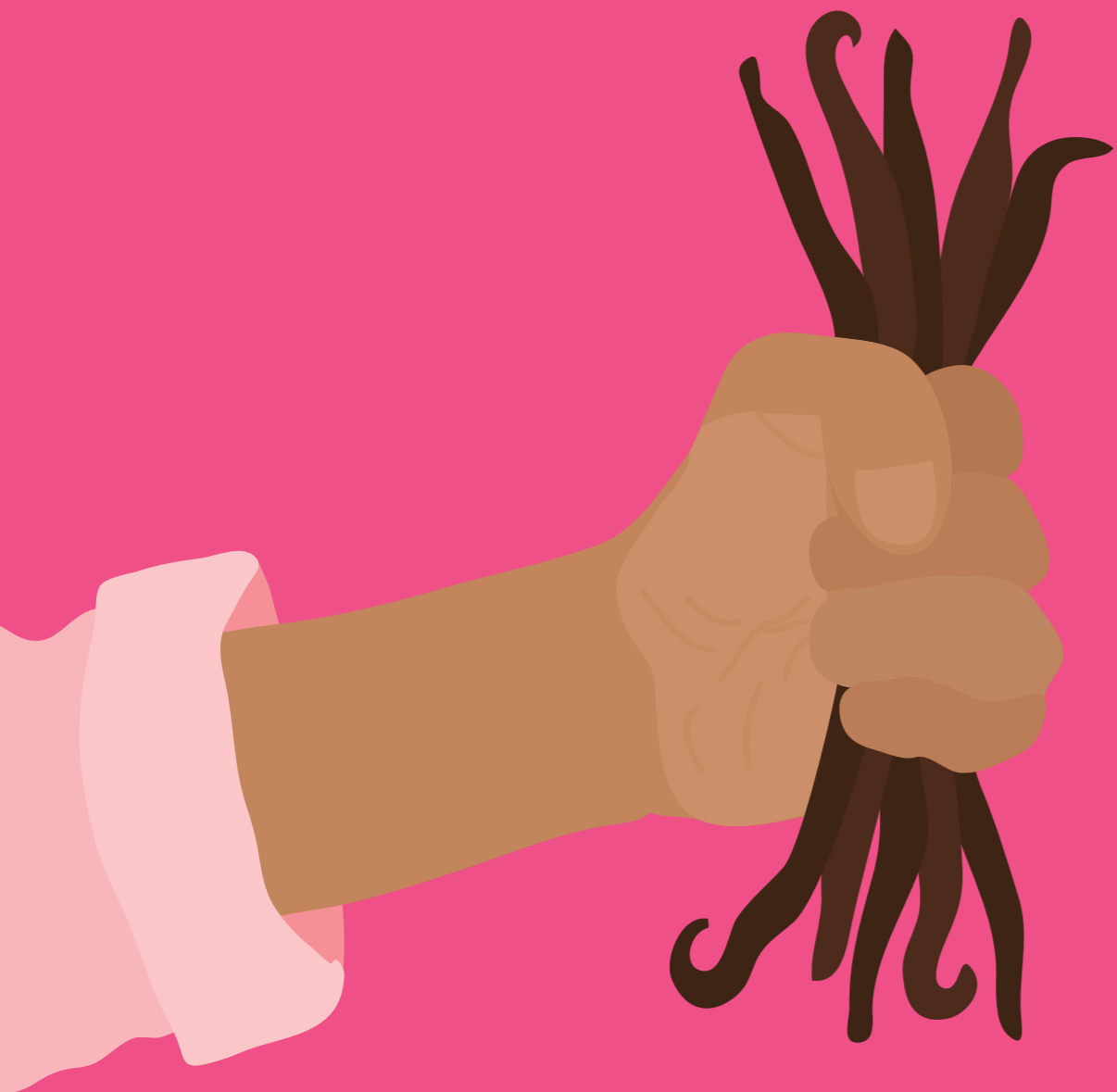


Heilala[®]

20

23

HEILALA IMPACT REPORT



the good vanilla

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Our Impact

300 students with educational resources.

Five families supported through well-being projects.

Employment for **30** people in the vanilla industry.

