

benefit corporation sustainability report

2016-2017

Message from the Benefit Officer:

Hello there,

Happy to have friends like you who are interested in Amavida Coffee & Tea’s social and environmental performance. Thank you for taking the time to review activities and outcomes from 2015 at Amavida Coffee & Tea. I believe over the course of 2016 Amavida Coffee & Tea strove to achieve the high standards set in the B Corp framework, and hope after exploring this report you’ll agree the company has proven its definition of success isn’t dependent on financial success alone. Here, we believe that the work we do should not only help build healthy economies, but also add to a more equal and just society, all while enriching the environment.

Of course, success is a moving target, and at each high bar there is yet another to be reached. By documenting the ways which we work to achieve the mission set by Amavida Coffee & Tea, and measuring the outcomes of these activities, we can begin to see what works and where there is room to achieve better results. Through coffee and tea enthusiast, such as yourself, who take interest in the work of all who serve the coffee industry – from producers, to importers, roasters, and purveyors – we can do our part to make coffee, and the world, better. Through sustainability reports like this and committed enthusiasts like you, Amavida Coffee & Tea is accountable to prioritize the benefits its business creates for suppliers, employees, their communities, and the environment.

From the deepest part of my heart, I send you appreciation for the high expectations you have of us with Amavida Coffee & Tea, and for continually contributing to our ability to create positive impacts. When you choose Amavida Coffee & Tea you support a business that is not just a place in the community, but rather a place of community. From the coffee farms abroad to my home here in the Panhandle of Florida, I’ve seen first-hand how the coffee we choose to drink can build-up or devastate an entire population. Thank you for choosing Amavida Coffee & Tea to serve you and for recognizing “its not just coffee... its culture.”

Warmly,
Jennifer Pawlik

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**Vision**

To be recognized as a leader in our industry by our customers, employees, community, and suppliers.

**Mission**

Amavida Coffee will strive to be the best sustainable coffee and tea producers in its communities by:
Running a profitable and financially healthy company.

Helping coffee producers better their lives through continued support and exceptional trading practices.

Improving the image and profits of wholesale customers through improved product offerings.

Consistently producing and supplying quality products.

Retaining its customers, employees, and suppliers by earning their trust and loyalty.

Learning and adopting means to protect the environment.

Improving its local communities in a proactive manner.

 **Beliefs & Values**

We will always conduct business with the highest regard to ethics.

We will provide our customers with an unconditional satisfaction guarantee on our products or their money will be returned.

We will always strive to support our community by using local suppliers, hiring employees from the community, and contributing to community events when possible.

We will always strive to provide our employees with the best work environment possible for personal growth and security.

We will always strive to improve the environment and be an advocate in our communities.

**Certified B Corp to Benefit Corporation**

Since May 2014, Amavida Coffee has earned B Corp Certification, adopted Benefit Corporation Legislation, produced its first annual Benefit Corporation Sustainability Report, and has championed the movement to redefine success within its local communities, through its regional customer-base, within the coffee industry, and wherever else opportunities have been presented.

This has been significant for Amavida Coffee and its future. The mission of Amavida Coffee has been solidified in the governing articles of the organization and a formal commitment to work with intent to create benefits for stakeholders – being, coffee producers, communities of suppliers and Amavida Coffee’s own local communities, employees, and the environment – has been written into it’s bylaws. Declaring the creation of positive outcomes for stakeholders as equally important to generating shareholder profit into a company’s purpose statement, is pivotal for creating a company where social justice, enriched environments, and economic success are seen as interdependent when it comes to achieving desired, positive outcomes.

As a benefit corporation this document serves as an article to recognize Amavida Coffee’s best practices currently, communicate company goals and challenges regarding social and environmental performance, and tracking Amavida Coffee’s growth & improvements over time.

GOVERNANCE STRUCTURE

**B Corp and the Board**

The Board is made up of three members, two founders of Amaivda Coffee and the current Benefit Officer.

Amavida Coffee is embracing the Inclusivity Challenge – focusing efforts to create an inclusive economy by creating opportunity for all, reducing inequality, and improving their performance on inclusion and diversity.

**Certifications & Audits**

Amavida Coffee continues to maintain Organic, Fair Trade (FLO), Good Manufacturing Practice (GMP), and B Corp certifications.

