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# A Letter from Ryan Black,

### **Co-Founder & CEO**

We at SAMBAZON are pleased to announce the second edition of our Company's Impact Report and we invite you to share in our accomplishments, acknowledge our challenges, and find inspiration in the stories of those we have impacted. When this Company was founded in 2000, our intention was to operate under "the Triple Bottom Line," a business model coined by innovator John Elkington in 1994. This 3 P's philosophy uses three standards to measure success: a social bottom line based on our stakeholder's short and long term well-being or the (P)eople, an economic bottom line based on revenue and (P)rofit, and an environmental bottom line of our impact on Mother Nature or the (P)lanet. For the past 23 years, we have considered these environmental, social, and corporate governance (ESC), or 3 P's, with every decision we make as a Fair-Trade Certified Business in the ever-changing landscape of the 21st century.

This Impact Report is an evolving document and each year we expect it to expand as we discover new categories within our environmental, social, and ethical governance impact to track. This year we extended our reporting to a worldwide approach that better showcases our global Company's influence across the Wholesale, Retail, and Food Service markets. This more transparent approach enables us to share deeper understandings about our overall impact, including increased data on our Fair Trade projects, carbon emissions, and packaging improvements. Our commitment to transparency means that we not only share our achievements but also what inspires us to set ambitious goals, embrace innovation, and collaborate with like-minded partners to create a more sustainable and equitable future.

It is with pride and gratitude we share our work in the Amazon and beyond. It takes a global village to achieve Triple Bottom Line success and we thank you and each and every team member whose individual and collective efforts make this Company's dream a reality. Every time someone enjoys the delicious Powers of SAMBAZON Açaí, a positive socio-economic chain reaction is set in motion from the Amazon to the world. This impact report is a description of these positive reactions.

Thank you for your faith and support of our mission.

**Ryan Black,** Co-Founder & CEO

# **The Triple Bottom Line**

### The SAMBAZON Business Model

We exist to provide a win-win solution that helps protect the biodiversity of the Amazon Rainforest and support your health and wellness. We care for the people we work with, the planet we live on, and the prosperity of everyone involved. We follow a sustainable business philosophy called the Triple Bottom Line, which measures success socially, environmentally and economically. 4





# PROTECTING THE AMAZZON OUR FIRST AND MOST IMPORTANT MISSION

**DID YOU KNOW?** 

The Amazon stretches

to a whopping 2.587 million mi<sup>2</sup>

(6.7 million km2)\*, but we lose over an acre every minute! <sup>‡</sup>

## Lungs of the Earth

Picture this: the mighty Amazon Rainforest, renowned as the "lungs" of our planet, "breathing in" carbon dioxide and "exhaling" oxygen. Welcome to SAMBAZON, where our very existence is intertwined with this life-giving ecosystem. In fact, we derived our name from an acronym that explains our commitment to protect it: SustAinable Management of the Brazilian AmaZON.

DID YOU KNOW? The total area of the Amazon stretches to a whopping 2.587 million mi<sup>2</sup> (6.7 million km2)\*. That's the size of about 16 and a half California states. In the past 10 years, 21,003,957 acres of the Brazilian Amazon Rainforest have been lost to deforestation.<sup>†</sup> Every single minute, according to satellite data, an area of Amazon rainforest roughly the size of a football field is now being cleared.<sup>‡</sup> With deforestation from activities such as cattle farming and mining, it's never been more important to protect the Brazilian Amazon and the thousands of various species of birds, fish, mammals, amphibians, reptiles and insects that call it home.

On top of all that, the Amazon is also the only place where you can find the wild Açaí palm tree. This tree is one of the most abundant (top 5) naturally occurring trees in the region. A top-ranked wild harvest staple food for urban and rural people of the Amazon estuary, this tree has major economic importance to both private industry and the local population.

Thanks in part to our Fair Trade certification (more on that soon!), we support such an important part of our global ecosystem through:

- 1. Forest Conservation
- 2. Construction Projects
- 3. Quality of Life Improvements

### **SPECIES FOUND IN THE AMAZON**

1,300 species of birds3,000 types of fish427 types of mammals

400+ amphibian species378 reptile species80,000+ types of plants

\*Source: World Wildlife Fund https://www.wwf.org.uk/learn/fascinating-facts/amazon †Source: INPE - the National Institute for Space Research in Brazil

http://terrabrasilis.dpi.inpe.br/app/dashboard/deforestation/biomes/legal\_amazon/rate

#BBC article https://www.bbc.com/news/science-environment-48827490

# **Fair Trade Certification**

At SAMBAZON, we like to keep it authentic. Our Fair Trade certification isn't just another label on our product, it's concrete proof of the meaningful impact we make in the lives of thousands of Açaí family farmers. Anyone can claim they're putting in the effort, but it's an entirely different story to provide evidence of progress and our certifications are an important piece of that process. Our team has an unwavering dedication to our values and the belief that actions speak louder than words.