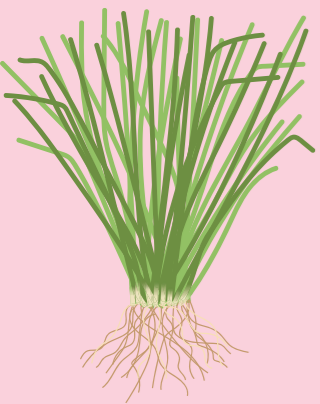
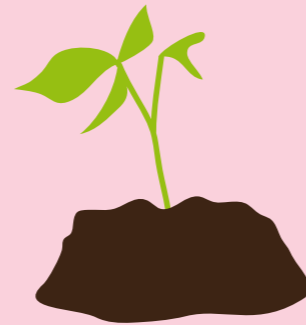
1,000 sqm shade house constructed producing **15,000** vegetable seedlings and fruit tree cuttings for communities.

14 pallets of food, **11** pallets of clothing, and **42** COVID care kits distributed.

700 Vetiver Grass Plants and **750** Kauri Trees to address soil erosion and carbon emissions.

2-acre regenerative soil trial using Mucuna beans.

Partnering with over **100** smallholder farmers spanning **25** villages and **3** islands.



CEO Update

“we have been able to further our deep connections in the Tongan rural communities and target our resources where we can provide the greatest benefit”

Touching down in January 23 was a celebration and relief knowing we would be regularly visiting the Kingdom of Tonga again.

This year the Heilala team has made eight trips to the Kingdom of Tonga to connect with our vanilla communities and further our community impact work.

We also welcomed Sela Latu and other members of our Tongan team in New Zealand, providing the entire team with an extended opportunity for connection, learning and development.

Through the stewardship of the Heilala Vanilla Foundation we have been able to further our deep connections in Tongan rural communities and target our resources where we can provide the greatest benefit.

The Heilala Vanilla Foundation is in its second year of receiving five cents from every unit sold. This model provides a regular cashflow for impact activities and makes it possible for us to plan across a longer horizon.

I'm incredibly proud when I think what we have been able to do as a community of vanilla lovers since

we started this funding model just over 18 months ago:

We have made a substantial impact in a number of areas, aiding over 300 students with educational resources, supporting five families through targeted well-being projects, and offering employment opportunities to over 30 women, men and young people within the vanilla industry.

Additionally, we have contributed to the replacement of a 1,000 sqm shade house for MORDI, our in-country partner, resulting in the annual production of over 15,000 vegetable seedlings and fruit tree cuttings for communities. Our emergency relief efforts have included the distribution of 14 pallets of food, 11 pallets of clothing, and 42 COVID care kits.

In response to the climate change crisis, we have taken proactive steps by planting 750 Kauri Trees and 700 Vetiver Grass Plants to address soil erosion and carbon emissions.

Our commitment to sustainability is further demonstrated through the initiation of a 2-acre regenerative soil trial using Mucuna beans. This

trial aims to enhance soil fertility and the results will be shared with smallholder farmers to promote sustainable agricultural practices.

In 2023, we procured vanilla from more than 100 smallholder farmers spanning 25 villages and 3 island groups, and our efforts are just beginning.

This achievement wouldn't be possible without the support of our valued customers. Every bottle of Heilala purchased contributes to our mission, making a positive impact. Thank you for being a crucial part of our journey.

Jennifer Boggiss
CEO and Co-Founder







Community Impact

NUNIA'S GARDEN

Nunia resides on the island of Vava'u. Sadly, her husband passed away in February leaving her with no source of income and no way to support their five children.

During our visit to Nunia's home, we couldn't help but notice her stunning flower and vegetable garden. She shared that her garden was crucial for feeding her family, but she faced a significant challenge with roaming animals, particularly pigs that would trample her flower beds and eat the vegetable plants. If she could keep the animals out, she would be able to cultivate enough to sell at the local market.

In April, Heilala sent over posts and fencing materials, allowing Nunia to fully enclose her 2-acre garden. On our most recent trip, her garden was thriving, and she had started earning an income for her family by selling flowers and vegetables at the local market.



A photograph of a lush garden. In the foreground, there are rows of green leafy vegetables, including what appear to be kohlrabi and red-leafed lettuce. The middle ground shows more green plants and some purple flowers. The background is filled with a variety of colorful flowers, including purple, white, and red blooms. The overall scene is bright and healthy.

