SDGs), in order to see how producers themselves are choosing to work towards these global targets.

Because the SDGs are so interconnected, calculating how the Fairtrade Premium is allocated among them is quite complex. We decided to associate only one SDG to each Premium project category in order to avoid double counting. Below is the Premium expenditure date for 2016-2017.



Farmers and workers make their own priorities clear by how they spend their Fairtrade Premium funds. We've analyzed how their choices support the SDGs as well.



Based on Fairtrade Premium data from 2016-2017

07

About Kōkako

Trading Name: Kōkako Organic Coffee Roasters
Limited Liability Name: Trellick Retail Innovation Limited



Our primary brand is Kōkako Organic Coffee, sold in 200g retail packs, 500g & 1kg wholesale packs and 6kg returnable buckets under the following blends and single origin names:

- Aotea Blend
- Mahana Blend
- Decaf Blend
- Moata Blend (customised for one multi-site customer)
- Rwanda Ejo Heza Single Origin
- Ethiopia Sidama Single Origin
- Honduras Decaf Single Origin
- 70/30 Filter Blend
- We have new single origin coffees released on rotation throughout the year and as they become available.

Kōkako Drinking Chocolate is sold in 2kg hospitality packs direct to cafes and to a distributor in Singapore. A 250g version is distributed nationally via Ceres Organics to Health Food stores and supermarkets.

We sell wholesale kegs in 9L and 18L configurations of Nitrogenated Cold Brew to 21 cafes and hospitality/retail sites across New Zealand including our flagship coffee bar at Commercial Bay. These are all distributed chilled by Provida.

Our principles, standards and governance structure have remained consistent with our [2018 report](#) but in 2019 we formalised our company values and vision.

From our home at 9 Charles St in Mt Eden, Auckland we roast certified Fairtrade Organic coffee and supply Fairtrade Organic Drinking Chocolate to the hospitality, retail and corporate sectors, complementing this with associated training and coffee equipment sales and services. We also sell direct to consumers via our website, coffee subscriptions and third party websites that stock our products. Our Nitro Cold Brew, also produced onsite at our roastery, is distributed to cafes and retailers across New Zealand.

08

Where You'll Find Our Beans

The following locations and businesses are relevant to components of the business or topics that are in this report:

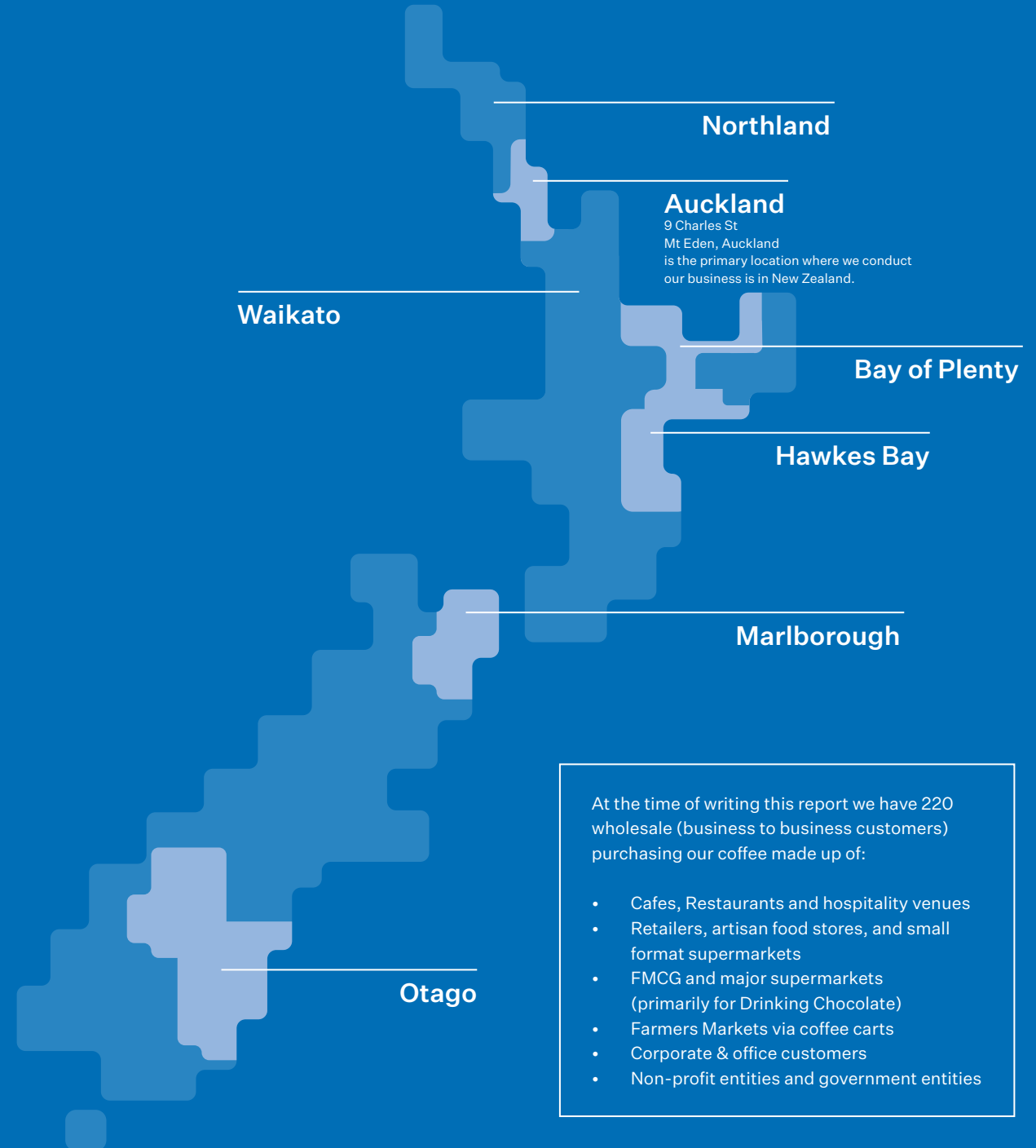
Kōkako Coffee Bar – Level 1, 7/21 Queen Street, Auckland CBD

Ceres Organics: 82 Carbine Rd, Mount Wellington, Auckland 1060: 250g Drinking Chocolate Distribution

Destination Beverage: City Industrial Building, 71 Tannery Lane, #08-01, Singapore 347807. Distributors of our 2kg Drinking Chocolate in Singapore.

Highlands Organic Agriculture Cooperative & Coffee Connections (exporters): PO Box 529 Goroka, Eastern Highlands Province, Papua New Guinea. The primary coffee cooperative/origin used in our main Aotea blend whom we aim to visit every 18 months (except during Covid in 2020 where the trip has been delayed).

Our coffee, Drinking Chocolate, selection of brew gear, and Kōkako branded merchandise are available to all regions of New Zealand via our website. Our coffee (including our Nitro Cold Brew), Drinking Chocolate, and services are currently distributed to 6 New Zealand regions. These include cafes, restaurants, hospitality venues, retailers, farmers markets, corporate & office customers, non-profit entities, artisan small format supermarkets (Farro, Commonsense Organics, Huckleberry & New World Remuera), and major supermarkets (Drinking Chocolate only). Our Drinking Chocolate is also available in Singapore via a distributor.



Northland

Auckland

9 Charles St
Mt Eden, Auckland
is the primary location where we conduct our business in New Zealand.

Waikato

Bay of Plenty

Hawkes Bay

Marlborough

Otago

At the time of writing this report we have 220 wholesale (business to business customers) purchasing our coffee made up of:

- Cafes, Restaurants and hospitality venues
- Retailers, artisan food stores, and small format supermarkets
- FMCG and major supermarkets (primarily for Drinking Chocolate)
- Farmers Markets via coffee carts
- Corporate & office customers
- Non-profit entities and government entities

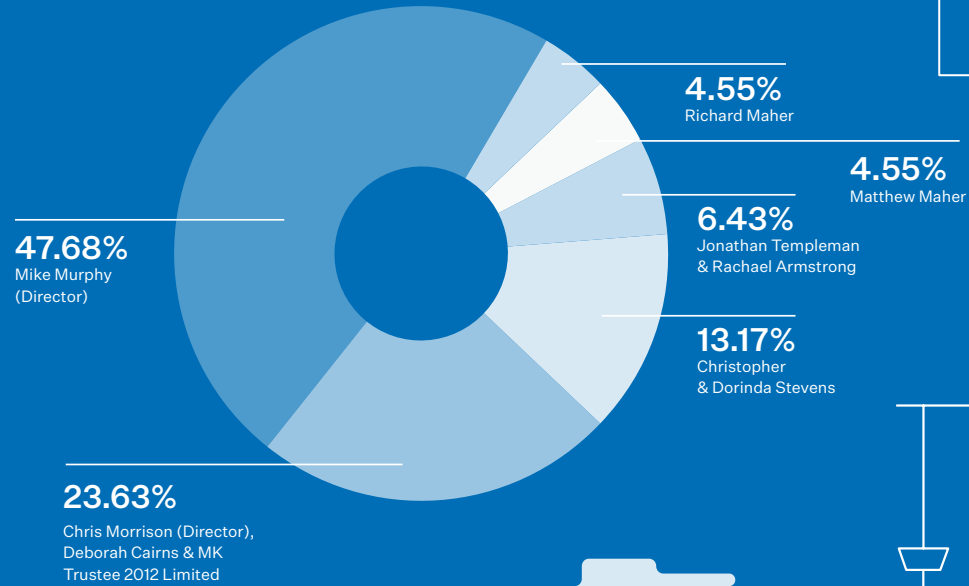
Total Number of Employees: 18

10 Full Time female employees
 2 Part Time female employee
 6 Full Time Male employees



*Information obtained from Weekly Employee Payroll. Total FTE (Full Time Equivalent) of employees is 10 based on days worked per week over all full and part time staff. Full time and Part Time employee categories is based off what full-time work is generally considered to be (35 to 40 hours a week) according to Employment New Zealand.
 *Our employees have individual employment contracts and there is no collective bargaining agreement with Kōkako employees.

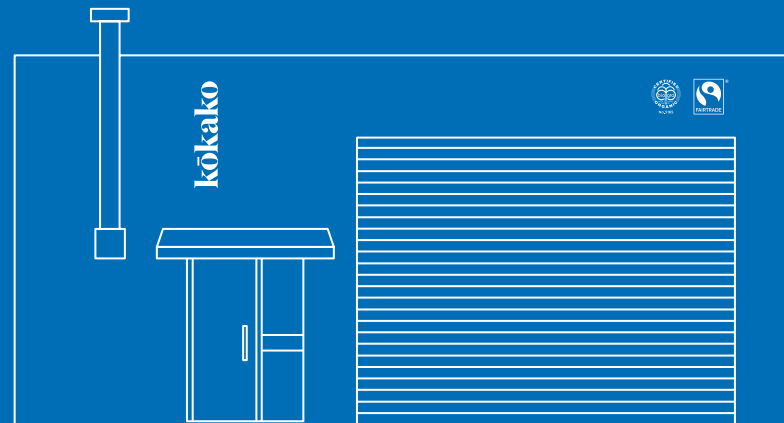
Shareholders & Directors:



Approximately 85 tonnes of coffee sold per annum

We expect to sell 96 tonnes this year.

Total Number of Company Run Sites: 2



Approximately 6.8 tonnes of Drinking Chocolate sold per annum.

09

What we Stand For

In February 2019 our Management team met for a one day workshop to refine our vision and strategy; the draft was discussed and presented with our full team before being finalised. It was reviewed again in January 2020 to ensure that it was still relevant to the organisation. The strategy was presented to the whole company for feedback via a staff meeting and working document links to obtain consensus and approval before being adopted. Our company values are displayed at our primary roasting premises in Mount Eden, Auckland, and the Managing Director along with the senior management team take responsibility for ensuring that they are upheld.

Our Vision O Tātou Wawata

Our vision is to roast Fairtrade, organic specialty coffee that is appreciated for its true value at the best cafes around New Zealand.

Tō tātou wawata i Hokotau tunua, kawhe mauri tipu mōhiotia mō tōna hā ora i ngā tino toa inu huri noa i Aotearoa.

Our Values O Tātou Mauri Tipu

We're committed — We are innovative, venturesome, audacious and willing to draw lines in the sand.

Tino piri pono mātou - he iwi whanoke, he iwi kimikimi, he iwi auaha, he iwi wāwāhi tahā.

We lead by example — We do what we say we will do with integrity and professionalism and deliver experiences that are a step above the rest.

Tā mātau hei taura - he pono, he ngaio, he tautōhito, he taumata kē anō.

We're playing the long game — We care about the world and our impact on it for future generations.

Ko tā mātou hei toi roanga - e manakohia e mātou te ao hei pānga ki ngā whakatupuranga heke iho.

Coffee is a precious resource. We respect that coffee supports the livelihood of many people. He aha te mea nui o te ao? He tangata, he tangata, he tangata (What is the most important thing in the world? It is people, it is people, it is people).

He tino rawa te kāwhe. Ko tō mātou ihi kāwhe hei tautoko i te oranga tini tāngata.

We're in it together — We make decisions collectively and work in partnership.

Kei roto tahi tātou - i tatū tahi ai a i mahi tahi ai.

We're real — Humble, authentic, transparent and inclusive.

He pono mātou - Ngāwari, tika, mārama, piringa tahi.

10

Product Origins

Canada

Cascadia Decaf processing from various coffee origins

Our supply chain is primarily based on the supply of green (unroasted) coffee that is sourced from global certified Fairtrade organic coffee cooperatives and procured via coffee brokers and traders in New Zealand. Kōkako maintains direct relationships with some of these coffee cooperatives but all our coffee is imported via the brokers. Below is a summary of the supply chain of each coffee origin from farmer cooperative via the coffee traders to us in New Zealand. The chart also includes the supply of cocoa and sugar for drinking chocolate.

During the reporting period we ceased sourcing and roasting our Congo Lake Kivu Single Origin (Oct 2019), Peru Single Origin Decaf (June 2019 and Feb 2020), Honduras Single Origin Decaf (Sep 2019 and Aug 2020), Colombia Planadas Single Origin (Nov 2019), Honduras Finca el Liquidambar Single Origin (April 2020) and Mexico Single Origin Decaf (June 2020).