Fair Trade is founded on the following principles:

- 1. Respect of Human Rights and Fair Working Conditions
- 2. Respect of the Ecosystem, Promotion of Biodiversity, and Sustainable Agricultural Practices
- 3. Respect and Betterment of our Local Communities

We are proud to have pioneered the first Fair Trade Standard for Açaí back in 2008 with EcoCert, one of the largest international 3rd party certification agencies. In fact, we were the first certified organic and Fair Trade Açaí company! Since then, Ecocert has physically audited the SAMBAZON Açaí supply chain from the harvest in the forest to the factories and headquarter operations. With Açaí's popularity gaining speed around the world, we challenge all Açaí companies to embrace Fair Trade Certification to ensure that harvesting communities are not exploited, so that they too can fairly share in the rewards of a healthy Açaí market.

Following the Fair Trade certification requirements, we set the base price for Açaí each year. That price is based on our harvesting communities' cost of living. No matter what fluctuations we see in the market, we will never pay less than the set base price.

All SAMBAZON employees, whether working in the United States or elsewhere around the world, shall observe SAMBAZON's firm commitment to respecting, protecting, and promoting the human rights and dignity of all. This includes individuals within our operations, with our global business partners, and in the communities where we live and work. Our commitment extends to maintaining a safe workplace, establishing fair wages, achieving environmental sustainability, and working tirelessly to ensure that our Açaí is ethically sourced and collected safely and humanely.



# **Fair Trade & Biodiversity**

Following the environmental protection guidelines from our Fair Trade certification in 2022, we certified 67,770 hectares/167,463 acres of land in the Amazon, which is almost the size of New York City. This gives us assurance we are guiding our collectors to follow the most current best practices for forest management.

Our Fair Trade certification also helps us protect a variety of plant and animal species, while also storing 7.5 million metric tons of carbon dioxide in both above and below carbon stores – think trees and roots. That's equivalent to about 6.2 million passenger vehicles driven for one year!\*

Today this is not recognized formally as a carbon offset. SAMBAZON cannot use this to compensate for emissions we make elsewhere. But we are hopeful that one day soon it will be recognized, and we can use this data to help sponsor carbon offset programs to benefit our harvesting community or explore carbon insetting.

### FAIR TRADE & BIODIVERSITY BY THE NUMBERS

### 67,770 HECTARES/167,463 ACRES = SLIGHTLY SMALLER THAN NEW YORK CITY

7.5 million metric tons of carbon dioxide stored = 6.2 million passenger vehicles driven for 1 year\* **50% more tree species**\*\* in our certified Açaí environment compared with uncertified areas.

\*\*Source: Damasco, G., Anhalt, M., Perdiz, R.O. et al. Certification of açaí agroforestry increases the conservation potential of the Amazonian tree flora. Agroforest Syst 96, 407–416 (2022). https://doi.org/10.1007/s10457-021-00727-2 Biodiversity Study

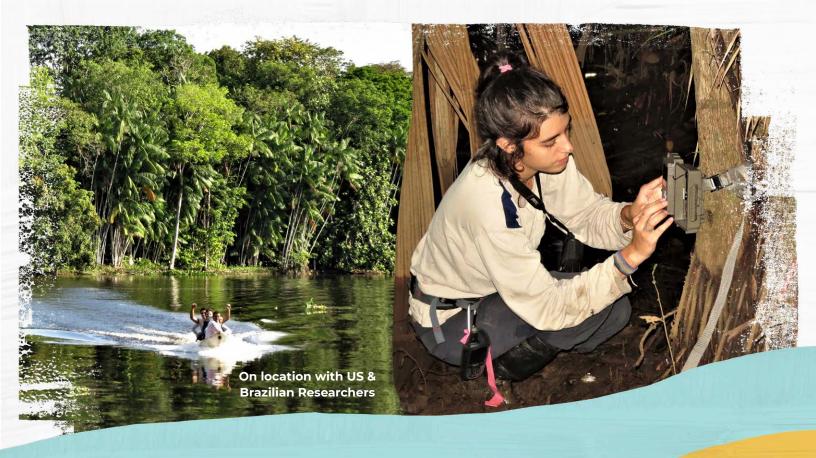
\*Source: EPA Calculator

# **SAMBAZON's Biodiversity Study**

In order to more effectively analyze the biodiversity in our harvesting areas, we offered a \$35,000 USD research grant for an independent study led by top scientists at UC Berkeley and a team of US and Brazilian researchers.

Completed in 2021, this study helped us show just how the use of certified sustainable practices can help reduce the exploitation of Amazonian forests. The research found that, on average, **certified managed forests actually harbor 50% more tree species** that are more likely to grow older and larger and provide more habitat for other plants and animals —including animals on the endangered species list.

Following Organic and Fair-Trade harvesting practices and keeping the forests mostly intact may add additional value to the forest beyond the delicious Açaí. Several of the tree species that we found in abundance in harvesting areas are described below. The Amazon locals prize these plants and believe that they have these properties, and while not scientifically proven, our harvesting community has used the forest as a great resource for home remedies for generations. The remedies shared below are not FDA approved, and SAMBAZON is not endorsing or promoting these properties; we are sharing what we have learned from our local communities.



**Andiroba** - Oil used as an effective mosquito repellent in South America, used by locals to treat malaria, stomach aches, and hacking cough.