“ the fence Heilala built has allowed Nunia to grow flowers and vegetables to sell at the local market ”

HINA'S CLOTHING LABEL

Almost a year has passed since the arrival of the sewing and overlocker machine, and Hina has transformed her life into a thriving small enterprise. She makes trendy clothes for friends and the wider community, selling her creations.

Equipped with both the sewing and overlocker machine, Hina has significantly increased her production capacity, allowing her business to support not only herself but also her family by covering school fees for her siblings.

Beyond mastering the art of sewing, Hina has acquired valuable business skills, learning to budget for fabric purchases, communicating with customers, and managing her time efficiently, all while determining competitive sell prices. The sewing and overlocker machines have not only paved the way for economic independence but have also set Hina on an empowering journey of self-sufficiency.

“These machines mean a lot to me. They help me make clothes faster and better. It’s not just about sewing; it’s about making a better life for my family. Making clothes for someone I know and seeing them love what I create brings me joy. I am hopeful for the future and the direction my business will take”.



CYCLONE GABRIELLE

The economic realities of developing nations mean that each year many Tongan fathers, sons, uncles and brothers travel to New Zealand and other nations for seasonal work.

In February 2023, over 80 Tongan seasonal workers, lost all their belongings and accommodation when a devastating cyclone struck the Hawkes Bay and Gisborne region of New Zealand. Many of those stranded were from the islands of Vava'u and 'Eua and part of our vanilla communities. Through our relationships in Tonga and New Zealand, The Heilala Vanilla Foundation donated to the Aotearoa Tongan Response Group Inc to ensure that food, clothing and support was delivered to those displaced.



Members of the Tongan Recognised Seasonal Employee Scheme team in Hawkes Bay February 2023