Dominican Republic

Conacado Cocoa Cooperative (Drinking Chocolate Cocoa)

Honduras

Café Organico Marcala (Single Origin)
Cooperativa Cafetalera Capucas (Aotea, Mahana & Moata)

Ethiopia

Oromia Coffee Farmers Union (Single Origin, 70/30 Filter Blend & Mahana Blend)

Congo

SOPACDI Lake Kivu (Single Origin, Mahana & Moata)

Paraguay

Manduvirá Cooperative (Drinking Chocolate Sugar)

Sumatra

Kokowagayo Cooperative (Aotea)

Timor-Leste

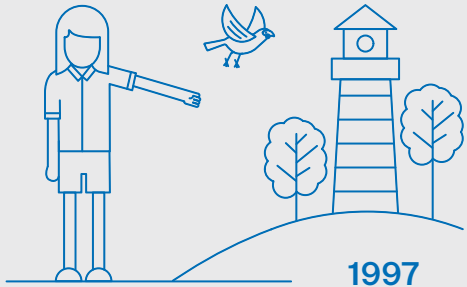
Cooperativa Cafe Timor CCT (Mahana & Moata)

Papua New Guinea

Highlands Organic Agriculture Cooperative (Aotea Blend)
Unen Choit Cooperative Society (70/30 Blend)

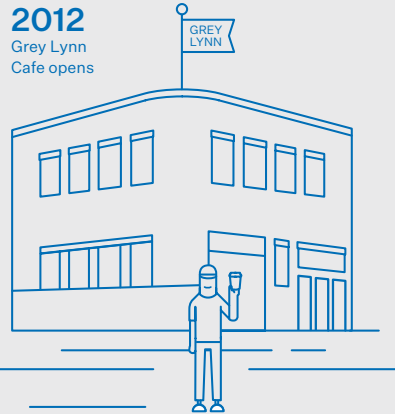
11

From the Beginning

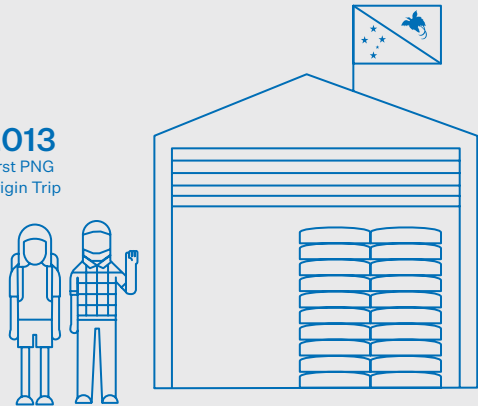


1997
Release of kōkako birds on Tiritiri Matangi which inspire the name for the business.

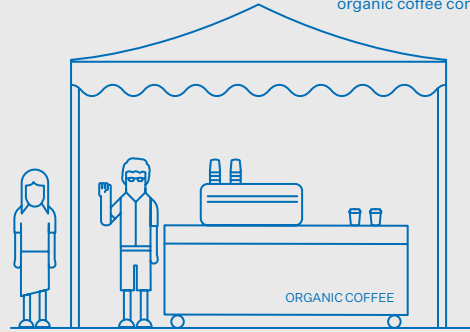
2012
Grey Lynn Cafe opens



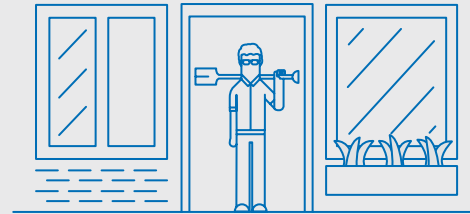
2013
First PNG Origin Trip



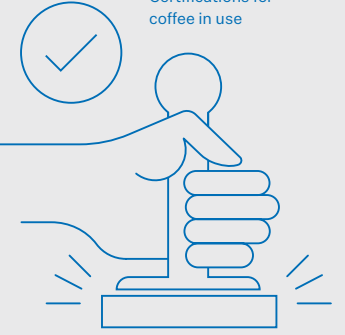
2001
Helen Ollivier and Christian Lamdin establish Kōkako as Auckland's first organic coffee company



2007
Mike Murphy purchases the business, based out of the Parnell Cafe



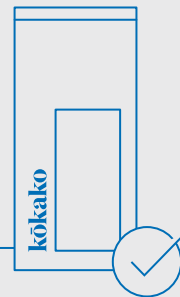
2009
Biogro and Fairtrade Certifications for coffee in use



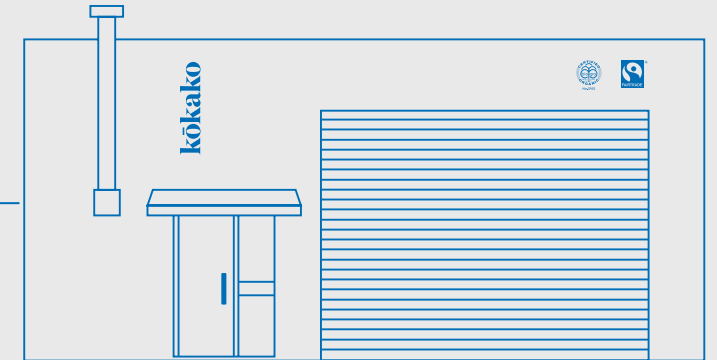
2016
Added the macron to our logo



2014
Compostable packaging



2017
Sale of Kōkako Cafe & opening of Mt Eden Roastery



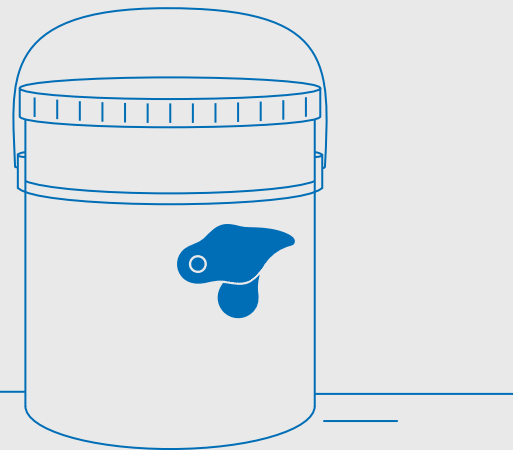
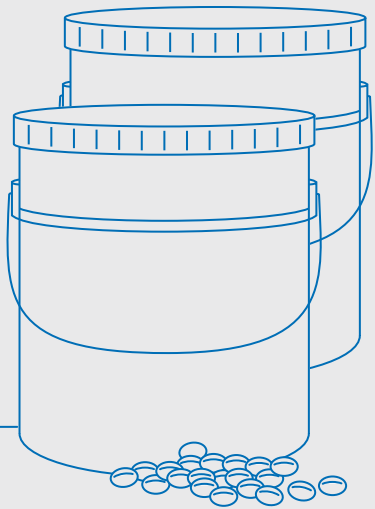
12

Since we Last Reported

Switch from 1kg Bags to Returnable Food-grade Buckets - October 2019

At Kōkako we are committed to finding ways that allow us to follow a circular economy approach. In October 2019, we started to offer our local Auckland cafes the option to have their beans delivered in buckets (4kg or 6kg) instead of our 1kg bags. Even though our bags are compostable (except for the one-way valve which we ask to be removed before composting), many of our cafe customers go through multiple kilograms of coffee per day so the life-cycle of the bag is short and it may not always make its way into a composting collection.

[Read more about the switch to buckets here.](#)

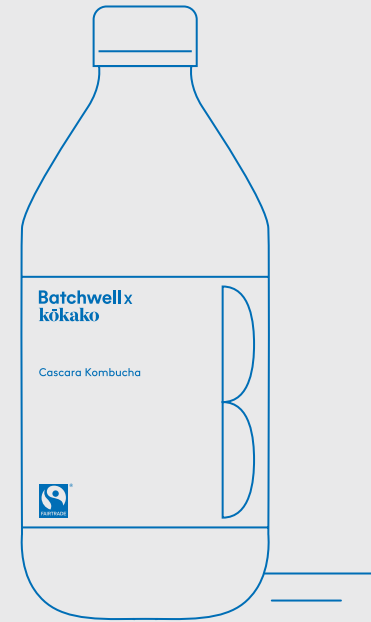


Collaboration with Batchwell to create a World First Cascara Kombucha - November 2019

Finding ways to create value-add products from coffee waste has become a passion project for many of us at Kōkako. Sometimes the obstacles look like they will be too difficult to overcome or the infrastructure to make them happen is just not there. This project has required considerable perseverance and a collaborative approach; from stakeholders in Papua New Guinea to the innovative crew at Batchwell in Auckland, led by owner Richard Old.

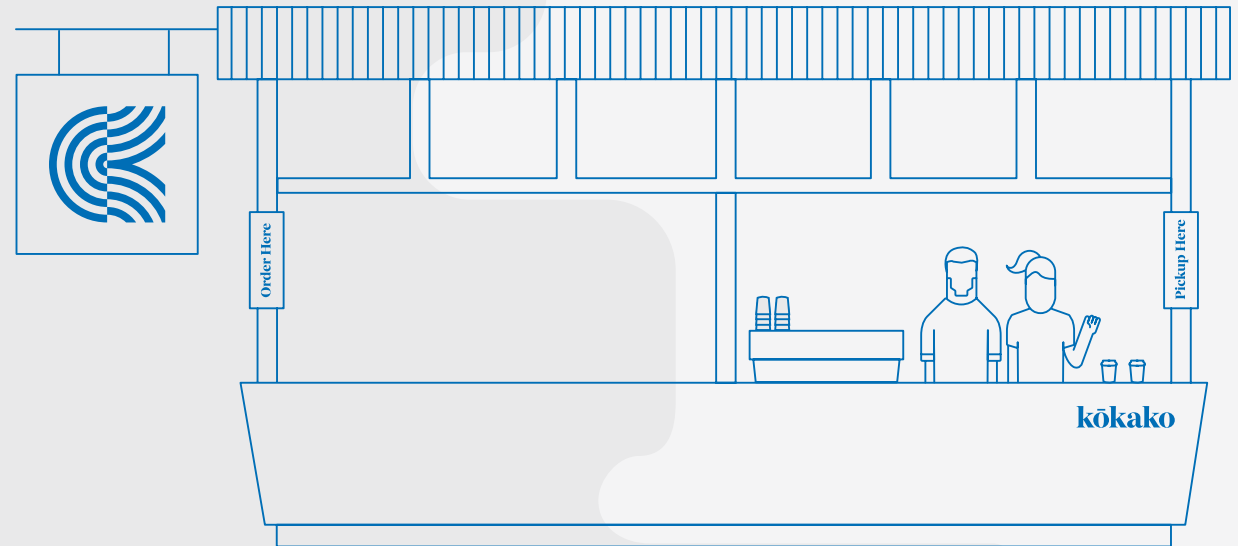
During multiple visits to Papua New Guinea coffee farms we kept asking why the red coffee skins could not be collected and harvested to produce cascara. The story starts back in 2017 and continues now, but the result was the release of the world's first certified Fairtrade Cascara Kombucha in November 2019.

Batchwell X Kōkako Cascara Kombucha is manufactured and distributed by Batchwell to cafes and retailers across Aotearoa in cases of 12 x 300ml bottles and refillable kegs. You can read the full story of how we made this project come to life [here](#).



Distribution of All Good Oat Milk – April 2020

There's nothing like a pandemic to make you innovate, and that's what we had to do in March and April 2020. With no ability to sell to our wholesale cafe network during the level 4 lockdown in Aotearoa we looked for ways to ramp up our online offering. All Good brought out a new barista grade oat milk in early 2020 which makes an exceptional dairy free flat white. We started by selling a few single units and cases online during the Level 4 Covid-19 lockdown and later introduced the product to our wholesale customers once they could reopen. This provided a vital sales lifeline and now makes up a meaningful component of our overall sales mix and product offering as we became official distributors of the All Good Barista Oat Milk.



Opening of new Kōkako Coffee Bar in Commercial Bay, Auckland CBD – June 2020

We have long been considering a flagship coffee bar for our brand located in Auckland's CBD to enable us to create a direct connection with our customers and to use as a testing ground for new ideas and innovations. When we heard of the mixed-use Commercial Bay development in downtown Auckland we identified this as a strategic location for our CBD presence and we were one of the first tenants to sign a lease, doing this in






2016. We engaged Auckland based Interior Designers CTRL Space as the designer and provided a considered brief based on considerable international research and a small retail footprint of 40m².

Our aim was to create a coffee bar that showcases the best in sustainable innovation across equipment, operations and materiality. Our counter cladding manufactured by Critical, a circular design studio located in Mt Roskill, is made from approximately 8880 used 2L plastic milk bottles. For a more comprehensive overview of this project please refer to this [link](#).

13

Our Progress Since 2018





Here's the part of the report where the rubber hits the road; we've scoured through our 2018 report to see what we committed to and then reviewed whether we achieved our commitments. As you'll see in the table on this page and the following we have made good progress in some areas, but little or none in others, and where this is the case we have outlined what we plan to do about it.

Goal	Achieved	Achieved & Ongoing	Not Achieved	Notes
Offset all staff travel.				Although some domestic travel has been offset via the Air NZ offset scheme we have a long way to go to offset all travel. An unexpected benefit of Covid-19 was the heavy reduction in travel from March 2020 onwards. Covid-19 has had a material impact on reducing the amount of travel we would otherwise have undertaken between March 2020 and the end of the reporting period.
Review our capital expenditure for the 2020 financial year with a financial feasibility plan to replace our Probat roaster & afterburner with a more carbon efficient roaster.				Our Probat Coffee Roaster was fully paid off in early 2020. Although it is an aspiration to consider a newer roaster our current one is fit for purpose and very reliable. Furthermore Covid-19 has forced us to refocus our priorities and impacted any available capital we may have considered for this project. As such this commitment will be reviewed again in 2022.
Offset all carbon emissions related to our full organisational activities and products from August 2019 onwards.				This is also not complete. We have focused on other areas including our Commercial Bay store. We aim to implement this from 1 April 2021.
Formalise our procurement methodology to further enhance our understanding of all goods & services supplied to Kōkako with a full Procurement Plan implemented from January 2018.				This was achieved on time and now forms part of our procurement guidelines for existing and new suppliers. We have recognised that it needs to be kept top of mind for all products and services.
Work alongside our coffee bag manufacturer, Convex, to find an alternative to the current soft plastic valve that is currently on our compostable coffee bags with a goal of implementation by 2020, if not prior.				Our coffee bag manufacturer has offered us a fully compostable valve but it is much bulkier than our current valve and significantly more expensive. This would have made an already expensive compostable bag financially unfeasible, especially for 200g of coffee. Instead we have rolled out the coffee bucket programme for Auckland customers (saving approximately 20,000 bags and valves PA) and continue to work alongside our supplier to identify a more streamlined and cost effective option.

Our Progress Since 2018

Goal	Achieved	Achieved & Ongoing	Not Achieved	Notes
Assist existing suppliers to make supply chain improvements and efficiencies and continue to influence others to move to sustainable options.		😊		When we released our 2018 report we pushed this out wide and far both locally and internationally, including the US based website Daily Coffee News. Although we continue to try to promote sustainable initiatives through existing suppliers it has been our industry peers who have contacted us most for advice and collaboration. This has included at least 3 direct approaches from competitors for advice. And we have always been resolute that the document can be read by anyone, so we expect that many more roasters would have been influenced by it.
Launch a t-shirt with our Picton based friends, Paper Rain Project, that will further support their work financially and help raise the profile of their work and the kōkako.	😊			We launched a small run of collab t-shirts with Paper Rain Project in Dec 2018. The t-shirt sales raised \$394 for the Trust.
Improve the uptake of professional development opportunities across our whole team by focusing on this more regularly, including discussing at our monthly team meetings.			😞	Although we have focused on professional development for several members of our team, including our Business Development Manager and Head Roaster, it is not as widespread across the team as we committed to. Due to our growth the scope, role and accountabilities of several team members has increased in a short time. This has included promotion of our Account Manager to Operations Manager, our Trainer to commence roasting, and two roastery team members to take up roles in marketing support and roasting.
Continue to respect, celebrate and normalise te reo Māori not only as a component of our brand, but also as part of our ongoing dialogue with our stakeholders.		😊		This is ongoing work that will only be 'achieved' when te reo Māori is a thriving language in our country. We've recognised that to respect te reo Māori we must actively support those championing it. In 2019 we supported Te Herenga Waka o Orewa marae over Te Wiki o Te Reo Māori by selling their fundraiser tōkena (socks) on their behalf to attempt to reach a new audience for them and raise valuable funds for the marae and their language classes.