**Pterocarpus santalinoides** - Roasted seeds are edible, bark, roots and leaves used by the harvesting community to treat bronchial complaints, stomach-aches and sleeping sickness. **Pracaxi** - The local community use the sap to cleanse sores, the bark is antiseptic, emetic and styptic, the leaves are said to be useful for treating chickenpox and measles, and the seed is used to make plasters for treating itches.

**Ubussu** - The leaves are used as thatch and sails as they are firm and rigid to form durable house covers.

**Yellow Mombin** – Fleshy fruit eaten raw or cooked with sugar, can be made into jam, ice cream, juice, or pickled. Bark and flowers are used locally in tea to cure digestive tract ailments, lower back pain, sore throats.

**Palmeira Murumura** - Fruit that is aromatic with a melon-like sweet-acidic flavor. Kernels produce a rich extract used by the beauty industry as an ingredient in shampoos, conditioners, and moisturizing skin care products.

**Virola surinamensis** - The stem is used to relieve coughs, as a disinfectant, and used to soften or soothe skin. The bark is thought in mouthwash to releive abscessed teeth.

#### Read more about our biodiversity study here!



## **Fair Trade Funded Projects**

To date, SAMBAZON has provided **\$864,250 USD** in support for Açaí grower communities in the Amazon Rainforest.

As a part of our Triple Bottom Line philosophy, we dedicate a huge part of our impact efforts right back into the local communities where our Açaí is harvested.

Each year, following the Fair Trade guidelines, we invest a portion of our annual Açaí purchases towards projects which are proposed by the people within the community itself. These funds have supported several projects contributing to rural and urban efforts, including education, healthcare, infrastructure, and other community building projects, as well providing access to education on the best practices of Açaí harvesting.

"A novel idea born from a desire to do the right thing has imbedded itself in the evolutionary fabric of the Açai industry over the last 2+ decades. It is impossible to dismiss the social environmental impact and potential the Açai trade presents to the rainforest and communities in the Amazon, for the better or worse. SAMBAZON's choice and commitment to doing the right thing proves that there is a viable path to market driven conservation when businesses, communities and consumers partner together to reach a common goal of People, Profit and Planet."

> - Travis Baumgardner, Chief Customer Officer & Co-Founder

### 2022 FAIR TRADE FUND PROJECT DONATIONS: \$69,896

This year in 2022, we've allocated \$69,896 to our Fair Trade Project . This number is based on our Açaí harvest over the last year. There is typically a delay in when a project is completed because it takes time to decide with the community on what project should be built after the funds are allocated, and then the development of the infrastructure often takes around a year. We've chosen the Community Nova Vida, located in the city of São Sebastião da Boa Vista in the Brazilian state of Pará, more to come on this project in our next report.



### LIFETIME IMPACT:

- 47 projects
- 2,657 Families
- 5,477 Children
- 825 Women
- 3,001 Producers

Total People Impacted:

11,960

# Fair Trade Funded Project Spotlight

### Araramã Community Center

Our Fair for Life Initiative from the 2020 harvest is nearing completion; we supported the community's decision to begin construction on the Araramã Community Center. The community of Araramã in the municipality of Afuá was determined to have the greatest need for a project and at the same time have a strong potential for sustaining their project, both requirements of Fair for Life project selection.

The center will support various non-governmental organizations (NGOs) operating in the region a place to provide health, dental, educational, and other services that are lacking in this community, as well as be a place for the community to meet and strengthen their cultural and economic relationships.

Açaí Harvester Maria de Fátima da Luz Duarte explained, "I believe it will help, that it will be a great benefit for the community. We can grow and strengthen ourselves with many advantages. The project will help not only the community, but all the Riverside people in the region."

The SAMBAZON Brazil team spent many weeks working with the community to plan a safe and well-made community center that meets their needs, follows all local building rules, and is supported by the local government.

We expect this project to serve around 300 families. The construction work started in 2022 and is expected to be completed this spring 2023.





### Our Most Recent Project: São João Batista Community Center

Our 2021 Project has begun to build a Community Center in São João Batista, in the municipality of Manuá. This community chose to construct a community center because of their lack of a place to hold community meetings, and a previous attempt to build one was stopped due to a lack of resources. This project was started February 2023 and is expected to serve around 500 people. We are in the planning phase of the project with architectural and budgetary decisions.

# **Working with our Harvesting Communities**

We proudly purchase from harvesters who hand harvest wild grown Açaí using natural techniques that they have been using for centuries. They are experts in the harvesting of Açaí, SAMBAZON is bringing a modern approach to this classical system with our focus on best practices from the Organic and Fair Trade certifications. Working with our harvesters through ongoing interaction and training is critical to the success of this partnership.

We completed Açaí Management technical training for 588 harvesters in 2022. Our team of 11 dedicated employees conducted 1,788 visits this year to audit all of our independent harvesters. Their efforts play a pivotal role in ensuring our harvesters understand and comply with all Organic, Fair Trade, and SAMBAZON requirements. During these visits, our team educates our harvesters on crucial environmental requirements, social needs, and how the fair trade and organic programs work to continue certification. This includes safeguarding against the use of forbidden pesticides on or adjacent to their land, refraining from harvesting endangered species or collecting wild animals for the pet trade, and taking the necessary steps to protect the fragile mangroves that shield the land from erosion.