education

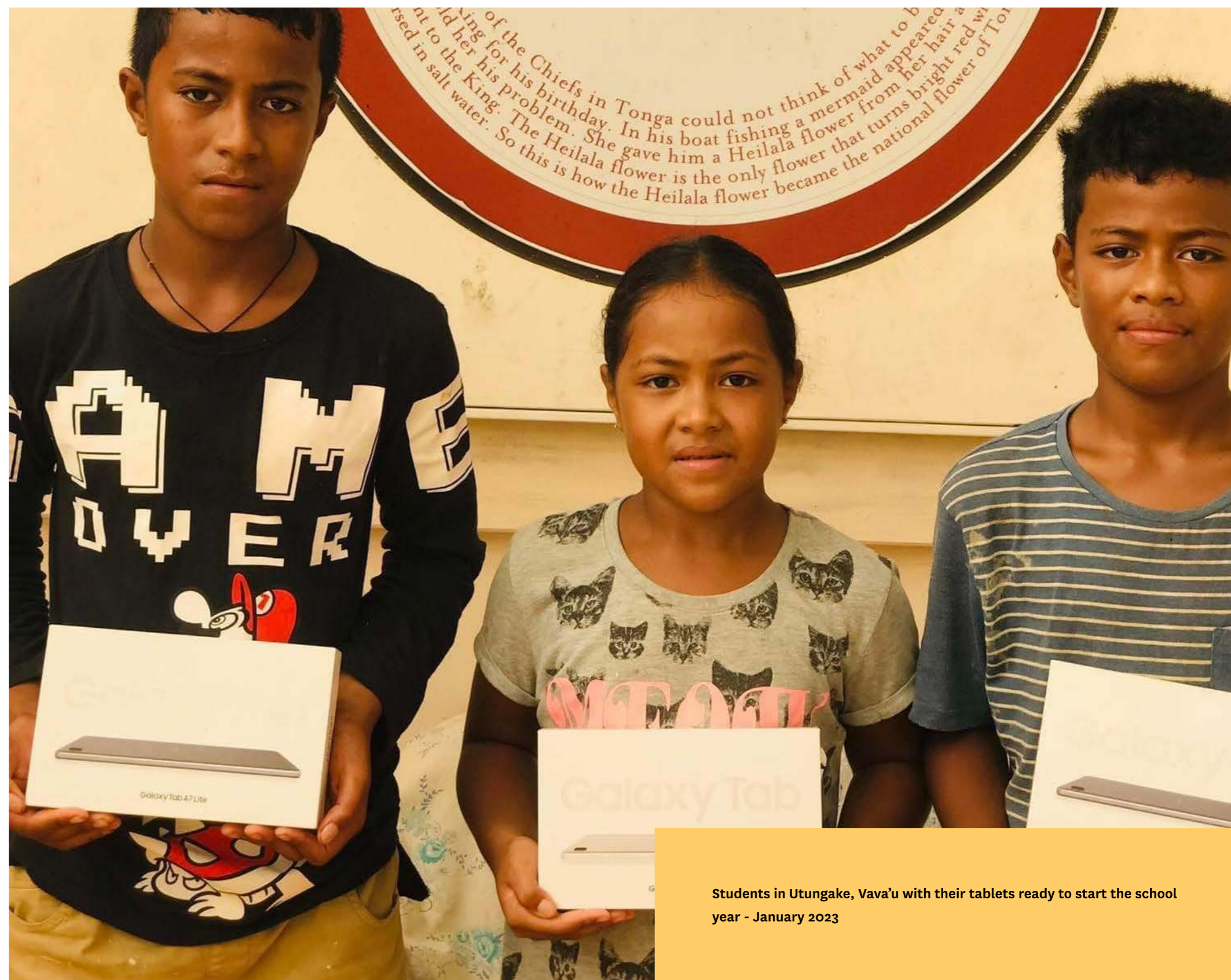
TRIAL TABLETS TO SCHOOL STUDENTS

Access to technology poses a significant challenge for schoolchildren in Tonga. Alongside connectivity issues, the high cost serves as a tangible barrier.

To explore the possibility of Heilala's involvement in addressing this concern, we initiated a trial this year.

At the commencement of the school year in January, we provided tablets to students in the village of Utungake to support their studies and homework.

We are excited to meet with the teachers at the end of the school year to assess the educational and social outcomes of this trial. This evaluation will guide our decision-making process in developing a business case for scaling this initiative.



Students in Utungake, Vava'u with their tablets ready to start the school year - January 2023

VISIT ANGAHA, 'EUA PRIMARY SCHOOL

Often, the most significant impact comes from straightforward interventions.

In July 23, we revisited 'Eua, and one of our initial stops was at Angaha Primary School. It was rewarding to witness the positive change brought about by Heilala, which provided desks and chairs for classrooms that, just a couple of years ago, lacked proper seating, forcing students to sit on the floor.

During discussions with the School Principal, we discovered that there are further opportunities to enhance conditions at the school. Presently, the school relies on holding tanks for water, but the supply is unreliable.

Recognising this issue, we agreed that a priority for the foundation in 2024 will be the installation of spouting. This initiative aims to guarantee a consistent and clean water supply for the school, addressing both drinking water and hygiene needs.



Students at Angaha Primary School, 'Eua with their desks in place.



“ It was rewarding to witness the positive change brought about by Heilala ”

agricultural projects

GIVING A LIFT

The daily commute to work poses significant obstacles for numerous families on the island of Vava'u. To address this challenge, this year we purchased a truck and shipped it to Vava'u to enhance employment prospects in vanilla farming. The truck plays a crucial role by transporting over 15 individuals to their workplaces each day, enabling them to earn income for their families and acquire new skills. Commencing the day at 6 am, the truck picks them up from their homes, and by 1 pm, it returns, allowing them the afternoon to tend to their family farms.

Without this truck they wouldn't have this employment opportunity.

“Being able to work has made a huge difference to our family. Before this our only income was from my father going fishing and growing vegetables to sell at the market. Now four of us work at Heilala Vanilla and it helps a lot more than you can ever know”

Kalolaine Sika
Daily commuter in the Heilala truck



The Heilala truck on the daily run transporting the team to and from the work place.

SUPPORT AND COLLABORATION WITH MORDI

Heilala's relationship with MORDI is central to our agricultural initiatives, and in 2023 we have continued to work closely together on multiple projects. We deeply appreciate their expertise, advice and support and extend our gratitude to MORDI's leadership.

Tonga's 45 inhabited islands are spread over 700,000 km² of the Pacific Ocean. Safe and reliable sea transportation is essential to Heilala and MORDI's development work. Earlier this year, we were fortunate to travel to 'Eua with MORDI since local transport was not operational. During the visit, we had the opportunity to meet with our team and partners on the island.