Our Progress Since 2018

Goal	Achieved	Achieved & Ongoing	Not Achieved	Notes
We seek to normalise the importance of sustainability considerations in our sector.				We are proactive in our industry in promoting sustainability initiatives across all stakeholders. This has included: <ul style="list-style-type: none"> • Assisting our industry body with guidance on sustainability issues • Participating in hosting an industry event and banning single use cups • Actively promoting BYO Cup events • Reducing the promotion of images showing single use takeaway cups online • Promoting the mainstreaming and normalisation of Reusable cups, and installing a Reusable cup rinser for customers at our Commercial Bay Coffee Bar • Promoting sustainable ideas to our wholesale customers via newsletters and annual workshops, and to consumers via events and online interaction.
Continue to provide a voice within our Industry body, the New Zealand Specialty Coffee Association (NZSCA), on sustainability issues.				We collaborated with the NZSCA to undertake a member survey on sustainability, we assisted with an industry position statement on sustainability and have also spoken at the 2018 and 2019 AGM on this topic.
Encourage the main-streaming of organics in New Zealand.				We have been part of the leadership of an organic industry group comprising organic businesses and enterprises seeking to foster greater awareness of organics. This has included facilitating and hosting meetings and coordinating media, marketing and market day activities.
Facilitate a return on the initial investment for our shareholders.				As noted in the Introduction this has not been achieved despite discussions with multiple parties over the reporting period. It continues to be a focus for late 2020/early 2021.

Our Progress Since 2018

Goal	Achieved	Achieved & Ongoing	Not Achieved	Notes
Reviewing the performance of our website and coffee subscription service and will look to improve this to grow direct business to consumer sales.		😊		Although we have not upgraded our website we have been better at utilising it for marketing activity and this has resulted in greater online sales than the previous reporting period.
Roll out Nitro Cold Brew into more establishments that are not traditional espresso bars/cafes.		😊		Nitro Cold Brew has been adopted by several progressive retail stores including GoodFor Refillery.
Opening of our 40 sq/m retail concept store in Commercial Bay.	😊			This company owned flagship coffee bar was finally opened in June 2020 after being delayed by base builders (Fletchers) and Covid-19.
Implementation of Unleashed Software to manage inventory in conjunction with existing roast profiling software.	😊			This was achieved and is now integrated with our roast profiling software.

14

Coffee Globally Te Ao Kawhe

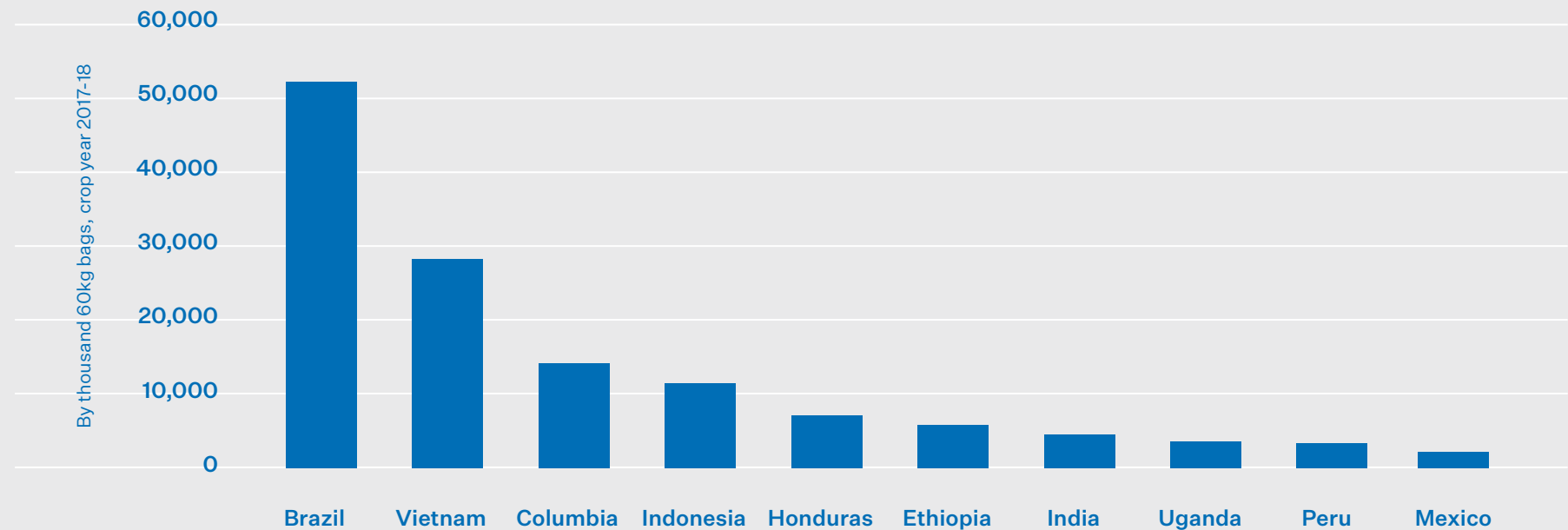
As it has done on all industries across the globe, Covid-19 significantly impacted coffee. This impact includes the data collection and research on the industry, and many of the medium and longer term impacts won't be known for some time yet. This page and the next outlines the context of coffee globally to

help you understand Kōkako's place amongst it, but we must state that although we have tried to find the most up to date information we can, much of it is pre-Covid. The coffee world is largely split in two: consuming countries, which tend to be the most economically developed, and producing countries, found

geographically near the equator and which are (in many cases) also the least developed economies in the world.

[International Trade Centre \(2020\). More from the cup: Better returns for East African coffee producers. ITC, Geneva](#)

Top 10 Coffee Producing Nations



Source: International Coffee Organization

Coffee Globally Te Ao Kawhe

Throughout most of 2019, the international benchmark price for coffee sat under \$1 a pound. This is 30% below the 10-year average and, for most producing countries, less than the cost of production.

*International Trade Centre (2020).
More from the cup: Better returns for East African coffee
producers. ITC, Geneva.*

More than 2.6 billion cups of coffee are consumed every day and over 120 million people live off the coffee value chain worldwide.

*International Trade Centre (2020). More from
the cup: Better returns for East African coffee
producers. ITC, Geneva.*

20% of coffee producing countries that are ranked low in the Human Development Index (HDI < 0.5), as defined by the United Nations Development Programme (UNDP)

*International Coffee Organization, 2019.
Coffee Development Report (2019). Growing
Prosperity - Economic viability as the catalyst
for a sustainable coffee sector*

Globally, the number of consumers continues to rise and consumption is steadily growing at a healthy annual rate of 2.2%.

*International Coffee Organization, 2019.
Coffee Development Report (2019).
Growing Prosperity - Economic viability as
the catalyst for a sustainable coffee sector*

There are likely 12.5 million coffee farms, of which two-thirds are smallholders (globally standardized definition) of up to 20 hectares.

scanews.coffee

The sector is facing several sustainability challenges, including water pollution, biodiversity loss, soil erosion, agrochemical use, deforestation, waste generation and labour exploitation. Other issues include low prices, ageing farmers and climate change. The latter will complicate production across many current coffee-growing areas, with negative impacts on livelihoods.

*Bager SL, Lambin EF. Sustainability strategies
by companies in the global coffee sector. Bus
StratEnv. 2020;1–16 BAGER AND LAMBIN*

In October (2019), a number of Central American farmers travelling with the migrant caravan to the US told BBC journalists that the coffee crisis had forced them to abandon their farms and to try to seek asylum in the US.

BBC News

The coffee sector still has a long way to go in ensuring sustainability across the entire sector, but a few progressive companies lead the way.

*Bager SL, Lambin EF. Sustainability strategies
by companies in the global coffee sector. Bus
StratEnv. 2020;1–16 BAGER AND LAMBIN*

Encouraged by optimistic growth projections, the largest companies have leveraged their extraordinary profits to purchase competitors and flagship premium brands, resulting in an increasingly consolidated roaster/retailer landscape in which the top 10 roasters now supply 35% of the world's coffee. This consolidation has put downward pressure on traders and producers—traders report terms of payment up to 300 days and some roasters have completely pulled out of high-cost countries of origin. If left unaddressed, the increasing consolidation of roasters will continue, resulting in mounting pressure, and eventually, further consolidation of traders and producers.

*Specialty Coffee Association, Price Crisis Response
- Initiative Summary of Work, December 2019*



Our World

O Tātou Taiao

Biodiversity and Environmental Stewardship



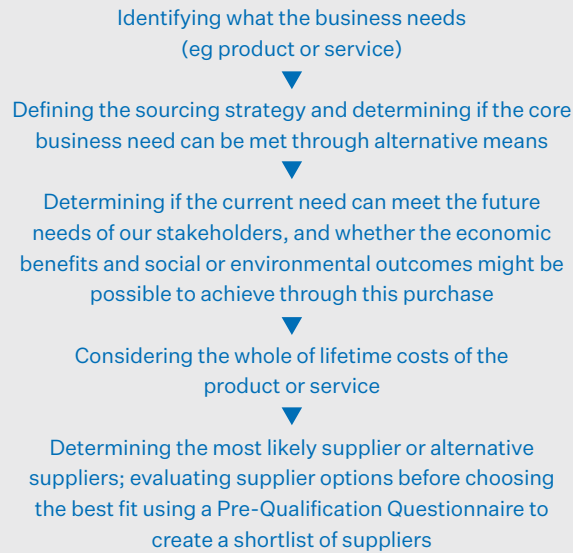
As the world continues with the linear economic model of take - make - waste, which clearly can not be sustained, the natural world is facing rapid and far reaching declines in its health and life holding capacity. “The health of ecosystems on which we and all other species depend is deteriorating more rapidly than ever. We are eroding the very foundations of our economies, livelihoods, food security, health and quality of life worldwide.” (1)

The impacts of this decline in environmental health has now been brought to the very front of our attention this year. “Covid-19—a virus that has been attributed to human interferences such as deforestation, encroachment on animal habitats and biodiversity loss.” (2)

We are not aware of any significant impacts of our company activities, products, and services on biodiversity. Our supply chain has not significantly changed since our 2018 report and as a result of the 2018 report (specifically section 17 – Procurement) we committed to formalising our procurement methodology to further enhance our understanding of all goods & services supplied to Kōkako.

A draft procurement plan was provided to our Board in November 2018 and rolled out to existing suppliers and new suppliers from mid 2019. None of our existing long-term suppliers failed to meet our standards for supply chain transparency, product integrity or environmental sustainability. See page 40 (Supplier Relationships) for more on our suppliers.

Our 2019 Sustainable Procurement Policy ensures that any procurement or services provision is critiqued to identify the following:



1 - <https://www.un.org/sustainabledevelopment/blog/2019/05/nature-decline-unprecedented-report/>

2 - <https://www.unenvironment.org/news-and-stories/story/covid-19-and-nature-trade-paradigm>

Since putting in place a sustainable procurement policy we focused on our largest and most significant existing suppliers and asked them to complete the questionnaire. This has included the following suppliers:

- John Burton Limited (Green beans)
- Trade Aid Limited (Green beans, cocoa and sugar)
- Innocent Packaging (compostable takeaway cups and lids)
- Keep Cup (Reusable cups)
- La Marzocco (Espresso Machines)
- Extraction Specialists (Espresso Machines - La San Marco brand)
- Eco Pallets (Cardboard pallets)
- Bean Addicted (Coffee Equipment)
- Applied Hygiene (Cleaning Solutions)

Due to a change in personnel in our Operations team in September 2019 we plan to review the effectiveness of the policy and its uptake amongst our supplier network as we believe that there could be more suppliers being influenced by our commitment to sustainable procurement.

We have not taken any action against suppliers and are unaware of any negative environmental impacts in our supply chain. It's important to note that we don't have control of our suppliers (and their subsequent supply chains) but we do have influence and we actively choose to work with certified Organic and Fairtrade cooperatives for our green coffee, cocoa and sugar where the 'third party verification' provides some reassurance that the production of these items meets the standards outlined in both certifications sustainability mandates which can be viewed [here](#) and [here](#).

Where practical we will make the effort to visit New Zealand based suppliers to review their operations within reasonable frequencies (annually or bi-annually). In the reporting period this has included major Kōkako suppliers John Burton Limited in Auckland (green beans), Trade Aid in Christchurch (green beans, cocoa and sugar) and Convex in Hamilton (suppliers of our Econic Compostable Coffee bags).

Where practical we also aim to visit coffee farmers from cooperatives Kōkako buys from at least every two years. Covid-19 has prohibited us from a planned 2020 visit to Papua New Guinea which we hope to now make in 2021. As we have outlined in our 2016 and 2018 Sustainability



Reports our origin visits allow us to see first hand the sustainability commitments that are in place across multiple coffee farms and also allow us to validate that the Fairtrade premiums are making their way to the farming communities as mandated by the Fairtrade standards.

We remain committed to regenerative organic farming and biodiversity protection. Our Sustainable Procurement policy places significant emphasis on Fairtrade and organic procurement via our certification schemes and we continue to foster collaborative partnerships with our supply chain, including packaging partners such as Innocent (compostable takeaway cups) and Convex (compostable coffee bags).



16

Case Study - Rotoehu Ecological Trust

The kōkako is our namesake bird. Endemic to NZ, the kōkako belong to an ancient family of wattlebirds and were common across NZ in the early 1990s. Populations of the North Island kōkako, the ones with the blue wattles, have seen significant decline over the last 20 years and only through management has there been successful reversing of that trend. How Kōkako, a business, supports our namesake bird and its habitat restoration came up in several of our discussions with our stakeholders. Below you'll find information on our long standing relationship with the Rotoehu Ecological Trust (RET) – guardians of the kōkako population in the Pongakawa Forest in the Bay of Plenty.

Image with thanks to
Amanda Lia Rogers



Kōkako make a financial contribution to RET's work annually. Our customers can top up that amount by using the code ROTOEHU at the checkout on our website which means we give a portion of the takings of that sale to the trust, on top of our yearly donation. Our team makes an annual volunteer day trip to the forest for a day in the bush helping set traps, clear traps, clear the trap pathways (or whatever they need help with), and we supply complimentary coffee and drinking chocolate for all of the Trust's forest work days throughout the rest of the year.