On a personal level, we provide financial literacy training to help harvesters manage their finances during the off-season, Açaí is a wild-harvested product with a specific growing season of six months, these classes help the harvesters prepare for those times when there is no Açaí to harvest. We focus on saving and diversification of income sources. We also cover the availability and need for the use of safety equipment, and make sure they understand the Açaí must be transported to SAMBAZON within a minimal amount of time with the necessary supporting documents to maintain its freshness and quality.

In addition to the environmental aspects, we are committed to ensuring that our harvesters have dedicated training about the SAMBAZON and Fair Trade policies regarding human rights issues. In these trainings, we focus on SAMBAZON's firm commitment to respecting, protecting, and promoting the human rights and dignity of all. Following these guiding principles, we are working hard with our harvesting community to ensure that our Açaí is ethically sourced and collected safely and humanely.

### KEEPING OUR COMMUNITIES STRONG & SAFE IN 2022

444 communities

1,349 individual collectors

**11 full-time** SAMBAZON employees dedicated to working with the harvesting community's year round

**1,788** visits to harvesting communities





BATISTA SANTO

# **Palm to Palm**

After our first journey to the Amazon in 1999, we learned that Açaí berries are wild harvested from a several hundred-mile radius around the Amazon River estuary. They are then transported by boat in baskets through a series of middlemen, changing hands several times before arriving at bustling farmer's markets in the big cities. So many exchanges made origin tracking and quality control practically impossible and regularly created opportunities for middlemen to exploit the small family farmers.

### Although it had never been done before, we realized we could surpass these issues almost completely by establishing a direct relationship with the small family farmers and forest communities.

By creating our own Açaí supply chain, we can now oversee every step of the journey: from the moment our Fair Trade Açaí is hand harvested and transported by riverboats, to its inspection and environmentally responsible processing in our state-of-the-art factory. This is our commitment to our consumers:

From the palm of the tree to the palm of your hand.





# An AA+ Safe & Sustainable Supply Chain You Can Trust

We currently have two production plants in Brazil, both in the Amazon region: one in Santana in the State of Amapá and another in Barcarena in the State of Pará. Since 2017 SAMBAZON has had GFSI and FSMA recognized food safety audits, we have been certified to the BRCGS standard at both our factories have achieved AA ratings for the 3rd year in a row. This is the highest rating possible. This year we had added complexity with the audits of both facilities being unannounced! We now proudly have an AA+ rating at both factories. This is further evidence that the SAMBAZON Team is committed to food safety and quality assurance.

The BRCGS Standard has set the benchmark for over 20 years for food quality and safety certification. Adopted by over 22,000 sites in 130 countries.

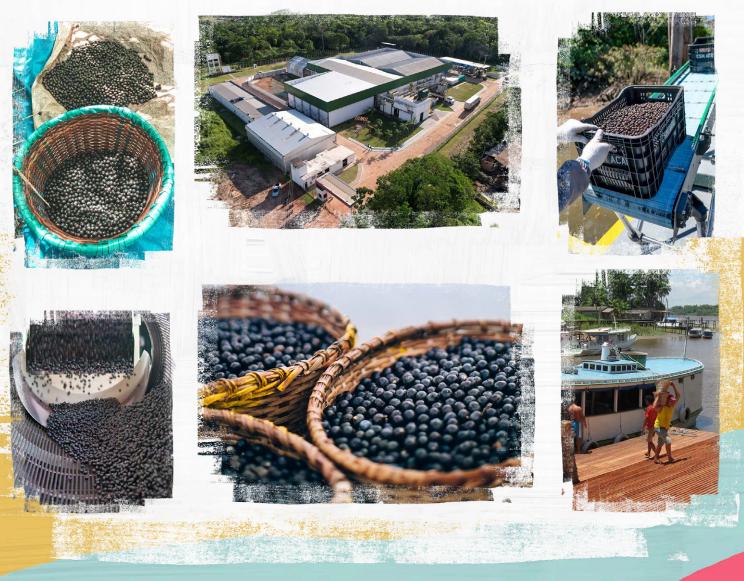
Read more about food safety on our blog!



# **Sustainable Supply Chain**

Our factories are found on either side of the mighty Amazon River. These locations allow us to have access to the Açaí at peak season and ensure we have the shortest transport time for our delicate fruit, from the forest to our factories. We are also safeguarding our Açaí availability from unforeseen issues by having these factories in different states. These modern facilities employ hundreds of Brazilians and follow the latest best practices for environmental and worker protection all year round. 2 factories are better than 1, and as our Açaí needs grow we could see even more expansion in the future, bringing more food safety and Fair-Trade practices to Brazil.