In 2016 Amavida Coffee scored 133 on renewal of B Corp Certification reflecting on FY2015 and in 2017 has scored 134 on a self-assessment on social and environmental performance using the standards set in the B Impact Assessment.

Additionally, audits were performed & passed through FLO, GMP and FDA.

**Financials**

Amavida Coffee maintains an open door policy in terms of financial records. The company continues to share basic revenue/cost numbers if employees ask for them.

The company produced healthy financials when verified through review by a local, independent source, and exceeded revenue goals set for the 2016 fiscal year.

Amavida Coffee hired a Controller in 2016. As the company matures and grows in it’s complexity the benefit of having a controller to balance and interpret all responsibility that comes along with the growth opportunities is immeasurable.

First Green Bank, where Amavida Coffee sources majority of banking services, earned B Corporation Certification, in addition to being a member of the Global Alliance for Banking on Values and and independently owned, local bank committed to serving the community.

**Framework**

Few updates were made to improve Amavida Coffee’s policy book.

EMPLOYEE ENGAGEMENT & BENEFITS

**Leadership and Communication**

Administrative and operational leaders met weekly and café shift leaders met monthly, to ask questions, voice concerns, and discover solutions.

Roasting operation employees meet monthly on health, safety and quality.

**Compensation**

All employees continue to earn at or above living wage.

Bonuses were awarded for excellent customer service.

A bonus program was implemented to reward employees with the company from January 1st – December 31st each year, and will be put into affect for the first time in the first quarter of 2017.

**Craft Training, Professional and Personal Development**

This Training Program offers in-house certifications that creates subject matter experts in the areas of Customer Service, Brewing Technics, Espresso, and Tea. Amavida Coffee has also provided “Seed to Cup” training to surrounding cafés which offers a valuable introduction to the world of coffee in the different phases of growing, processing, transportation, roasting, and brewing. Training program extends to include food safety, customer service and advanced espresso. The training program at Amaivda Coffee also offers lessons in cupping, roasting, tea infusions and history, as well as, advanced brewing techniques.

All training is in align with the Specialty Coffee Association of America’s certification standards.

More than ten people from Amavida Coffee had the opportunity to attend SCAA 27th annual event in April 2016.

Employees of all areas of the company are participating in learning luncheons focusing on the B Corp certification and framework, the mission of Amavida Coffee, and each individuals’ role and goals in working to be the change we seek in the world.

A 360 degree review format is used for performance reviews, emphasizing the growth potential and benefit of individuals.

From attending Cooperative Coffees AGM, to the B Corp Champions Retreat and traveling on a delegation with On the Ground Global to Chiapas, Mexico, there were several opportunities throughout the year that ended up with more than 50% of the employees experiencing professional development and life-long learning opportunities.

**Job Creation**

Amavida Coffee’s workforce has shown about 21% growth from 2015 – 2016 and a 9.8% attrition rate recorded from April 2016 to April 2017.

Majority of new positions in 2016 were filled by internal promotions at Amavida Coffee & Tea. Over 15% of staff experienced a promotion within 2016.

As of March 2017 there are 25 full-time, 16 part-time and 6 seasonal staff members at Amavida Coffee.

Average tenure on the Amavida Coffee team is 3+ years.

There were 4 people who left Amavida Coffee in the past 12 months to pursue personal goals (e.g. education) or live closer to their families.

**Paid Vacation Policy**

All full-time employees at Amavida Coffee are eligible to earn, and use, up to 40 hours of paid vacation time annually, between January 1st and December 31st.

**Wellness Initiatives**

Wellness Bonus offered to full-time employees at Amavida Coffee in support of investments in their own health and well-being.

Financial planning and counseling services are offered to individuals who need assistance in personal issues.

COMMUNITY INVOLVEMENT

**Charitable Giving & Community Support**

Amavida Coffee is committed to give up to 20% of our profits (EBITA) to such charitable organizations, or to donate the equivalent of 2% of revenues or more to charitable partners each year (including in kind product donations).

Local Support

In 2016 over $12,000, monetary or in-kind, donations were made to support over 20 community organizations and local nonprofits.

On The Ground Global

From the initiatives of Amaivda Coffee, its employees, and customers; over $18,000 was given to support the projects of On the Ground Global in 2016.