The MORDI vessel is used to deliver supplies and personnel to outer islands. We were thrilled to enhance the safety of those journeys by supplying a GPS Radar.



The MORDI vessel on trip to 'Eua earlier this year.

FLOURISHING WITH FLORICULTURE

To enhance our support for communities, we collaborated once again with MORDI for the next phase of their shade house project. This involved procuring and delivering the materials necessary for the construction of a second large-scale shade house.

The second shade house will be for growing flowers, which will support Tongan women in creating sustainable livelihoods through a flourishing floriculture sector. While constructing the shade house, MORDI is also providing training and hands-on workshops for community groups.

We wish to acknowledge TUI for their generous donation of additional planting and potting mix, which was included in the September shipment to MORDI from New Zealand.



Sorting plants at the MORDI shade-house, where over 15,000 vegetable seedlings and fruit tree cuttings are distributed to communities annually. A second shade-house will soon be set up for floriculture cuttings and seedlings.

MUCUNA BEANS FOR SOIL REGENERATION

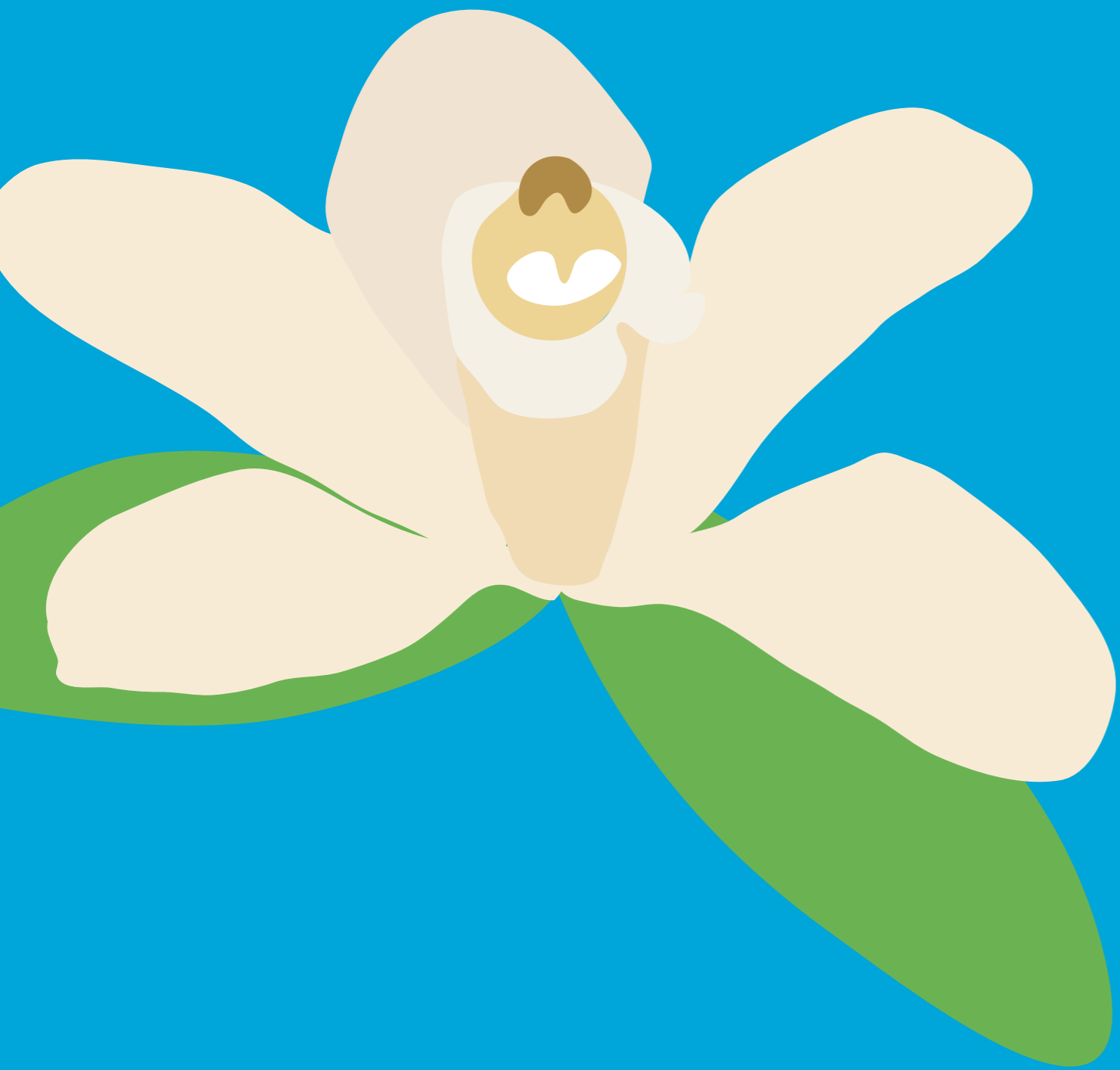
One of the most interesting initiatives we set up this year is our Soil Regeneration Trial.