**Bacarena Factory** 



# **Measuring our Impact on the Climate**

#### **GHG EMISSIONS**

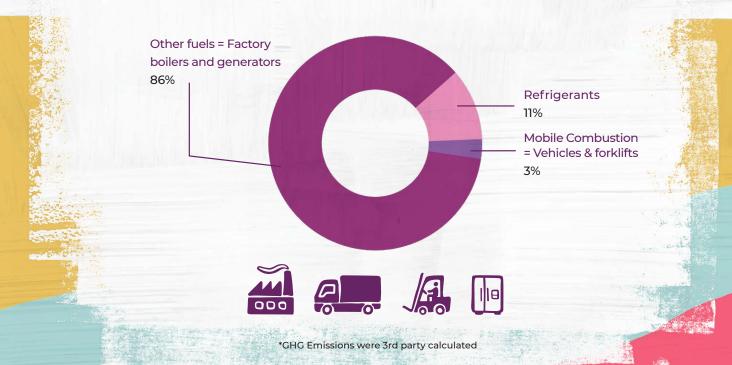
To better understand our GHG footprint SAMBAZON has been calculating our scopes 1,2, and 3 emissions. For the past 2 years, we have had this work validated by SCS Consulting Services a global leader in third-party certification, validation, and verification. This is the first step in determining SAMBAZON's baseline for emissions.

2022 SAMBAZON GHG EMISSIONS SUMMARY			
	5		
EMISSIONS RESULTS			EQUIVALENT TO GHG EMISSIONS FROM*:
	tCo2e	%	CARS DRIVEN FOR 1 YEAR
SCOPE 1	3,746	6%	834
SCOPE 2	1,202	2%	267
SCOPE 3	62,167	93%	13,834
TOTAL:	67,115		14,688

tCO2e = metric tons Carbon Dioxide equivalent. A standard unit for counting greenhouse gas (GHG) emissions CO2e accounts for **carbon dioxide** and all the other gases as well: **methane**, **nitrous oxide**, **and others**. \*Source: EPA GHG Equivalencies Calculator

### TOTAL SCOPE 1 2022 GHG EMISSIONS: 3,746 TCO2e\*

Direct emissions from owned or controlled sources, for SAMBAZON this includes fuels used in our vehicles, forklifts, boilers, generators, and refrigeration.



#### TOTAL SCOPE 2 2022 GHG EMISSIONS: 1,201 TCO2e\*

Indirect emissions associated with the purchase of electricity, steam, heat, or cooling. The electricity SAMBAZON purchases to power our factories and offices is included here.

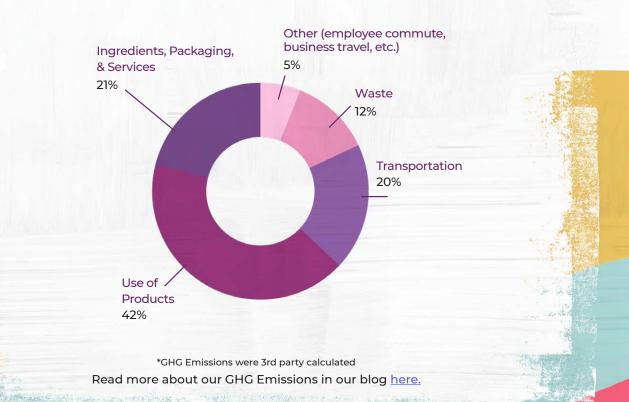
#### **ENERGY USAGE BREAKDOWN**

- Total electricity used in U.S. and Brazil: 9,034,126 kwh

**77.8%** from renewable energy sources like hydroelectric power in Brazil

#### TOTAL SCOPE 3 2021 GHG EMISSIONS: 62,167 TCO2e\*

All the other emissions resulting from activities that SAMBAZON does not own or control in our supply chain, for example: emissions from the manufacturing of the materials we purchase, transportation of those goods and our finished products, employee commuting, the emissions from the waste generated, and it even accounts for how you use our products - right down to your blender at home!



#### **SCOPE 3 2021 GHG EMISSIONS BREAKDOWN**

Every year we learn more about our carbon footprint. This year we are excited to have dug deeper into our biggest Scope 3 category from our previous inventory ingredients, packaging, and services—so we know where to focus our reduction efforts in the future!



By using improved methodology through detailed data collection and engaging with our supply chain, we were able to get a better picture of our emissions breakdown in 2022. Although there were a few areas that increased from our 2021 inventory, overall, we saw a reduction in our total emissions.

		2021	2022
SCOPE	CATEGORY	tC02e	tC02e
Scope 1	Direct Emissions	3,726	3,746
Scope 2	Indirect Emissions	578	1,202
Scope 3	Total Scope 3	170,050	62,167
	Purchased Goods & Services	128,158	12,955
	Capital Goods	3,490	1,869
	Fuel & Energy Related Activities	1,574	1,177
	Upstream Transportation & Distribution	9,649	11,907
	Waste Generated in Operations	930	6,865
	Business Travel	409	813
	Employee Commuting	1,020	0.6
	Use of Sold Products	24,415	26,271
	End-of-Life Treatment of Sold Products	405	309
TOTAL		174,354	67,115

#### OUR 2021 VS 2022 GHG EMISSIONS



# **The Path towards Zero Waste**

At SAMBAZON, we do our best to reduce waste by following good inventory management practices. Not only is it good for business, but it's also the right thing to do for our planet.