**Volunteer Service Time**

At least 590 hours were served by volunteers from the workforce at Amavida Coffee. These hours were spent supporting local organizations as well as the project work of On the Ground Global.

**Arts, Education, Entrepreneurship & other Events**

Art shows featuring local artists were held and exhibited regularly in Amavida Coffee’s cafés.

Amavida Coffee’s cafés served as music venues on several occasions in 2016, like the 30a Songwriters festival.

Amavida Coffee joined several community events like: Earth Day Bay County, Taste of St. Andrews, Not Yo’ Mamas Stories at Floridopolis, Seaside’s Christmas Parade, and Rosemary Uncorked… to name a few.

The Ohana Institute partnered with Amavida Coffee to host a social entrepreneurship internship.

Seacoast High School sustainability program is developing and has been supported by quarterly speakers and in-kind donations of sustainable serve-wear and reusable water bottles for the students.

Sustainable Supply

20-39% of Amavida Coffee’s expenses (excluding labor) were spent with local suppliers in 2016.

At least 75% of Amavida Coffee’s sales were made within local communities.

**Collaborate**

Amavida Coffee is an Active member of Cooperative Coffees and attended AGM, as well as, having several staff members serve on committees like, Executive, Green, Membership and Impact.

ENVIRONMENTAL IMPACTS

**Energy**

Efficiency

Amavida Coffee will reduce its environmental footprint by off-setting electrical energy use with 100% clean, renewable resources through Arcadia Power.

**Reduce, Reuse, Recycle**

Chemical Reduction Methods

When cleaning around the office, and in 25-49% of packaging materials, Amavida Coffee used compostable, organic, or other low-emission products to reduce material environmental waste.

Reuse & Recycle

The coffee grounds for gardeners’ program, started in 2014, has continued in Seaside, Rosemary, and St. Andrews cafes, reducing waste from Amavida Coffee’s retail locations and increasing our ability to help café guest to enrich the environment.

Through recycle of cardboard & newspapers Amavida Coffee and it’s guests were able to reduce at least 7 tons of waste to the environment in 2016.

CHALLENGES OF 2016

Amavida Coffee seeks to purchase milk from a local, organic source. Over the years, challenges such as availability, price, shipping, and storage have affected the ability to do so.

The company continues to seek a system for recycling plastic milk jugs and glass bottles. Currently it is a challenge to find a recycle plant within a reasonable distance that can accommodate the material.

It is an ongoing challenge, in the coffee industry, to find a retail coffee bag that is friendly for the environment while maintaining quality and freshness of the coffee. This is similar for a variety of package sizes, like, 12oz, 16oz, 2lb, and 5lb bags. Fortunately, Amavida Coffee has taken steps in the right direction, with 5lb craft bags for bulk coffee sales, however the bags still feature a foil lining for which we will like to find a better alternative.

Down the road, Amavida Coffee aims to acquire and use a more efficient method for roasting coffee (e.g. emission reduction system for roaster, more environmental friendly model roaster).

Challenged to meet fundraising goal, though still able to honor the charitable giving commitment.

Developing the Delivery Bike program is been a challenge due to our climate, community infrastructure and availability of cyclist to carry the program forward.

GOALS FOR 2017

Seek to roast over 175,000 lbs of coffee in 2017.

Will aim to give $60,000-90,000 monetary or in-kind donations in 2017.

Through the volunteer service time of team members at Amavida Coffee, the company has set a target to serve 500+ hours in our community or on projects benefiting coffee producing communities this year.

The company will have an efficiency audit performed to discover other possible areas of improvement for the environment.

We will continue to strive for a better solution for 12oz and 2lb coffee bags, along with other types of packaging (e.g. shipping boxes) and its use will be implemented to improve environmental outcomes from the sale and enjoyment of Amavida Coffee.

Maintain & improve scores for B Corp, GMP, Organic, and Fair Trade certifications.

Amavida Coffee will work with a local, organic source for milk.

Purchase more efficient roaster and co-locate office and operations.

Amavida Coffee is embracing the Inclusivity Challenge posed by the non-profit B Lab. Our focus will be related to professional development opportunities, worker ownership, financial transparency, and supplier screening.

Contact us with your feedback on Amavida Coffee & Tea’s social and environmental performance.

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