In collaboration with MORDI, we have recently set up a Mucuna bean plot at our Utungake base in Vava'u. MORDI provided us with the Mucuna seeds, and the monitored plot will be used to assess the potential of these beans in enhancing soil fertility in Tonga.

Mucuna is a legume known to fix nitrogen and help revive degraded soil. Its high growth rate means the bean is also a natural weed suppressant due to high growth rate. We look forward to gaining a deeper understanding of this crop and exploring its potential to enhance the livelihoods of smallholder farmers by boosting crop production.

On completion of the trial, results will be evaluated, and practice recommendations shared with local farmers.





Heilala Vanilla Foundation

the good vanilla

THE GOOD VANILLA

Establishing the Heilala Vanilla Foundation and allocating 5 cents from every unit sold represents a sustainable funding strategy for the Foundation that will benefit future generations.

The Heilala Vanilla Foundation operates as a distinct entity with independent governance. Our five Trustees, hailing from diverse backgrounds, enable us to leverage a broad spectrum of skills in our decision-making and resource allocation processes.

Although the majority of our team is based in New Zealand, and we have a global community of bakers and chefs, the heart of Heilala lies in the Kingdom of Tonga. We are steadfast in our commitment to empowering vanilla growing communities.

Here we celebrate the many faces of communities in Tonga that we support.



Heilala Vanilla Foundation



Friends from Talihau, Vava'u at the Agricultural Show



Girls after church, Vaimalo, Vava'u



Senior Students from Angaha School, 'Eua



The Sika family outside Church, Vaimalo, Vava'u



Vava'u High School Girls at the Agricultural Show



Heilala Vanilla Tonga Manager Sela Latu with daughter Lisa on winning the Best Stand at Agricultural Show



The Heilala Vava'u team at the Agricultural Show

vanilla farming impact



vanilla farming

PLANTING AND MANAGING FOR CLIMATE CHANGE

Tonga's dependence on agriculture and its geographical isolation increase its susceptibility to adverse weather events, such as droughts and cyclones.

Our immediate concern is the ongoing El Nino weather pattern, anticipated to bring about drought conditions in Tonga. Collaborating with MORDI, we are actively exploring strategies to safeguard our crops and the livelihoods of farmers in response to the challenges posed by climate change.

We continue to assess the impact of our 2022 plantings of Kauri Trees and Vetiver Grass at our Vava'u plantation.

This year, our emphasis is on the Mucuna bean trial and its potential role in assisting farmers with soil regeneration and fertility building.



The aerial view of His Majesty Estate, Fangiliki revealing rows of host vanilla trees, known as Fiki. Surrounding this plantation are plantings of Kauri Trees and Vetiver Grass.

PLANT AND FOOD RESEARCH COLLAB – PLANT MATERIAL

Heilala continues to work with New Zealand science institute Plant and Food Research as we look at trials of vanilla growing practices and plant health.

Various trials and tests have been completed including the assessment on timing and best practices of pruning, looping and composting and the resulting impact on yields and plant health.

Plant and Food Research have completed soil and plant testing at their New Zealand laboratories. In 2024, Heilala will look to incorporate these results into farm management and disseminate findings throughout with the Tongan vanilla industry.