We consider each piece of the business in the aim of creating a more circular economy when it comes to our waste, packaging and plastic use. The eventual goal is to have packaging that is kept in circulation so that it never becomes waste or pollution.

#### **DID YOU KNOW?**

90-95% of Açaí berries are made up of seed. 100% of our seeds that would have been wasted are donated to be turned into energy.

That's **37,780,898 lbs.**, or **17,137 metric tons**, of seeds that are turned back into energy!



#### Landfill Diversion Rate

99.27%

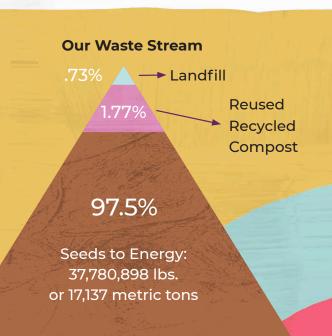
This means we send **99.27%** of our waste to be turned into energy, be reused, or be recycled!

#### **Choosing our Partners Wisely**

SAMBAZON works with Denali Corp, an environmental services company, that turns unusable products and raw materials into animal feed or clean burning alternative fuel, turning waste products into value added commodities instead of sending them to the landfill.

#### **Updates to the Brazil Recycling Program**

Another way we are reducing the impact of our packaging for products sold in Brazil is through the eureciclo certification program. Eureciclo guarantees that the same quantity of post-consumer packaging that we put into market is recycled. For SAMBAZON in 2022, this amounted to 18.76 metric tons of packaging recycled. Money generated from this program also goes to funding recycling sorting centers thus helping to expand the recycling chain in Brazil.



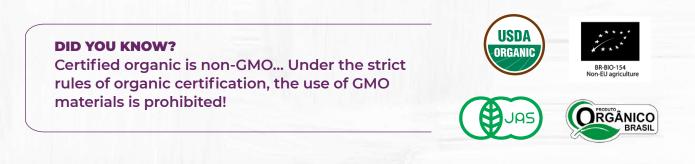
Read more about our path towards zero waste on our blog here.

# **Organic Certification**

We take all necessary steps to ensure that the water, land, and berries themselves are never contaminated with forbidden pesticides. Our berries are harvested through minimally invasive practices that are best for the trees, the land, and for you!

All SAMBAZON production facilities undergo the same rigorous organic certification process, in Brazil and around the world. In Brazil we have USA, EU, Japan, and Brazil organic certification! Our certified organic products go all around the world and meet each of these strict requirements making it likely SAMBAZON can be sold as certified organic almost any place you may go.

Organic certification requires traceability. This means that from the point of harvest through to production of a finished good, we can trace every step of our berries' journey, building transparency and trust in every bite.



### **ORGANIC INGREDIENTS PURCHASED**

**66,477,195 lbs.** (30,154 metric tons) of organic ingredients purchased in 2022 translates to 100% of our finished products being USDA Organic. This weight is equivalent to 221 Blue Whales. A total of 62% of these purchases were from Organic Açaí and 38% from other Organic ingredients like sugar cane.



In addition to our organic certifications, SAMBAZON is also proud to be certified Kosher, and Halal as well as Non-GMO, Vegan & Gluten Free









# **Improving Our Packaging**

When we choose our packaging, we take into consideration contributors such as food safety, food waste, shipping weight, energy usage, waste reduction and production efficiency. Like many companies around the world, at SAMBAZON, we realize we can continue reducing our contribution to plastic pollution. That's why we have dedicated a team and invested resources to test new, compostable materials and technologies.

We've also been spearheading change within our industry: in 2018, we joined the One Step Closer (OSC) Packaging Collaborative with the goal to remove petroleum-based plastics from landfills, oceans, and our planet.

One of the Packaging Collaborative's key initiatives is to help brands transition into compostable Flexible Films. Through this collaborative network, we are pioneering, testing, and trialing viable plant-based alternatives for the hard-toreplace frozen flexible films. This is a complex problem that, once we solve it, will enable us to eliminate most plastic from our frozen items.

#### **A New Packaging Innovation: Smoothie Cubes**

Our latest and greatest product innovation, Açaí Smoothie Cubes, is not only a great option for enjoying Açaí on-the-go, it's also innovative in its packaging. With this new product, we were looking for ways to reduce excess packaging, specifically plastic. By removing the need for inner liners for this product, and using a paper outer liner on the bag, there is a 43% reduction of plastic per ounce of product compared to similar products. It's been exciting to see the response to our Açaí Smoothie Cubes and we're excited to continue innovating as we develop new products with delicious taste, functionality, and packaging!

# **Our Packaging Eco-mmitment**

# In our last impact report, SAMBAZON committed to achieving plant-based and post-consumer recycled packaging for all USA retail products by 2025.

While focusing on USA retail products was a great place to start our packaging ecommitment, we are a global company and realize this is not our whole story. To be even more transparent we are updating this Eco-commitment to include our entire global packaging footprint.

### It is SAMBAZON's goal that all of our retail and foodservice packaging will be from recycled or plant-based materials and be recyclable or compostable by 2030.