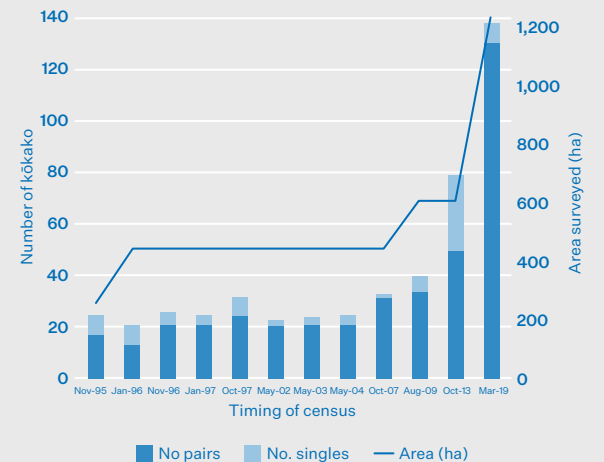
In 2019, the RET team completed a kōkako bird census. Overall, they surveyed over 1,200 ha and found a total of 133 pairs and 8 singles (274 kōkako), of which 126 pairs and all of the singles were located within the area currently under RET management. The remaining birds were found in the adjacent Ngati Makino native area (2 pairs), nearby Timberlands natural areas (2 pairs) and adjacent DOC reserve (walk through survey only, 3 pairs). For those who are interested, in their 2013 census of only 601 ha – 50 pairs and 29 singles were found (129 birds total).

The survey team reported that most of the pairs had 1-2 fledglings with them as well, which means that if even only half of those birds survive we're looking at a very healthy and robust population. Territory size also appears to be decreasing, with most of the area surveyed packed pretty tightly with birds. Riflemen were present in good numbers throughout the surveyed area, with Whitehead and Robin also found.

Outside of the reporting period and from November 2020 onwards we plan to undertake the following in relation to our support of the Rotoehu Ecological Trust:

- Review the code word use and replace this with an option on our website for online customers to make a donation to RET at the checkout.
- Purchase compostable "Kōkako branded" dishcloths where \$1.00 from the sale of each will be donated to RET.
- Undertake our annual volunteer day on Saturday 28th November.

Rotoehu Kōkako census summary



17

Promoting the Circular Economy Model

You can see the Circular Economy Model as a diagram [here](#).

This is defined by the The Ellen MacArthur Foundation as:

Looking beyond the current take-make-waste extractive industrial model, a circular economy aims to redefine growth, focusing on positive society-wide benefits. It entails gradually decoupling economic activity from the consumption of finite resources, and designing waste out of the system. Underpinned by a transition to renewable energy sources, the circular model builds economic, natural, and social capital. It is based on three principles:

- **Design out waste and pollution**
- **Keep products and materials in use**
- **Regenerate natural systems**

At Kōkako we have always believed that the specialty coffee sector has an exceptional opportunity to promote and celebrate the Circular Economy Model. As we only buy certified organic coffee, the way in which the coffee we source is grown adheres to regenerative agriculture principles, and promotes soil integrity and best practices in plant husbandry.

We know that a lot of our customers are engaged in sustainability and care about the principles behind the [Circular Economy Model](#). We encourage our customers to enjoy their coffee before disposing of the packaging and used grounds in the most sustainable way possible - ideally via a home worm farm or composting bin, and we have included handy hints on our website and blog outlining our recommendations for this [here](#).

We have also looked at other ways to encourage environmental stewardship in our sector and apart from our Cascara Kombucha Project we have experimented with other so-called 'waste products' generated from the coffee roasting process. This has included utilising **coffee chaff** (a lightweight by-product of the roasting process that looks a bit like sawdust but is actually an edible husk) at the Ferment Festival in April 2019. The festival was located in Auckland, New Zealand and allowed us to collaborate with our much respected friend [Plabita Florence of Forest](#) to utilise the chaff as a value-add ingredient in a feijoa-infused coconut icecream. To read about this initiative check out this article in Sprudge [here](#).



We continue to look for innovative partnerships and ways to encourage adaptive re-use of what many in our industry deem to be waste by-products. Aside from our cascara and chaff projects we are now starting to identify future partners that are as excited about these by-products as we are. This includes chefs such as [Ben Bayly from Ahi](#) restaurant who in 2020 used PNG cascara sourced by Kōkako on his menu to create a 'cascara molasses' which is served with wild game. Ben and his business partners are also looking at how they can utilise coffee chaff in FMCG food products, alongside their innovative [Citizen Beer](#) made from 'rescue bread'.



Although 2020 will mostly be remembered for the global pandemic it started here in New Zealand with orange skies as smoke from the Australian bushfires clouded our skies, a drought that became one of the worst on record in the North Island (1) followed by a one-in-500-year flood in Northland. (2)

These weather events, along with the data from NIWA's Annual Climate Summary 2019, show that "annual temperatures were above average (+0.51°C to +1.20°C above the annual average) across the majority of New Zealand." (3) This has only strengthened our resolve to lead by example and influence our industry (and others) to get cracking with an evolution to a de-carbonised economy.

Continuing on our Climate Neutral Journey

The methodology and calculation tools we use for our Climate Neutral and carbon calculations are administered and overseen by Fair Climate Fund via Fairtrade New Zealand and we now have over five years of data and five years of coffee production carbon offsets.

To see how the tool works please refer to our [2016 report](#). Please note that this report covers the reporting period from 1 July 2018 to 30th June 2020, however our Climate Neutral reporting is now aligned to financial calendar years (1 April to 31 March) as per the table outlined on the next page.

As such there is an anomaly between the [2018 report](#) where total emissions of 238 ton/CO₂e were reported for the period August 2017 to July 2018, but when calculated for the financial year to April 2018 to March 2019 the annual ton/CO₂e was 211, a reduction of 27 ton/CO₂e.

The Fair Climate Fund requires us to forecast our data one year in advance. We are then provided with an invoice for Carbon Credits from the Fair Climate Fund and a washup is done at the completion of the annual period. If our carbon emissions are higher than forecast we are required to top up the offset payment to Fair Climate Fund.

On the next page, the pie charts summarise the carbon emissions for the reporting years 2018 and 2019 and a forecast for the reporting year 2020. These are shown relative to the carbon produced in each part of the supply chain.

As this data shows our volume of coffee roasted per year has increased, so has our tonnes of CO₂e produced and as such our CO₂e per kg roasted coffee has increased to a forecast 4kg of carbon for each kilo of coffee roasted in this financial year.

All carbon produced from the roasting process is still offset against the same Ethiopian Cookstove Project that we started with back in 2015 - this is administered via our accreditation partners FairClimate Fund.

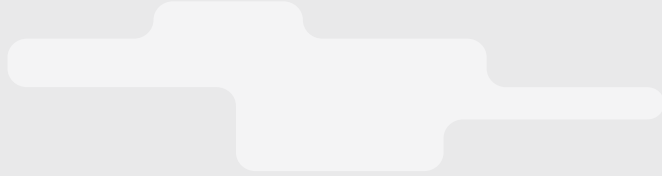
In this project FairClimateFund works together with Fairtrade Netherlands or Max Havelaar, in the Fairtrade Carbon Partnership (FCP). The aim is to distribute 40,000 cleaner cookstoves to 20,000 households. Each household uses two cookstoves: one stove (Tikikil) for general use and one (Mirt) to bake the Injera, a flat round bread made of teff flour. In addition to the reduction of wood use and CO₂ emissions, there is less smoke in the house and women have a time gain of up to 30 minutes in the preparation of a meal. The coffee farmers pay for the stove partly in cash and partly with the CO₂ credits that the use yields.

For the latest updates on the programme and to understand how it works please visit [here](#).

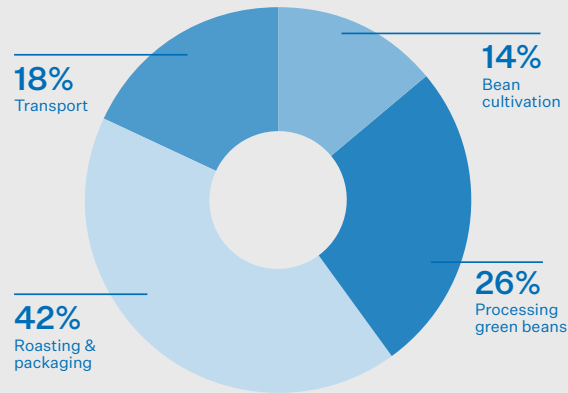
1 - <https://www.nzherald.co.nz/nz-drought-auckland-set-to-break-record-for-longest-dry-spell/PIUSHNVBUA6IARFJ3HWCNRHCU/>

2 - <https://www.newstalkzb.co.nz/news/national/once-in-500-year-storm-floods-northland-traps-residents/>

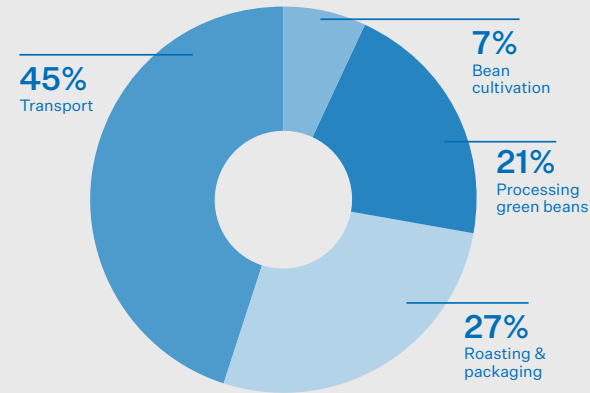
3 - <https://niwa.co.nz/climate/summaries/annual-climate-summary-2019>



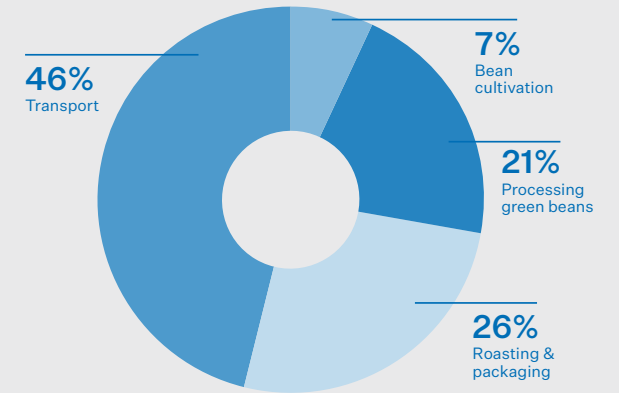
**Total emissions
211 tonCO₂eq in 2018**



**Total emissions
281 tonCO₂eq in 2019**



**Total emissions
331 tonCO₂eq in 2020**



Please note the 2020 chart is a forecast from April 2020 to March 2021 and will be reviewed against actuals at the conclusion of this trading period.

We continue to offset our Carbon Emissions for each kilogram of coffee produced via FairClimate Fund. FairClimate Fund allows us to also offset the remainder of our products and carbon produced from our day to day business activities and we plan to commence this in 2021 with a staged approach by adding Drinking Chocolate to the offset list by the end of 2021.

Financial Year	Volume roasted (KG's)	Total tonnes of CO ₂ e	kg CO ₂ e per kg roasted coffee
April 2018 to March 2019	64,300	211	3.3
April 2019 to March 2020	72,646	281	3.9
April 2020 to March 2021 - Forecast	81,787	331	4.0

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Our Vehicle Fleet Emissions



Since we last reported we have made several changes to our vehicle fleet and implemented company Uber accounts for staff wanting to travel quickly from our roastery into the CBD for meetings with customers or at our Commercial Bay Coffee Bar.

In February 2018 we traded in two petrol Toyota Corolla GX company vehicles for two brand new Toyota Corolla HYBRID vehicles. Apart from being hybrid we also wanted greater safety features which both of these cars have.

In June 2018 we purchased a brand new VW Caddy Delivery Van for our Technician to use. Even though we added one more vehicle to our fleet we have focused on reducing emissions by investing in two hybrid vehicles and having a newer fleet - based on this our average CO2 emissions for vehicles remains similar to our 2016 vehicle emission reporting at approximately 10 tonnes per annum* even though we now have 5 vehicles instead of 4.

Each vehicle is regularly tuned for optimal fuel efficiency and lower emissions and serviced as per manufacturer's recommendations. Tyres are kept inflated to manufacturer's specifications. Where possible we minimise our emissions through the use of communication technologies, travelling outside peak traffic times, efficient delivery mapping and reducing unnecessary loads.



Vehicle Make, Model & Year	Transmission/ CC/Fuel source	Fuel Economy Rating	CO2 Emissions Notes
2018 Toyota Corolla Hybrid	Auto/petrol/ electric 1.8L	4.1L/100 kilometers	This vehicle emits a small amount of CO2 gas. 94 gram/km = 1.32 tonnes/year based on driving 14,000 km per year.
2018 Toyota Corolla Hybrid	Auto/petrol/ electric 1.8L	4.1L/100 kilometers	This vehicle emits a small amount of CO2 gas. 94 gram/km = 1.32 tonnes/year based on driving 14,000 km per year.
2018 VW Caddy Delivery	Auto/petrol 1.4L	5.6L/100 kilometers	This vehicle emits a small amount of CO2 gas. 129 gram/km = 1.8 tonnes/year based on driving 14,000 km per year.
2011 Toyota Hiace	Auto/Petrol 2.0L	11.2/100 kilometers	This vehicle emits an average amount of CO2 gas. 250 gram/km = 3.5 tonnes/year based on driving 14,000 km per year.
2015 VW Golf GTI	Auto/Petrol 2.0L	6.4L/100 kilometers	This vehicle emits a small amount of CO2 gas. 147 gram/km = 2.06 tonnes/year based on driving 14,000 km per year.

*Source - <https://rightcar.govt.nz/> and based on driving averages as outlined in the table

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Climate Change Resilience

As we have reported in our [2016](#) and [2018](#) Sustainability Reports Climate Change is having a real impact on the access to and price of coffee and the livelihoods of farmers. We are now looking beyond avoiding climate change to understanding how we can help our supply chain become prepared and resilient to the changes.

Although we can't control how our suppliers run their business we can choose to work with a supply chain for green coffee, cocoa and sugar that considers and protects farmers from climate change, empowering them to mitigate its impact by implementing several climate change resilient initiatives.

Aside from our commitments to a Fairtrade Organic supply chain we continue to do our best to influence the industry to be more aware of this and encourage other roasters to consider ways they can participate in Climate Change mitigation. We do this either through our industry body the New Zealand Specialty Coffee Association and through [social media](#) and [blog posts](#) on our website.

Addressing Climate Change through our Fairtrade Partnership

*Fairtrade's unique, two-pronged approach helps farmers become more resilient to climate change, whilst at the same time giving consumers, retailers and traders the opportunity to reduce their carbon footprint. All this is underpinned by the **Fairtrade Climate Standard**.*

Firstly, farmers, producers and workers can spend the Fairtrade Premium – that's the extra money they get from sales of Fairtrade certified crops and products – on projects such as tree planting, irrigation, crop diversification and clean energy, which are more sustainable on a local level but also contribute to the global fight against climate change. Fairtrade farmers and workers decide for themselves how the Premium money is spent, because it is they who know best what they need to become more resilient.