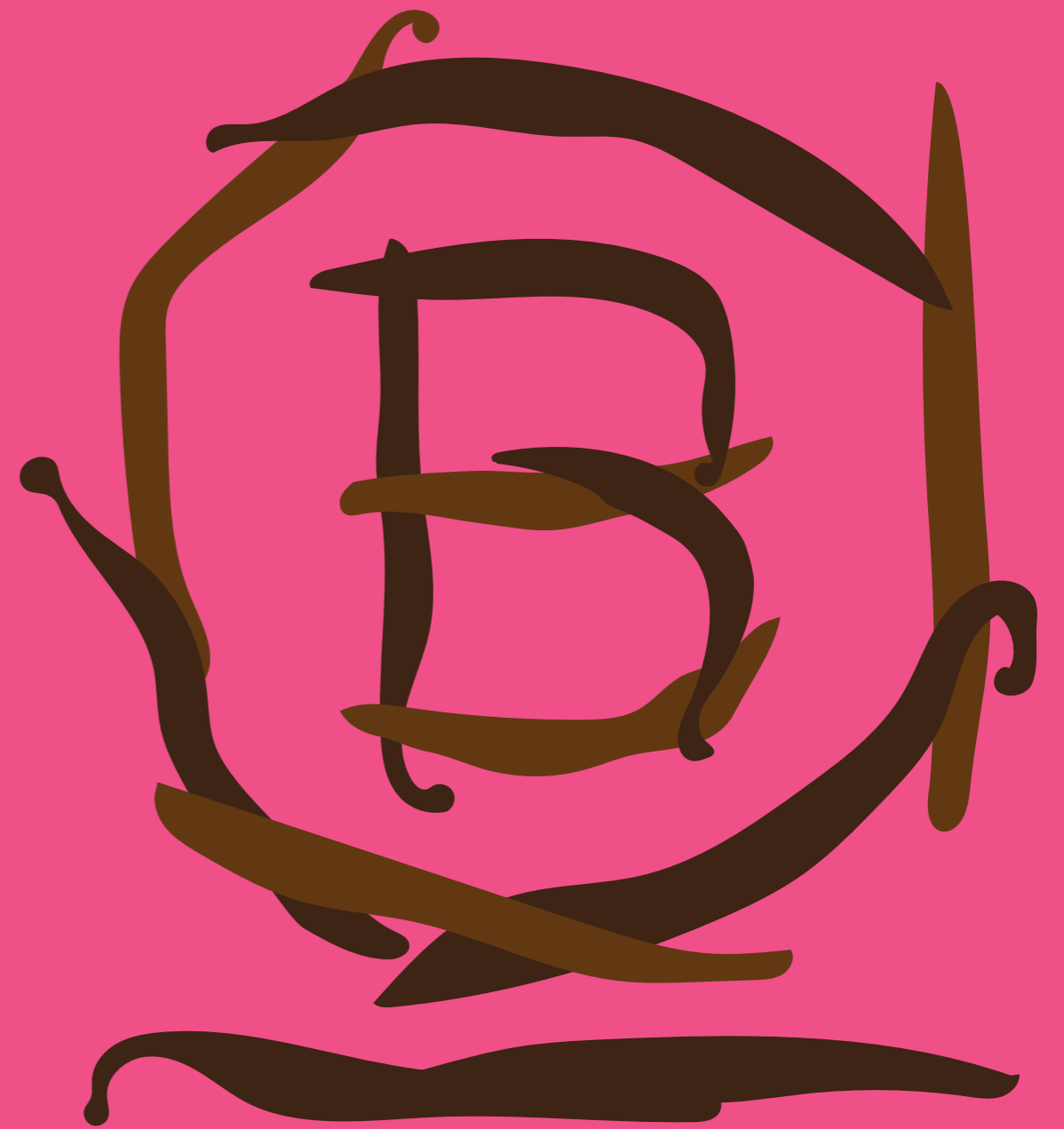


A Vanilla plant on a host Fiki tree, in the warm glow of the evening light.



Vanilla beans from this year's harvest, cured and dried, ready for export to New Zealand.

commitment to BCorp



Commitment to BCorp

Following our certification in July 22, we remain focused on continuous improvement across our business. Our Sustainability strategy is foundational to everything we do. Our three key sustainability pillars are part of our alignment with being a certified B-Corp; People, Community and Environment.