In 2021, 79% of our USA Retail packaging by weight met our 2025 Packaging Commitment—being made from plant-based or post-consumer recycled packaging. In 2022, this decreased to 73%. It is a complex process to source sustainable packaging, and we faced some challenges this year due to a limited supply of sustainable material, such as recycled PET.

To track our progress on eliminating plastic we have developed our own system of packaging classification. This helps us make clear and responsible decisions when presented with new ideas for packaging based on the sustainability of each category.

In the coming year we will be evaluating nationally recognized frameworks and incorporate those best practices.



# **Materials Categorization**

This **E-classification** system (**E**=Eco) includes four categories based on different types of packaging material, from E1-E4.

**E1** is virgin plastic and non-recyclable, and we avoid this whenever we can!

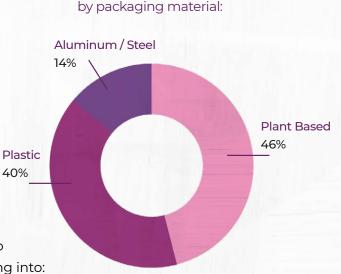
**E2** is virgin material that is recyclable. Right now, this is often the best available packaging.

The final two categories are what we are aiming to fully transition our retail and food service packaging into:

**E3** is packaging with recycled content that can be recycled.

**E4** is plant-based material that can be composted or recycled.

Here is our current **US Retail** footprint based on this system we've developed:



Here is our current Global footprint



**E4:** Plant-Based Material, Compostable or Recyclable



**El:** Virgin Plastic, Non-recyclable



12%



**E2:** Virgin Material, Recyclable





19%

E3: Recycled Material, Recyclable



54%

# **Our International Environmental Impact**

This past year we're specifically excited about bringing our plant-fiber Ready to Eat Bowls to the global market. In our international markets, 78% of our products are in the plant-based category (that E4 we mentioned above), and a lot of that is thanks to the 100% plant-fiber based bowl. There has been great excitement around our Ready to Eat Bowls from an environmental standpoint, and we're excited to keep spreading the Delicious Powers of Açaí globally.



### The Future of Packaging

Our team is actively monitoring new packaging regulations – specifically in California. These regulations impact our decisions, but they also inspire us to constantly improve to stay ahead of those standards. While the global infrastructure gap in packaging is an ever-present challenge, we are lucky to have innovative minds pushing our company forward in the pursuit of reducing our waste and packaging impact.



# **Innovation & Product Development**

There are many elements that go into creating a successful product that ends up on the grocery shelves. SAMBAZON has a whole team of specialists to ensure that the product development process is successful, and each bite or sip of Açaí we create is bliss. Luckily, we have two innovation and product development wizards on our team, who were more than happy to spill on their tricks to the trade.

#### How do you determine what the next product SAMBAZON develops is?

"Consumer behavior, demand for new product formats, packaging and ingredients constantly evolve so we see the need to stay current with these needs. In addition, we evaluate our current product offerings to determine whether there are any gaps. If we see an opportunity to develop something novel and innovative that may better respond to these new consumer needs, we start exploring new formats, packaging, ingredients and claims."



- Manuela Johnson, Senior Director of Innovation and Commercialization

#### How many iterations are made of a product before it's finalized for consumers?

"It varies quite a bit – sometimes we nail it right away and only do a couple rounds of development. Other times it can take 10 plus rounds of tasting before we perfect the formula. There are many things to consider when we're formulating - taste, texture, nutrition, cost, ability to manufacture, etc."



- Sarah Nelson, Vice President of Global Technical Services and Product Development

#### Product Launches in 2022:



Relaunch Dragon Fruit Cubes

07-2022



Launch Select Blend Frozen Scoopable Açaí Fruit,



Launch Smoothie Bowl Dragon Fruit

08-2022



Launch Açaí Smoothie Cubes, Mixed Berries & Açaí, 20 oz



Launch Açaí Bowl Mango Passion Fruit

08-2022



Launch Açaí Smoothie Cubes, Mango & Açaí, 20 oz





Launch Ltd. Edition Frozen Scoopable Açaí Fruit

09-2022



Launch Frozen Scoopable Açaí, 3.6 L

# CHANGE STARTS LICENSE OUR U.S. AND LOCAL INITIATIVES

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SAMBAZON ACAÍ

# **Helping at Home**

At SAMBAZON, our mission extends beyond the lush borders of the Amazon. While our passion drives us to protect and empower the communities nestled within this extraordinary rainforest, we are equally dedicated to ensuring the well-being of our employees and customers in the U.S and around the world.

From producing a documentary to donating our time and profits, from above-average employee benefits to industry-leading collaborations, we bring our Triple Bottom Line philosophy to life, infusing every day with purpose, passion, and of course, purple smiles.



"Working at SAMBAZON has been a great opportunity to build my career in a company aligned with my principles, it is comforting to know that the company has non-negotiable ethics, reflecting mainly on how we contribute positively in the environmental, social, and economic aspects throughout the Açaí supply chain."