Secondly, **Fairtrade Carbon Credits**, which Kōkako has held for the last 5 years, in partnership with the **Gold Standard** – enable farming communities in developing countries to benefit from access to carbon finance to tackle the effects of climate change. Farmers get a double benefit from Fairtrade Carbon Credits because they get a minimum price to cover the costs of setting up and running a project, and in addition they can use the Fairtrade Premium on every credit sold to invest in adaption and mitigation.

To read more about how Fairtrade is addressing climate change at origin check out this [link](#).



21

Regenerative Organics

Kōkako is certified organic with Biogro who outline how farming organically can reduce the impacts of Climate change (source - Biogro website):

All of us contribute to climate change through our greenhouse gas emissions. At the global scale, the key gases include Carbon Dioxide, Methane, Nitrous Oxide and Fluorinated Gases.

Comparative organic systems can reduce greenhouse gas emissions by 332 - 652 CO2 equivalent kg/ha/year, reduce energy use by 30%-50% and soil erosion by 24% with improving carbon sequestration, soil quality and soil biological activity.

We believe that we shouldn't just advocate for healthy soils and organic agriculture in the coffee sector, as this is something we have supported for a long time. Rather,

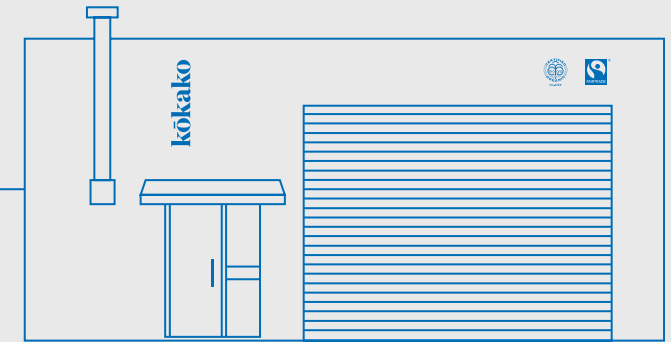
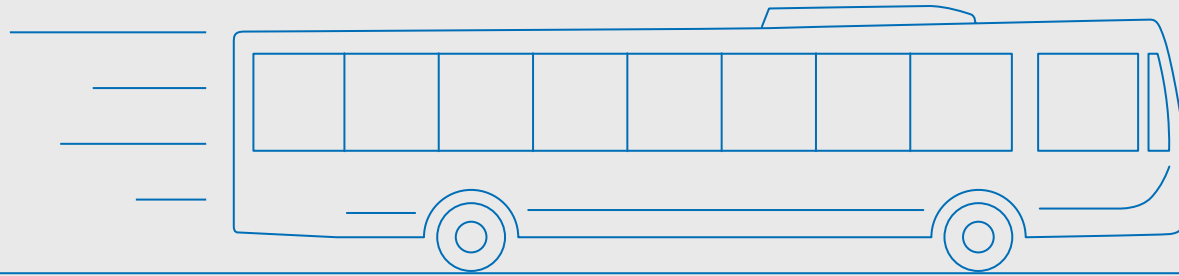
we must showcase and advocate for organic farming across all sectors including in our own country of Aotearoa. There is mounting evidence that organic and regenerative agriculture can help sequester carbon and improve soil quality, thus improving the quality of the food we consume and helping to mitigate the negative impacts of climate change.

As an organisation we are active in promoting organics amongst a wide range of reputable New Zealand organic brands and are active participants in the annual Organic week campaign which seeks to raise awareness of the benefits of organic farming and produce.

We also subscribe to some excellent organic farming insights from the Rodale Institute, based in the USA. There are multiple articles on their website outlining how organic and regenerative farming practices can help mitigate climate change; [this article](#) in particular we'd recommend reading this article to gain further insight.

Naomi Morungao; Alang Daom Coffee Farmer, PNG





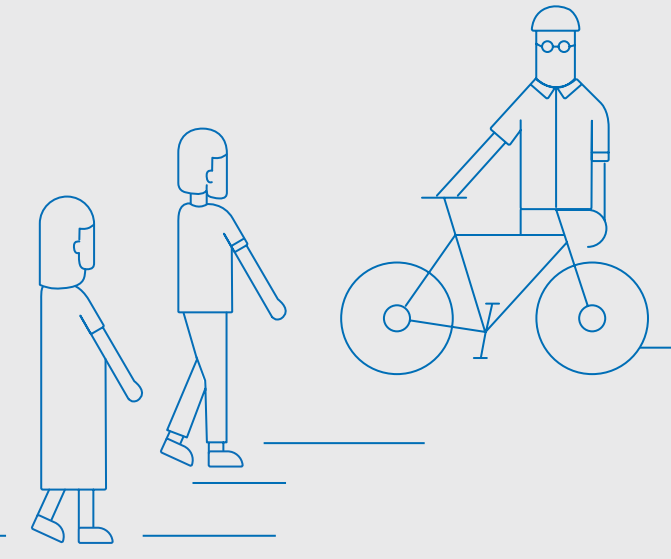
In discussing our material topics with our Kōkako team members, Climate Change Resilience was a major consideration for many employees in our organisation. We encourage our team members to consider wider sustainability and climate change mitigation strategies outside of work in their own lives, and have provided facilities to encourage greater awareness. This includes:

- **Composting food scraps:** 60% of our roastery-based staff either utilise a home compost setup or bring their compost into work and utilise the on-site worm farm or Compost Bin, diverting compostable waste from the municipal landfill collection scheme which otherwise would end up in landfill creating methane emissions.

- **Soft plastics recycling:** We have a commercial Soft plastics collection and recycling scheme and have approximately 50% of our roastery-based team contributing their domestic soft-plastics to this.
- **Encouraging staff to use public transport, car-share or cycle/walk to work**

100% of our six team members at Commercial Bay use Public Transport (bus or train) to get to work at our CBD Coffee Bar Monday to Friday. On weekends one out of three staff members will drive to work due to us needing to collect supplies.

At our roastery we have 12 team members and of this 66% use either public transport, car-share, walking or cycling to get to work.



23

Managing our Materials – What to do About Waste



Ever since we dumpster dove back in 2016 for our [first Sustainability Report](#), material management has been one of the hot topics at the roastery. [Click here](#) to head back to our 2018 report for information on our previous waste footprint minimisation efforts as well as information on our compostable packaging and the packaging we use for shipping.

Our team is constantly questioning the way we do things and actively looking for solutions in all areas of our business to reduce our waste streams, and our hard work is paying off. We've shrunk our 437 square metre roastery's landfill waste to one household sized 120L council bin that is collected once a week (it is rarely bursting). This constant drive to decrease waste continues to have a positive effect on our team's waste minimisation efforts at home too.

Over the reporting period the total weight of non-renewable materials used to produce, package, and ship our coffee and drinking chocolate from our place of business was approximately 258kg. This is mostly made up of packaging tape, courier stickers, label backing, and bundle wrap. The total weight of renewable materials was approximately 8.7 tonnes, mostly made up of shipping boxes and our compostable packaging.

These weights have been calculated from our records of products purchased and products sold.

Our Nitro Cold Brew kegs are reused until they are no longer fit for purpose. We sent 4 kegs in the reporting period to the scrap metal yard weighing approximately 16.8kg.

The biggest non-recyclable input that goes into getting our coffee from our roastery to our customers are stickers and tape. Alongside our 2021 goals to increase our bucket return system capacity for our wholesale customers, we plan to print our shipping boxes with some of the information that is currently being applied in sticker form. This primarily would be the sticker that denotes how many boxes are in the shipment and to whom it is being shipped. Completing this project would mean we only are only adhering the courier sticker and tape to our boxes when they are shipped.

For more information on our packaging please refer to our [2018 report](#).

Recycled & Reclaimed Inputs

Our primary products are made up of virgin materials (green beans sourced from around the world, cocoa and sugar), there are no recycled or reclaimed inputs that go into their manufacturing process. There are, however, recycled inputs in the packing and distribution of our products and we have reclaimed items in other areas of our supply chain. For example - the recycled input content of our shipping boxes ranges from 56% to 85% and the recycled input content of our compostable packaging is approximately 15%.

We continue to reclaim and rehome the sacks that green beans arrive in. Over the reporting period we have supported composting projects, school and learning facility initiatives, helped kick-start projects for budding home gardeners projects, tree planting efforts and more. When our empty sack pile grows tall we let our network of customers and suppliers know and we've never been left with a pile that we cannot rehome.

In October 2018 we were looking to update the street signage we loan out to our Outpost cafe customers - the signs that let you know they serve Kōkako coffee. We had 28 tired footpath signs that we refurbished with the help of our supplier Kings Custom to fit in line with our new branding. This exercise cost slightly more than it would have cost to scrap the metal and create a new fleet of signs but we felt it was a worthwhile investment.



24

Case Study — Coffee Buckets



In October 2019 we launched our first fleet of buckets to reduce packaging waste to our local Auckland wholesale cafe customers. As we deliver directly to almost all of our Auckland network of Outposts we questioned why we were bagging their orders into 1kg bags and if there was a better way to distribute our beans to them that would take advantage of the fact that we visit them twice a week. While we think it's great that we pack our coffee in compostable bags, we're well aware that access to composting facilities is not as easy as we would like it to be - yet. It's likely that many of our compostable bags end up in landfill rather than in a composting facility.

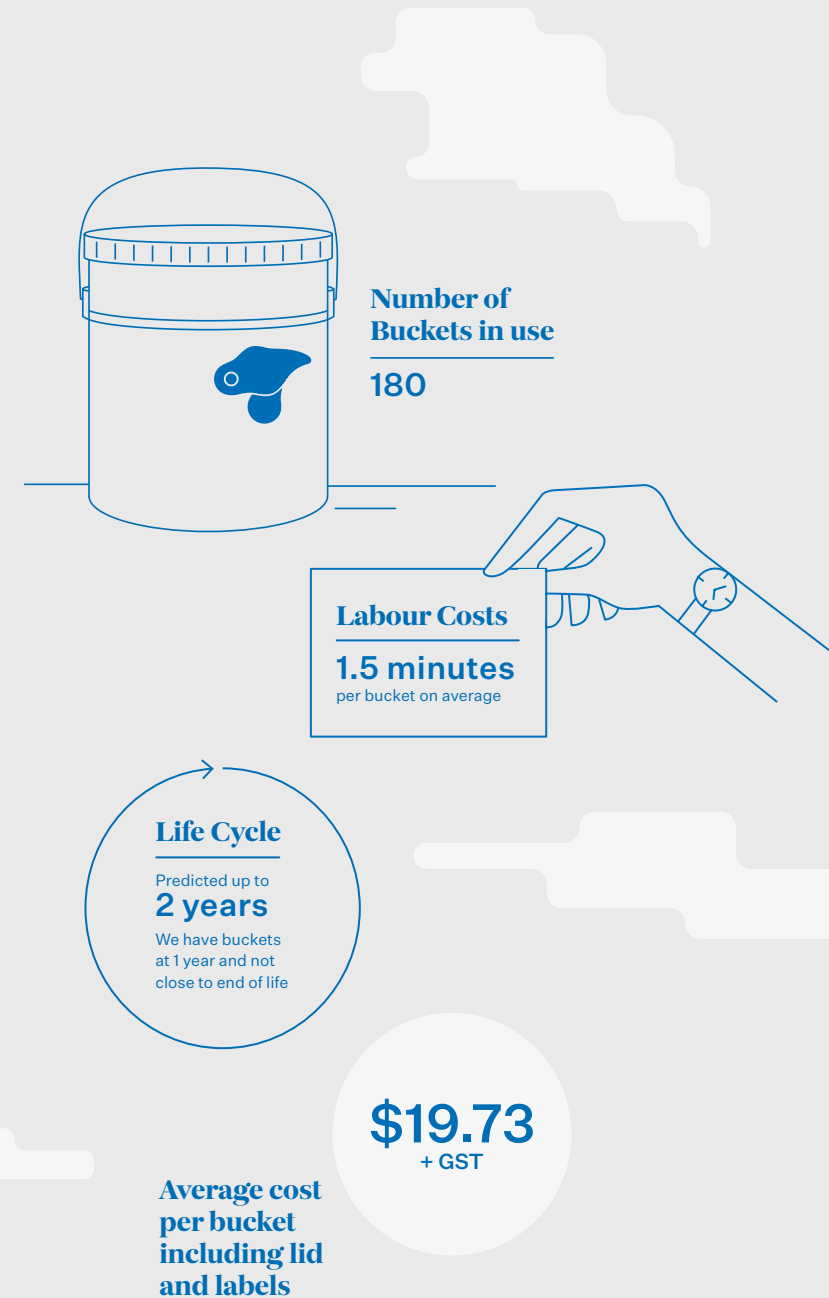
To date we have successfully delivered 297 4kg buckets and 1,139 6 kg buckets to outpost customers across Auckland. These deliveries combined mean we have successfully avoided 8,022 single-use bags to distribute our beans. This diversion is a huge win for us and our network of cafes.

The Auckland Returnable Bucket Breakdown:

Central Customers - 75% on buckets
Northern Customers - 36% on buckets
Eastern Customers - 33% on buckets
Southern Customers - 60% on buckets
Western Customers - 43% on buckets
Overall Auckland Region - 52% on buckets
Of our local delivery run, 68% are on buckets

The bucket return scheme is now an integral part of proposals to potential new Auckland based customers. Our goal is to grow this percentage to 70% in Auckland by 2022 - a 20% increase over two years.

Upon each return we thoroughly clean our buckets with a white vinegar and water solution before refilling for the next batch. Although we are hoping for this to be a robust long term solution, key hurdles to overcome at this stage are efficient transport of the buckets and the life cycle of the lids and labels which have to be written by hand on each batch.





The people we impact
and who impacts us.

Our People

o Tātou Iwi

25

Supplier Relationships

The relationships we forge with coffee farmers at Origin, thanks to the Fairtrade system, are held dear to our hearts but we wouldn't get very fair without our local suppliers here in New Zealand. The two largest suppliers to Kōkako are the green bean importers we work with, Trade Aid and John Burton Ltd, followed by our packaging supplier, Convex, and consumables supplier, Innocent Packaging; all are NZ owned and managed businesses who we have worked with for many years. Trade Aid and John Burton Ltd (JBL) have supplied Kōkako since our humble beginnings and we started sourcing from Innocent when they launched in 2013 and Convex in 2014. We also work with a number of small NZ suppliers.

By building strong relationships with our local suppliers it allows for open conversations about increasing accountability and transparency across their supply chain and in turn, ours.

Of the 97 suppliers we procure from each year 91.7% of these are locally owned businesses. Our geographical definition of 'local' extends to the whole of New Zealand, but includes New Zealand owned businesses who procure from offshore.

At our Commercial Bay site our most significant supplier is our dairy milk supplier, Jersey Girl Organics. The Vospers are fifth-generation farmers who bottle



Michael Vosper — Managing Director of Jersey Girl Organics

onsite at their family farm in Matamata. Certified by Biogro (FLO 4669) their farm is spray-free and follows regenerative agriculture practices and their herd are free of antibiotics.

When we begin new relationships with suppliers we consider their locality before putting working through Procurement Policy (see page 27). We also consider how we can have a collaborative relationship and work toward innovating products and solutions that are more environmentally conscious.