PEOPLE

Our people pillar centres around a deeply engaged and diverse team that is unified in our shared purpose. With a culturally diverse workforce spanning multiple sites and countries, we are dedicated to fostering strong connections and high levels of engagement.

COMMUNITY

Our community pillar revolves around creating employment opportunities in Tonga through vanilla initiatives, educational projects, and resources. Additionally, we support family well-being projects, funded through the Heilala Vanilla Foundation.

ENVIRONMENT

Our commitment to the environment is reflected in our efforts to minimise our impact on the planet.

We consistently measure and work towards reducing our environmental footprint, emphasising a zero-waste approach. Utilising the Carbon Trial software application, we monitor and assess our carbon emissions, reviewing the data over the past year to establish a benchmark.

This information guides our plan for ongoing reductions, extending into 2024 and beyond.

In addition, we aim to make our packaging either recyclable or home compostable by 2025, aligning with the standards set by New Zealand and Australian Grocery standards.



Her Majesty's visit to Heilala Vanilla Plantation at His Majesty Estate, Fangiliki, Vava'u with some of the Heilala team - July 23.

our future focus



OUR FUTURE FOCUS

As we navigate through these uncertain times, the impacts of climate change have become increasingly evident this year. In Tonga, changing weather patterns are influencing the flowering periods of our vanilla plants. The upcoming forecast predicts a drought and the potential occurrence of multiple cyclones. We are ready to offer emergency relief to assist our Tongan communities when necessary, with funds designated within the Heilala Vanilla Foundation to address these potential events.

In 2024, we will continue to foster a strong partnership with MORDI, our in-country collaborator. Our focus on priority projects includes the provision of a community tractor for smallholder farmers to share, the initiation of soil regeneration trials, and the distribution of seeds, plant material, and practice recommendations to farmers. Moreover, our collaboration with Plant and Food Research will continue as we explore potential tissue culture projects.

We are dedicated to advancing education in the Kingdom of Tonga within our vanilla farming communities. Acknowledging the direct benefits that education brings to families and communities, we have designated several projects for schools on 'Eua and Vava'u. Additionally, we will initiate a scholarship program to facilitate higher education support.

I remain appreciative of the support from our team and partners, both in New Zealand and Tonga, as well as our global community. They share our purpose and are integral to our journey, which revolves around our commitment to building a sustainable 'Vanilla for Good' business and improving lives in our corner of the South Pacific, the Kingdom of Tonga.

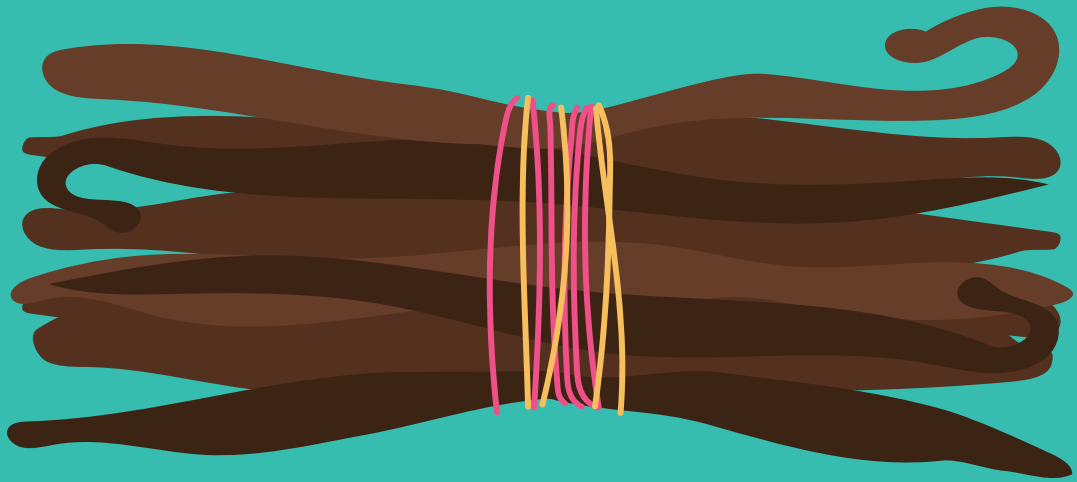


Malo 'aupito

Jennifer



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2023

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