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10 Years of Commitment to Fairtrade

“We should not be asking whether we need a Fairtrade label, or whether the Fairtrade certification is fair, but rather we should be focusing on the real problem; Why do we need a certification in the first place to indicate what is fair or not, and what can we do to make as much of the trade as fair as possible? Until we have figured this out for ourselves it is important for us to have organisations like Fairtrade leading the way.”

Georgi Djalev, freelance coffee journalist, Roast Magazine



Ensuring that the men and women at origin are fairly rewarded for their work, which in turn creates healthy pathways into coffee farming for the next generation, is integral to Kōkako. Without their hard work, dedication and attention to detail we wouldn't have a business. If farmers walk off their farms because prices are too low and the rewards aren't worth the effort our industry is at risk. Long term sustainability means paying fair and we put our money where our mouth is; in 2019 we celebrated 10 years of commitment to the Fairtrade mark.

When we first became certified with Fairtrade back in 2009 we recognised that our buying power was no more than a drop in the ocean of mainstream trade that keeps communities in poverty around the world. Fairtrade stood out to us as an independent certification scheme deliberately designed to check that both parties keep their side of the bargain – that the farmers are democratically organised and all are paid fairly, and that the buyers pay a fair price, pay on time and also pay a social premium. You can find more information on the Fairtrade Premium in our [2018 report](#).

The system was developed with input from the producers themselves and their seats are reserved at the decision-making table. They are part of the conversation when new standards are set, give input into how the standards should be monitored and reviewed and contribute to the consultative process that determines where the minimum price is set. They also decide, democratically as a group, how that extra premium they earn through the Fairtrade systems is spent.

We see these ingredients as critical counterweights that mean big companies, who most often wouldn't choose to operate in this way, must cede some power and engage in more equitable trading relationships. Through external certification, rather than an inhouse direct trade approach, we are not asking our customers to simply trust that Kōkako and our cooperative coffee farmer partners are doing as we say we are - we have an external body holding us all accountable.

Please refer to the Table on page [11](#) (Sustainable Development Goals) to see the total financial contribution Kōkako has made through Fairtrade fees and premiums in the reporting period.



The Difference Between Fair Trade and Fairtrade



Margaret Kede; Neknasi Coffee Farmer, PNG

So what's the difference between fair trade and Fairtrade?

The term 'Fairtrade' (one word with a capital F) describes the certification and labelling system governed by Fairtrade International. Fairtrade has clearly set standards and they audit and certify producers and licensees like us against them. Standards cover such things as the gender equity, sustainable farming methods, labour practices, transparency and product quality - you can read more on these [here](#) in our 2018 report. To the customer, Fairtrade is an independent label of assurance that the product meets the international Fairtrade standards - giving the farmers and workers involved a better deal.

Financially speaking the mark guarantees two things:

- A fair and stable price for the producers.
- A premium for social and business investment for their organisations.

'Fair trade' (two words) is used mainly to describe any system of trading based on the explicit principle of being 'fair' but doesn't necessarily mean there are any checks and balances being met.

Female Farmers

Promotion of gender equity through certification standards is a vital component of the Fairtrade mission. Like many agricultural commodities, gender oppression has been a key component to the historical development of the coffee industry - women farmers face lower pay, less stable employment, sexual harassment and a double burden of wage labor and household responsibilities. As coffee production is often not waged, but instead paid by the amount harvested, entire families will often work together for one payment and patriarchal social relations mean males are often paid for their wives' work, leaving women with little or no control over their own earnings. Male bias in agricultural communities around the world reinforces patterns of female disempowerment rendering women farmers invisible.

Fairtrade challenges the gender gap and works to enable women to succeed on their own terms. The Fairtrade standards require producer organizations to:

- Not discriminate on the basis of gender or marital status
- Zero tolerance of behaviour that is sexually intimidating, abusive or exploitative
- No testing for pregnancy when recruiting workers
- Programmes to support disadvantaged and minority groups, such as women
- Developing a gender policy, over time

Beyond the Standards Fairtrade work with producers to:

- Roll out women's schools of leadership, enabling women to learn business, negotiation and finance skills. Many of these women go on to take on leadership and committee positions within their cooperatives and communities.
- Implement Fairtrade Premium projects that directly benefit women, enabling changes to decision making and governance structures in certified producer organizations, and improving economic opportunities.
- Undertake gender analyses of their organizations and pilot new gender equality programmes, gender committees and policies.
- Through advocacy work and collaboration with trade unions and NGOs Fairtrade push for gender equality and interventions to enhance women's well-being and empowerment.

As part of our green bean procurement our Head Roaster is consistently looking for cooperatives that champion gender equity, encourage female governance and support pathways into employment for the next generation of women. It's important to note that the gender gap at Origin is complex and can be either exacerbated or reduced depending on the cultural traditions of the area.

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Case Study – SOPACDI Coffee Cooperative

2018 was the first year we were able to source coffee from the Democratic Republic of Congo (DRC) and it was thanks to the progressive team at Trade Aid, one of the two coffee importers we work with, that we were able to access it. As part of our seasonal rotation of single origin coffees we released ‘Lake Kivu’ from the SOPACDI Cooperative in November 2018. We ceased roasting and serving this coffee in Oct 2019. Below is a snapshot of how this cooperative democratically decided to spend their 2019 year Fairtrade Premium that we directly contributed to.

The SOPACDI Cooperative of coffee farmers was formed in 2002. Cooperative members farm by the banks of Lake Kivu, an area of the country where coffee production has been in decline since their independence from Belgium in the 1960s - significant periods of civil war have caused many farmers to flee. In the face of their challenges, which includes a time where the only way to sell their coffee was by taking a perilous overnight boat journey to neighbouring Rwanda, the remaining farmers are producing outstanding coffee. SOPACDI now is 5600 members strong and promotes reconciliation between ethnic groups (its members speak Kirundi, Kihavu and Kinyarwanda), bringing people together to work and promote practical ways to move forward. The history of conflict in the region has made many of the coop’s female members widows and they have responded to this by offering a premium per pound for any coffee grown by a woman.

Location

South Kivu, Democratic Republic of Congo (DRC)

Number of Producers

5,200; 20% are women farmers

Certified

Organic and Fairtrade

Elevation

1460 to over 2000 MASL

How SOPACDI apportioned their Fairtrade Premium in 2019:

- Participation in domestic and international fairs, making overseas visits to buyers
- Production and distribution of agroforestry tree seedlings to schools as part of our contribution to help mitigate the effects of global warming
- Production and free distribution to members (and non-members) of coffee seedlings in support of their efforts to renovate their coffee plots
- Training and monitoring of activities related to soil fertility, including the production and use of liquid and solid bio-fertilizers (composts) which will increase the productivity of members in future years



- Construction and equipping of micro-washing stations which increase the capacity of our cooperative to process more coffee both in terms of quantity and quality
- Support for Pygmy children in the form of school fees and supplies. Pygmies are a marginalized and very poor Central African group of people
- Purchase of land for a water supply project for a population who live in a region hit by the shortage of drinking water
- Purchase of roofing sheets for three schools which are being rebuilt following their demolition by bad weather
- Support for the goat breeding project for female members of SOPACDI through the distribution of new goats
- Payment of community taxes on behalf of cooperative members
- Renewal of our various certifications (Fairtrade, organic, Utz, SPP)
- Supervision of members for their local self-funding system (AVEC = Village Savings and Loan Association)

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The Advantage of Working with Coffee Cooperatives

Based on our commitment to only working with Certified Fairtrade organic Cooperatives we have always supported the cooperative model. The cooperative model is one of the pillars of the Fairtrade system; but what does it really mean?

Based on an article in the July/August 2020 Issue of Roast Magazine by Ruth Ann Church and David L.Ortega we have assembled a summary of the importance of the cooperative model in the coffee supply chain. It's important to note that although Kōkako is dedicated to Fairtrade (who only work with dedicated farmer cooperatives) there are also non-Fairtrade cooperatives that benefit from this structure.

We were fortunate to be able to liaise directly with one of the authors of this article, Ruth Ann Church, through a connection to mutual sourcing of coffee from a cooperative in Rwanda. Ruth has also kindly supplied us with imagery taken at these cooperatives which Kōkako has been proud to represent. Ruth is the President of Artisan Coffee Imports, based in Michigan, USA.

- “Coffee has many hand-offs in the supply chain, and its journey is opaque due to long timelines and vast distances. Creating connections is further complicated when the origin of a container of coffee is from a country where “the farmer” may actually be 1,000 farmers”

- The article notes that “as a node where many farmers come together the farmer cooperative becomes a valuable unit in this chain for the farmer at one end and the consumer at the other”
- Furthermore “the cooperative form can be both the source of cooperatives’ potential for good and a key source of failure - potentially due to potential problems inherent in the cooperative organisational structure. Despite the obstacles to operating a successful cooperative many have become structures that help smallholder coffee farmers overcome the challenges of the imperfect markets they face.”
- “Cooperatives work for the benefit of many. An example is the Kopokama cooperative in Rwanda who have been able to build a community conference hall and 2.5km of paved roads, along with an electricity connection, a clean water distribution point and establishment of a women’s savings and loan group”



The [Roast article](#) references a 2019 study published in [Food Security](#) which showed that “coffee farmers who are cooperative members in Rwanda score significantly higher on an “adoption of best practices” index than farmers who are not co-op members. The farmers belonging to cooperatives also receive more income from their work - approximately 18% higher revenue per coffee tree. **These elevated metrics begin a virtuous cycle for farmers who belong to a cooperative. They are more likely to have healthy soil and plants, which leads to higher productivity per tree, which then lowers cost of production per kilogram of cherry, and in turn improves net income per tree.**”

Images provided with thanks to Ruth Ann Church of Artisan Coffee Imports, USA.

30

Case Study – Returning the Favour; Hosting Mitchell Ricky from HOAC



Unfortunately, as it has for many, Covid-19 foiled our travel plans to visit some of the coffee cooperatives, whom we have long standing relationships with, in Papua New Guinea this year. However, in August 2019, we were lucky to host a third-generation coffee farmer from PNG, Mitchell Ricky, here in Aotearoa.

Mitchell's arrival coincided with our 10-year anniversary commitment to being a 100% Fairtrade business and allowed us to reciprocate the generous hospitality that we have received on multiple visits to the Highlands Organic Agriculture Cooperative (HOAC) in Papua New Guinea since 2013. It is rare

for a cooperative member to visit a coffee roaster, a trip made possible through the Fairtrade system, and as such we were honoured to host Mitchell at our roastery, at several of our outposts and at the personal home of our Managing Director, Mike.

One of the biggest challenges in specialty coffee is the reciprocation of knowledge between coffee farmers and coffee roasters. Although we have put a lot of time and energy into travelling to origin to visit coffee farms it is often uneconomic for farmers from producing nations to visit us, of the farmers we have met of the past 10 years for most it was their first trip outside of their country. We appreciate the support of Fairtrade Australia/New Zealand in helping to make this happen.

As you'll read in [this summary](#) of Mitchell's visit, we focused on connecting the dots of information to show Mitchell our commitment to quality. Our Head Roaster and Trainer spent time showing Mitchell how we roast, cup and prepare coffee and shared what attributes we are looking for in the beans we purchase.

Hospitality is always such a compelling part of every visit to PNG. The culture and our dining experiences are always the aspects that we reflect on most. Knowing that Mitchell's itinerary was full of visits, discussions and public speaking engagements we wanted to try our best to reciprocate the hospitality we feel in PNG so we invited Mitchell and the Fairtrade team to a weekend lunch in the Kaipara. Apart from drinking lots of amazing filter coffee from his cooperative, HOAC, we put on a lunch which featured fresh smoked fish and oysters from the region and showed Mitchell some of our local flora and fauna on a bush walk.

Mitchell has expressed an interest in finding ways to locally roast and sell his cooperatives coffee in Goroka, PNG and we are providing some guidance and mentoring in 2020 as to how he can achieve this.

With HOAC we feel very privileged to have a mutually beneficial and long-term relationship with a coffee cooperative that we have learnt so much from; a relationship not just based on the price per kilo of coffee but on personal trust, strong intergenerational relationships and a deep appreciation and understanding of culture.



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Working at Kōkako

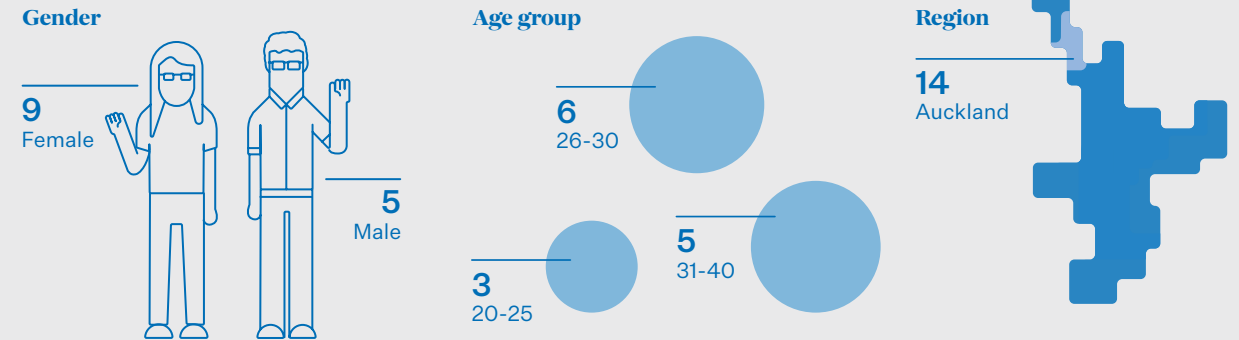


Since we last reported our team has grown significantly, mostly due to the new roles created with the opening of our Commercial Bay coffee bar. All Kōkako employees across our roastery and Commercial Bay locations are paid above both the minimum wage (currently \$18.90 per hour) and the **Living Wage** which in New Zealand is currently set at \$22.10 per hour.

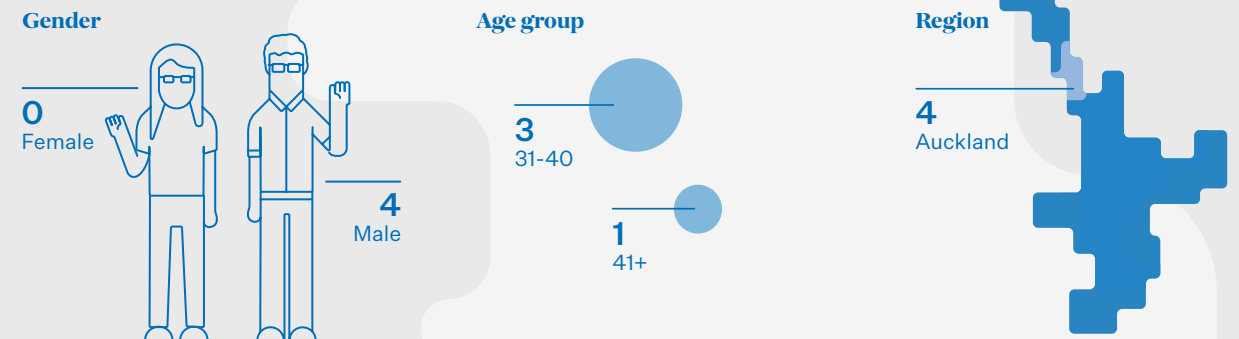
Kōkako is not officially registered as a Living Wage Employer but we are looking to become accredited in the coming year. Happy engaged team members are crucial to Kōkako's success and is an area of our business we are continually improving on. We know we don't have all the answers but are focused on Kōkako being a well-oiled machine with happy, proud, capable staff.

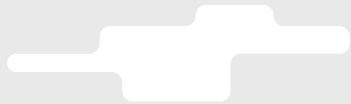
We continue to do a round of the Emotional Culture Deck each year with our entire team (you can read about the deck in our [2018 report](#)), hold weekly and monthly staff meetings where issues, and wins, are encouraged to be discussed and in the case that a staff member does not feel comfortable bringing something up we have an anonymous feedback form that goes directly to our Managing Director for action. The charts and illustrations on this page provide information about our new hires and rate of employee turnover in the reporting period.

Total number and rate of new employee hires during the reporting period, by age group, gender, and region.



Total number and rate of employee turnover during the reporting period, by age group, gender, and region.





Coffee for Staff

All employees are entitled to 200g of free coffee each week for use at home and our team are fuelled by company supplied coffee and fruit at the roastery. Additionally, all employees are entitled to complimentary espresso beverages at our Commercial Bay coffee bar.

Parental Leave

All of our employees are entitled to parental leave (12 females and 9 males) and over the reporting period 1 of our female staff members took this leave (Nov 2019) and returned to part time work (April 2020).

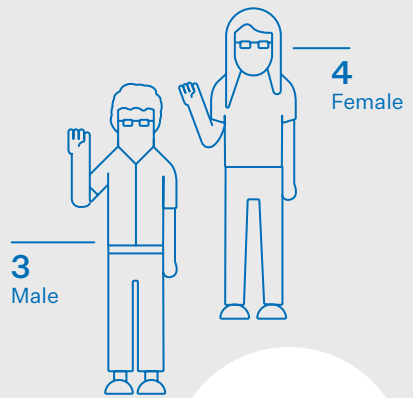
Employee Engagement

When designing and building our Commercial Bay Coffee Bar we engaged our staff to provide background into the vision and purpose of the new retail face of our brand, and also gave our roastery staff the opportunity to participate in design and operational decision making. Six new employees were hired for this store in March 2020 and as such the impact on the roles of existing roastery staff were minimal and communicated well in advance giving them the ability to include these into their role's responsibilities.

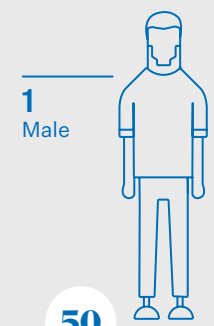
Where there is an opportunity to fill a vacancy in the business we always look to recruit internally and promote existing staff before advertising the role to the public.



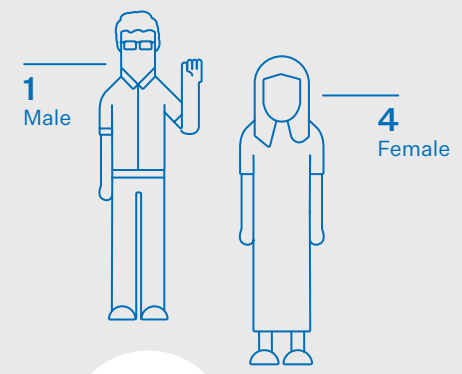
Roastery Team



Operations



Sales, Account Management, Finance, Marketing and Managing Director



Professional Development and Career Progression

Although professional development and career progression are discussed and considered as part of the annual performance review, over this reporting period there have been no specific Programs for upgrading employee skills or transition assistance programs.

Through our regular team discussions we have identified that throughout our company there is an insatiable desire to keep learning and we are currently working on how we can best encourage our team to seek out and take advantage of internal and external upskilling opportunities. This will most likely be nutured out in a focus group with our current employees and clearly included in future inductions.

The training that has occurred has been internal and focused on upskilling relative to the team members position, with a particular focus on training existing team members to 'cup' coffee and train their palates at our all inclusive team cuppings, which are held every Wednesday. Over this reporting period we have upskilled two existing team members to now roast coffee through side by side roasting tuition with our Head Roaster, Sam McTavish. The chart below provides average indicative internal training and upskilling per role in the reporting period:

Health and Safety

We have made no changes to our health and safety policy and management system since our 2018 report. You can read about it [here](#).

Performance Reviews

HR at Kōkako is overseen and managed by the Managing Director and all recruitment is undertaken by the MD. 100% of our employees complete an annual performance review and some have also had six month reviews after the commencement of their employment.

The company's performance review template is consistent for all employees and allows each person to self-rate themselves according to company values and the key accountabilities of the role as described in their job description. This is then discussed with their direct manager or with the Managing Director for senior staff members.

Where appropriate and depending on the results of the performance review we consider an increase in remuneration alongside this review. Multiple factors are considered in this decision including:

- the overall score of the employee in their performance review
- competency in the role and the overall performance of their respective division
- company performance overall



A group of people are gathered around a dark wooden table. On the table, there are three blue trays filled with coffee beans. The people are looking at the beans, and one person on the left is gesturing with their hands. The background is slightly blurred, showing more people and what appears to be a coffee shop or processing area.

On being responsible, open-minded, empathetic, curious, open and transparent about what we do, how we do it, and why we do it.

Kind Business Pākihi Atawhai



Although we have created a company-wide set of values in the last two years we have recognised that our annual strategy needs to be something that takes into account input from all team members, not just our Management team. The stakeholder interviews with our team undertaken for this report have been incredibly insightful and have helped us to identify that a more collective strategy for decision making has merit. Feedback from our team in the stakeholder interviews focused on these areas that we now need to improve:

Decision making processes

We need to be better at prioritising what we want to achieve and then go for it; we often have too many ideas but can fail to distill this down into a smaller list of achievable projects.

Annual Strategy Day

We have met annually to discuss strategy for the last two years in January but it is normally only the Management team who participate. For 2021 we will mix up the strategy team to include a greater diversity of team members, especially now we have our Commercial Bay team. We are using our Company Values to help guide decision making but this can also be more robust.

For example – the team would have preferred more input into the rationale and decisions around opening a coffee bar at Commercial Bay. We received valid feedback in staff stakeholder interviews that had

more of the team had a say in the decision to open Commercial Bay we could have compared the cost of building and opening this site with other capital expenditure projects that may have created greater value for staff, shareholders and the company.

Staff Voice/Inclusivity

Because our Management team represents only $\frac{1}{3}$ of our entire team we need to ensure we have a voice or platform to provide continual focus on professional development for our team in the specialty coffee sector - this will ensure that we continue to provide information and insights which showcase leadership in our industry. It was suggested that this needs to be done prior to our company strategy meeting and will now become part of our monthly company wide meetings.

Alongside more engagement and the ability for the wider team to get involved in our decision making and strategy, we have been trying to land on a less structured 'flat' style Management structure. Admittedly we are not having much success, and we are aiming to release a more refined company organisational chart which we recognise our team have been asking us to do for some time. Our commitment is to release this by the end of 2020. We are also looking into decentralised organisational structures such as the Holacracy method; whereby authority and decision making are distributed through a hierarchy of self organising teams.



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Cultural Respect and Understanding

Our name and our commitment to a meaningful connection to te ao Māori

Our Māori name, and original Māori blend names, Aotea and Rangatira, were inherited from the previous owners when our Managing Director, Mike, purchased the company from the original founders in 2007. As a team we are very aware of our status, a Pākehā business operating under a Māori name, and because of this (but not exclusive to) our obligation to respect and celebrate te ao Māori. Over the last five years we've made much needed steps to better our understanding of te ao Māori, and how our business contributes to it or takes away from it - paying particular attention to the latter and seeking to better our systems, behaviours or products immediately where possible.

In accordance to NZ law all updates to our brand are reviewed by the Trade Marks Māori Advisory Committee. The Māori Advisory Committee was established to minimise the risk that the Crown may inadvertently register intellectual property likely to cause offence to Māori. In 2016, with the approval of the committee, **we rebranded our business to include the pōtae (macron)** that was previously missing from our name and worked on communicating the correct pronunciation of Kōkako.

In 2018, prompted by a phone call from a member of the public and with the assistance of two Kaiwhakamāori (registered with Te Ture mō te Reo Māori 2016), Oriini Kaipara and Ratu Tibble, **we removed our Rangatira Blend from our product line.** We made another misstep in 2019 with the naming of a wholesale-only non-consumer facing coffee blend Atarangi, a direct translation of 'morning sky' but not a term used in te reo Māori. Upon realising this we reached out again to Ratu Tibble, whom we have now engaged in a long term relationship with and who has worked with us to help translate part of this document for us. With Ratu's assistance the wholesale only coffee blend was renamed Moata (meaning early morning/readiness). Ratu has taught us that translation and interpretation do not carry the same meaning and in that we must be especially mindful of the kupu (words) we use to represent our products.

Looking forward, we want to deepen our understanding of te reo Māori and because of this we are currently:

- seeking internal te reo classes for our full team
- have implemented new naming protocols for all future blends
- are committed to publicly reinforcing te reo Māori, beyond our product names and Te Wiki o Te Reo Māori

We will forever remain open to engaging in discussions with tangata whenua on how we can do better.

kō
(korrr)

ka
(kar)

ko
(kor)

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Transparency and Communication

Transparency is intrinsic to who we are. We're in this for the long game and we know that sharing our knowledge will make the river run faster in what we believe is the right direction. This report plays a vital role in that mission but we also put a lot of effort into communicating our supply chain and other business decisions through our website / blog, EDM, social media, and other media forums. One such example is our contribution and involvement in a book by Monique Hemmington titled Wild Kinship, Conversations with Conscious Entrepreneurs.

As a privately owned entity operating in a highly competitive coffee sector the only part of the Kōkako business that we don't disclose to the public is our turnover and profitability, otherwise the majority of our company information pertaining to operations, marketing and coffee sold per annum is all outlined in this report (and previous ones) for anyone to download and read. If there is something we haven't referred to here but you'd like to know we encourage you to get in touch with us on beancounter@kokako.co.nz

Our commitment to transparency includes our internal communications and we strive to ensure the management of Kōkako is collaborative, which includes:

- A weekly Monday morning company wide meeting to discuss planning for the week, encouraging teamwork and collaboration and sharing of information and insights.
- Bi-weekly Management Meetings covering all major facets of the business including Sales, Operations, Finance, HR, Marketing and Account Management
- A monthly company-wide meeting (somewhat impacted by Covid in 2020) outlining the same points as in the Management meeting.
- A monthly email newsletter from the Managing Director to all staff outlining any updates to the business that the team need to know about (this was used more during the 2020 Covid-19 lockdowns)



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Navigating Through the 2020 Pandemic



Like most businesses in Aotearoa and around the world Kōkako has been impacted by the response to Covid-19, in particular the Level 4 lockdown in March/April 2020 and the Auckland lockdown in August 2020.

At this time we had no savings in the bank and any existing cash in our cheque account had already been allocated to our Accounts Payable as part of our monthly payment cycle for goods and services.

As we moved into the Level 4 Lockdown in March 2020 we obtained written consent from all employees to move to a four-day working week and subsequent 80% salary and the Managing Director and Financial Controller both moved to 70% of their standard salary.

To ensure we were able to retain all salaried employees we applied for the government wage subsidy and a small business loan through the Inland Revenue Department. The Wage Subsidy was received on the 31st March 2020 and the business loan in May 2020. The business loan was allocated to supplier payments and totalled \$37,000.

We received \$105,444 from the Wage Subsidy on the 31st March 2020. This was instrumental in providing cashflow relief to the business and allowed us to continue to pay staff during the lockdown and into Level 3 as we tried to regrow the business. The wage subsidy was put into a Business Saver account and withdrawn weekly for payroll up until Monday 22nd June 2020 when the last of these funds were used to supplement wages and salaries. For roastery employees on a salary, the company used the wage subsidy for the bulk of the employee's payment and then topped this up to 70% or 80% respectively.

Prior to lockdown our Commercial Bay Coffee Bar was scheduled to open on Saturday 28th March 2020. At the time five full time and one part time staff member had been hired. We were able to include four of the six Commercial Bay Staff in the wage subsidy scheme and they were paid the flat rate from the government and not topped up as the business had not opened prior to lockdown.

One of the full timers was able to obtain the subsidy from their previous employer and the part time staff member, on the Working Holiday Visa, did not yet have an IRD or bank account number so we could not claim the subsidy for them. Utilising existing cashflow we made several modest discretionary payments to the part timer during lockdown as they had no income or ability to work during the period and had signed a contract with us.

On Monday 8th June 2020 we moved all roastery staff to 90% of their pre-Covid-19 salaries and moved all staff back to 100% on Monday 13th July 2020.

Kōkako Commercial Bay opened on the 11th June and all staff went to 100% of their wages and salaries from this date in accordance with their individual employment agreements.

Other than the Covid-19 government support outlined (wage subsidy and business loan) we have received no other government support in the reporting period. As a small business with a limited ability to borrow additional funds from existing shareholders or our bank we are thankful that the government was able to provide financial support that has allowed us to retain 100% of employees who had individual employment agreements with Kōkako.

Even with the support of these government initiatives we did not make a profit in the first quarter of the 2021 financial year (April, May and June 2020), recording a net loss of circa \$18K for this period due to a significant reduction in overall sales compared to prior trading years.

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Financial Sustainability and Long Term Growth



As we have noted in this report, and prior, we do not publicly disclose revenue and profitability due to the highly competitive nature of the New Zealand coffee sector. We do note however that it is likely that most industry professionals could estimate our average revenue based on our reporting of kilograms of coffee sold per annum.

Our Management team prepares divisional reports on a quarterly basis and this information is collated by our Financial Controller and Managing Director to provide a Quarterly Board report for our board and shareholders.

Since we last reported, in general, we have shown modest overall profitability however there have been several periods where we have recorded losses. These include the first two quarters of the FY19 financial year (April to September 2018) and the first quarter of the current FY21 financial year which was impacted by Covid-19.

After making two months of consecutive losses in the FY19 financial year the company implemented more stringent weekly reporting on financial sustainability and profitability. A new Financial Controller was appointed in May 2019 with a primary focus on ensuring the company is financially accountable for meeting forecast financial targets.

Due to Covid-19 we have not only had to change the focus and direction of our sales approach, targeting more diverse sales streams that are not as focused on the hospitality sector, but we have also had to revise all of our financial forecasts in an attempt to try to determine what the 'new normal' of trading will be in the FY21 financial year. This is not an easy task as in August 2020 (outside of the reporting period) we went back into a Level 3 lockdown in Auckland which further impacted our forecast sales. As this lockdown does not fall within the reporting period of 1 July 2018 to 30th June 2020 it has not been reported on but it will be material to future profitability.

When a company is faced with adversity, be that financial or otherwise, one of the first considerations is how to reduce operating costs. Although we did identify some operating costs that could be trimmed as we navigated

through the March/April 2020 lockdown these were line items that actually forced us to be more efficient with our funds, and focused on items such as photocopier rental, where, for example, we realised we could consolidate two leased printers into one newer one to create better efficiencies and reduce operating expenses.





We know that our commitment to being a certified Organic, Fairtrade and Climate Neutral roaster limits our profitability and we estimate it adds around 30% to our costs compared to a similar coffee roasting business that does not roast 100% of their coffee to these standards. This is primarily due to higher cost of goods for green beans, cocoa and sugar; compliance and license fees; and staff hours to maintain reporting and transparency protocols for the three licences and accreditations we hold.

Despite this we are resolute that it's the right way to do business and we don't plan to change our commitment to sustainability just because of a global pandemic. If anything we hope that our stakeholders will continue to support our commitment to these principles and recognise that the value proposition of Kōkako Coffee is not based on just price alone but rather on the three pillars of people, planet and profit.

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External Initiatives








Kōkako subscribes to, adheres to or is a licensee of the following organisations, and as such we are bound to the economic, environmental and social charters and principles that each of these organisations sets out:

	Organisation	Covers	Date Adopted	Geographic Area	Stakeholders	Obligations
	Biogro NZ	Organic Certification	April 2009	NZ and all countries of origin for inputs	Coffee, cocoa & sugar farmers, consumers	Voluntary
	Fairtrade ANZ	Fairtrade Certification and Licence	June 2008	NZ and all countries of origin for inputs	Coffee, cocoa & sugar farmers, consumers	Voluntary
	Fair Climate Fund	Carbon Offset Accreditation	October 2016	NZ and all countries of origin for inputs	The world and the environment	Voluntary
	NZ Food Safety Standards for MPI	Independent Annual Audit: <ul style="list-style-type: none"> • Food Act 2014 • Food Regulations 2015 • ANZ Food Standard Code • Food Control Programme to National Standard 	November 2011	New Zealand	Consumers, cafes and retailers	Mandatory for Compliance

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Memberships

Kōkako has memberships with the following organisations & industry bodies:

	Organisation	Position Status	Notes
	Sustainable Business Network (SBN)	Paid Up Member/Investor, past mentor for emerging businesses	
	New Zealand Specialty Coffee Association (NZSCA); provides access to the Specialty Coffee Association of America (SCAA)	Paid Up Member, past Vice President	Kōkako has previously worked closely with the Board to establish a Sustainability Position for the Association in Aotearoa
	Organics Aotearoa New Zealand (OANZ)	Paid Up Member	
	Soil and Health Association of New Zealand	Member, past Committee Member of Biogro Society	
	Auckland Organics Business Group	Member, Organising Committee	A group established in 2018 to grow the awareness of organics through the business community & Promote Organic Week 2019 and 2020
	Supporters of Tiritiri Matangi (SoTM)	Member, annual donation of \$150 per annum	
	Rotoehu Ecological Trust	Annual Cash Donation and donation of coffee/ drinking chocolate and assistance with working bees. Generation of margin contribution from web sales using code word "ROTOEHU". Our annual average donation is approximately \$1200.00	In support of growing the number of kōkako in the RET area of the Pongakawa Forest, Bay of Plenty
	Pūkaha National Wildlife Centre	Donation of \$250.00 PA	

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Thank You

Thank you so much for taking the time to read this report – if you read the whole thing we applaud your commitment! If you'd like to discuss anything in the report in more depth we'd love to host you at our coffee bar in Commercial Bay. Get in touch with us on beancounter@kokako.co.nz

It's always a challenge to thank everyone who helped us pull together this report so we sincerely hope we haven't missed anyone in the list below. A huge thank you to —

- **Our customers** – without you we would not be here, thanks for seeing value in what we do
- **Our shareholders** – for your long term vision and ongoing support
- **Our team** – for being awesome and getting everything done to keep us moving ahead
- **Our suppliers** – for keeping up with our requests and providing great service/products
- **Our industry** – yes we are a competitive bunch but that drives innovation and quality which is a good outcome for all
- All the Fairtrade Organic coffee, cocoa and sugar cooperatives we source from
- Nick and Anna at Go Well Consulting
- Design Dairy
- Fairtrade NZ
- Fair Climate Fund
- Ratu Tibble
- Rotoehu Ecological Trust
- Ruth Ann Church
- Josh Griggs



General Standard Disclosures				
Section	GRI Standard	Description	Page(s)	Notes
Organisational profile	102-1	Name of the organisation	6	
	102-2	Activities, brands, products, and services	12	
	102-3	Location of headquarters	12	
	102-4	Location of operations	13	
	102-5	Ownership and legal form	14	
	102-6	Markets served	13	
	102-7	Scale of the organisation	13	Net sales and total capitalization omitted due to confidentiality
	102-8	Information on employees and other workers	14	
	102-9	Supply chain	16	
	102-10	Significant changes to the organisation and its supply chain	18,19	
	102-11	Precautionary Principle or approach		Kōkako applies the Precautionary Approach as our business as usual which is evident throughout this report
	102-12	External initiatives	55	
	102-13	Membership of associations	56	

GRI Content Index

Section	GRI Standard	Description	Page(s)	Notes
Strategy	102-14	Statement from senior decision-maker	4	
Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	15	
Governance	102-18	Governance structure	50	
Stakeholder Engagement	102-40	List of stakeholder groups	7	
	102-41	Collective bargaining agreements	14	
	102-42	Identifying and selecting stakeholders	7	
	102-43	Approach to stakeholder engagement	7	
	102-44	Key topics and concerns raised	7	
Reporting Practice	102-45	Entities included in the consolidated financial statements		Omitted due to confidentiality
	102-46	Defining report content and topic Boundaries	6	
	102-47	List of material topics	7	
	102-48	Restatements of information		There is an anomaly between the 2018 report (please link) where total emissions of 238 ton/CO2eq were reported for the period August 2017 to July 2018, but when calculated for the financial year to April 2018 to March 2019 the annual ton/CO2eq was 211, a reduction of 27 ton/CO2eq.

GRI Content Index

Section	GRI Standard	Description	Page(s)	Notes
Reporting Practice	102-49	Changes in reporting	6	
	102-50	Reporting period	6	
	102-51	Date of most recent report	6	
	102-52	Reporting cycle	6	
	102-53	Contact point for questions regarding the report	6	
	102-54	Claims of reporting in accordance with the GRI Standards	6	
	102-55	GRI content index	58, 59, 60, 61, 62	
	102-56	External assurance	6	

GRI Content Index

Specific Standard Disclosures				
Section	GRI Standard	Description	Page(s)	Notes
Our World - O Tatou Taiao				
Regenerative organic - biodiversity and environmental stewardship	304-2	Significant impacts of activities, products, and services on biodiversity	28	
	308-1	New suppliers that were screened using environmental criteria	27, 28	
	308-2	Negative environmental impacts in the supply chain and actions taken	27, 28	
Climate change - our carbon footprint and climate resilience	305-4	GHG emissions intensity	31, 32	
Managing our Materials - What to do about Waste	301-1	Materials used by weight or volume	37	
	301-2	Recycled input materials used	37	
	301-3	Reclaimed products and their packaging materials	37	

GRI Content Index

Section	GRI Standard	Description	Page(s)	Notes
Our People O Tatou Iwi				
Supplier Relationships	204-1	Proportion of spending on local supplier	40	
The difference between fair trade and Fairtrade	203-1	Infrastructure investments and services supported;	42	
	203-2	Significant indirect economic impacts	42, 44	
Working at Kōkako	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	46	
	401-1	New employee hires and employee turnover	46	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	47	

GRI Content Index

Section	GRI Standard	Description	Page(s)	Notes
Kind Business Pakihi Atawhai				
Governance and decision making	102-18	Governance structure	50	
Cultural respect and understanding	103	Management Approach	51	
Transparency	103	Management Approach	52	
Navigating through the 2020 Pandemic	201-4	Financial assistance received from government	53	
Financial sustainability and long term growth	103	Management Approach	54	

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Appendix A

How Fairtrade premium was used by the producer organisations Kōkako source from.

Community	Type	FLO ID	Producer Organisation name	Origin country	Premium use on education (data collected by Fairtrade)	Producer Organisation Website (and info provided by co-op, not yet verified by Fairtrade)
Cocoa	Producer	2661	Cooperativa Agraria Cafetalera El Quinacho	Peru		
Cocoa	Producer	2663	Cooperativa Agraria Cafetalera Valle Rio Apurimac - CACVRA	Peru		
Cocoa	Producer	3106	Cooperativa Agraria Acopagro Ltda	Peru	The aim of the cooperative —whose key values are "solidarity and trust"— is to improve the quality of life of its members. Thus, social programmes have been established in the areas of health, education and skills development for its members. The objective is also to respond to community needs, beyond just ACOPAGRO members (Christmas presents, Cocoa Festival, etc.). In concrete terms, the premium has financed events, printing of brochures and communications material, organisation of training for cooperative members, and health care programmes.	acopagro.com.pe
Cocoa	Producer	3672	Cooperativa de Servicios Múltiples Cacao Bocatoreña R.L	Panama		cocabo.org
Cocoa	Producer	5230	Corporación Fortaleza del Valle	Ecuador		fortalezadelvalle.org
Coffee	Producer	2897	Highland Organic Agriculture Cooperative - HOAC	Papua New Guinea	Education + Health: The Fairtrade Premium contributes to the region's educational capacity by building classrooms and homes for teachers, as well supplying stationary to schools. Several health centres have also been built.	

Community	Type	FLO ID	Producer Organisation name	Origin country	Premium use on education (data collected by Fairtrade)	Producer Organisation Website (and info provided by co-op, not yet verified by Fairtrade)
Coffee	Producer	31465	Koperasi Kopi Wanita Gayo	Indonesia		
Coffee	Producer	19080	Cooperativa Cafetalera Capucas Limitada	Honduras	COCAFAL finances the maintenance of its virtual university, providing free courses adapted to the schedules of producers and their families, and which is open to everyone. The center has computer equipment and plans to establish a cooperation agreement with the public university in the capital. Still in the field of education, the cooperative pays the salary of the elementary school teacher and provides scholarships.	mycapucascoffe.coop
Coffee	Producer	897	Oromia Coffee Farmers Cooperative Union	Ethiopia	Member co-ops have built 15 schools and 42 additional classrooms with the Fairtrade Premium, and four new schools are underway.	oromiacoffeeunion.org And there is a specific page with the number of school built and number of beneficiaries oromiacoffeeunion.org/life-improvement
Coffee	Producer	33959	Unen Choit Cooperative Society	Papua New Guinea	They already have built one aidpost in 2018 and plans to Build cooperatives Schools from 2020 to 2025.	
Coffee	Producer	26530	KOPAKAKA	Rwanda		

Community	Type	FLO ID	Producer Organisation name	Origin country	Premium use on education (data collected by Fairtrade)	Producer Organisation Website (and info provided by co-op, not yet verified by Fairtrade)
Coffee	Producer	4241	Café Orgánico Marcala S.A. de C.V.	Honduras	<p>The organization spent 29% of its 2018 premium to the education sector. This includes projects aimed at member producers and the community. First, COMSA has set up a project to support parents during the birth and the first months of the baby: “Genios con amor”. Its objective is to help new parents so that they acquire useful knowledge for raising their child and that the child receives all the necessary care and attention. The organization has also launched an adapted education project, “IHER-COMSA”. This consists of offering the children of producers and young people living in poverty in the region an opportunity to train on time slots adapted to their schedules, ie on weekends. In collaboration with the Honduran Distance Learning Institute (IHER), COMSA offers to support these young people throughout their education. Since the launch of the project in 2012, the program has benefited more than 200 students. For 2017, 36 students were able to graduate from the baccalaureate in human sciences and 18 from the bachelor’s degree. The cooperative also finances physical activities for young people. The cooperative will continue to finance in 2018 the “COMSA International School” (CIS), which was created in 2016. Based on the Montessori, Glenn Doman and Waldort pedagogical approaches, the CIS aims to participate in the comprehensive education of children.</p>	<p>www.comsa.hn Provides basic education to young sons and daughters of members and young people from the region with limited economic resources. Since the beginning, in 2012, the program has supported more than 600 students, who have chosen to continue their studies on weekends because they cannot attend the face-to-face system. The purpose of this project is to provide the partners of the company with the necessary knowledge to educate their children so that they are more intelligent, trained with special skills and thereby contribute to reduce ignorance, incompetence, illiteracy, unhappiness and poverty. To the young sons and daughters of male and female members who are in basic, high school, as well as university education. In addition, for the children of workers and workers who study at the university level, they are given a subsidy of Lps. 10,000.00 maximum. The requirement that all scholarship students will be asked to meet is to meet an academic index of 85% of each class taken per school period.</p>

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Appendix B Key Topics and Concerns Raised

This table indicates the stakeholder groups we engaged with and their key concerns raised.

Staff	GB Suppliers	Shareholders	PNG Coffee Cooperatives	Wholesale Customers	Retail Customers	Other Suppliers
Business ownership / governance	Fairprice	Fairprice	Gender equality	Fair pay	Fair pay	Fair pay
Business structure / decision making / resilience	Transparency	Living wage	Gender violence	Transparency	Giving back to the community (both NZ + Origin)	Supplier relationships
Professional Development	Safety (Covid-19)	Regenerative organic	Access to basic services	Safe work	Diversity in staff (Gender/Age/Race/Beliefs)	Safe work environments / culture of care for workers
Use of FT funds	Educate and inform NZ people (customers)	Supplier relationships	Education and development	Food + water security	Safe Work environments (both NZ + Origin)	Waste
Traceability	Packaging	Financial sustainability	Fair pay / Economic development	Community engagement	Living Wage	Carbon emissions
Women's empowerment	Environmental impacts	Natural resource use	Responsible marketing	Local investment	Supply Chain transparency	Resource use
GB supplier support and relationships	Biodiversity	Climate change	Regenerative organic	Equality	Biodiversity	Packaging
Education at Origin	Trading relationships	Ethical supply chain	Packaging	Waste	Climate Change / Carb on Emissions	Price of coffee

This table indicates the stakeholder groups we engaged with and their key concerns raised.

Staff	GB Suppliers	Shareholders	PNG Coffee Cooperatives	Wholesale Customers	Retail Customers	Other Suppliers
GHG emission from staff	Economic sustainability	Economic sustainability at origin	Governance / anti-corruption / bribery	Monocropping	Regenerative Agriculture	Economic sustainability and growth
Management of materials (aka waste management)		Long term growth	Transparency	Resource depletion	Deforestation	Professional development
Carbon footprint		Transparency	Economic stability	Predator problems	Material management/Waste management	
Organic			Long term growth	Water pollution	Kōkako bird restoration	
Work culture				Packaging	Anti bribery + Corruption (no dodgy investments)	
Cultural Appropriation (tikanga)				Governance / anti-corruption / bribery	Transparent Reporting	
Climate resilience				Long term growth	Economic Stability and longterm growth	
				Risk management		