Eduardo Nascimento Peixoto, Financial Coordinator, Rio de Janeiro, Brazil

"Working at SAMBAZON has been an incredible experience. The company's commitment to sustainable sourcing and empowering local communities resonates with me. I'm proud to be part of a team that prioritizes social and environmental impact alongside business success." -**Hasan Khalifeh,** National Sales Manager, Saudi Arabia

"The culture at SAMBAZON is terrific. Everyone is so supportive, and there's a solid ethic of teamwork and camaraderie. I appreciate the opportunities I've had to learn and grow in my role, and the support I've received during that journey.... The freezer full of açaí doesn't hurt either! Sarah Morrison, Marketing Manager, UK

"I love working for SAMBAZON thanks to the support of my team and my passion for Açaí! The SAMBAZON mission means that we care about our people and the planet. It's great to know that we can enjoy the delicious powers of Açaí, supporting local communities in Brazil and protecting the biodiversity of the Amazon."

Noemia Brum, Community Manager, Australia/New Zealand

### **Donations**

Lifetime Total Impact of Fair Trade and other community donations in Brazil and USA:

### \$1,570,557

Since our inception, we've been committed to lifting up those in need and making the world a better place for all by committing our time or donating our dollars to worthy causes.

In addition to the impact we have in the Amazon, we also complete projects in the USA. Below is an overview of our lifetime total impact across all projects in both Brazil and the USA. Below is an overview of our lifetime total impact, across all projects (including Fair Trade) in both Brazil and the USA.

SAMBAZON LIFETIME DONATIONS SUMMARY			
DONATIONS CATEGORY	BRAZIL & USA Lifetime total	%	
Community	\$311,281	19.8%	
Education	\$744,99	<b>47.4</b> %	
Entrepreneurs	\$484,120	30.8%	
Environment	\$3,510	0.2%	
Health	426,655	1.7%	
Total:	\$1,570,557		

### Whole Planet Foundation

Since 2011, SAMBAZON has donated \$435,975 to Whole Planet Foundation to fund 11,872 microloans and create 64,621 opportunities for low-



income entrepreneurs (most of whom are women). In 2022, SAMBAZON supported the \$25,000 Poverty is Unnecessary Fund.



Suppliers supporting microentrepreneurs to alleviate global poverty

Her business is essential.

## Volunteering

At SAMBAZON, we believe in sustainable practices not only as part of our business model, but also in doing good for people for the world wherever and whenever possible. Given those beliefs, we've instituted a Charity Give-Back Policy, which allows our team members to give back to their communities and earn some well-deserved time off in the process. Through this program, employees can earn one day off for every 8 hours of qualifying volunteer service they perform. We're proud to support our employees in their efforts to make a difference.

### 2022 SAMBAZON Volunteer Hours in USA: 180



**Kirra Bixby** - Volunteers at toy drives and events for **Children Today** – a non-profit that fosters stability and success in children and families who are facing homelessness or who are involved in the child welfare system by providing trauma-informed child development and family support services.



**Denise Leat** - Volunteered at the **Animal Sanctuary** (those are alpacas, not llamas in case you're wondering.)

**Kyle George** - Volunteers with his family with a local non-profit called **It Takes a Village**. They have food boxes placed around the local area that folks can pull from when they are in need. Pictured here are his boys filling the food boxes this past year.



**Tj Flaherty** - Volunteers as an Adaptive Ski Instructor with the **Adaptive Sports Foundation** in Windham, NY.

# SEEDING CHANGE: The Power of Conscious Commerce

We produced Seeding Change to dive deeper into how Triple Bottom Line businesses like ours can help consumers to make intentional choices that better help our planet and the communities who bring our favorite products to life. This film showcases the shared vision of like-minded businesses who empower consumers to practice conscious commerce and make a positive change for the planet by voting with their dollars.

### **Notable Awards**



**Grand Jury Prize** "Feature Documentary" Awareness Film Festival 2020



Award of Excellence "Use of Video for Social Change" IMPACT Docs 2020



SUSTAINABLI

BUSINESS

Award of Excellence "Feature Documentary" IMPACT Docs 2020

Sustainable Business Award, Cinema V



#### **Additional Awards**

Seeding Change: The Power of Conscious Commerce has been honored in the inaugural Anthem Awards winning both silver and bronze Awards in Sustainability/Environment/ Climate for Partnership or Collaboration in the Awareness Category

https://www.seedingchangefilm.com/

### **Earth Day Screening & Panel**

Seeding Change had a marquee screening at Climatebase's inaugural San Francisco Climate Week in April. This event was a great success, and director Richard Yelland also did a live podcast about the film's screening to a full house for the Darts in the Dark podcast. There was an incredible panel of thought leaders from brands and universities following the Seeding Change screening including Reem Rahim, CCO and Co-Founder of NUMI Organic Tea, Lara Dickenson, Executive Director of One Step Closer foundation, Rose Hartley, Director of Sustainability, Misfits Market and Nichole Wissman, MA, PHD, Co-Director, Co-Founder, Environmental Integration Lab, University of San Diego.



# **SAMBAZON's J.E.D.I. Statement**

Like the biodiversity which strengthens the mighty Amazon Rainforest from which we're born, SAMBAZON's Social Ecosystem thrives on (JEDI) Justice, Equity, Diversity and Inclusion.

To move humanity forward in a sustainable direction of progress, each individual's view and input must be heard and respected.

SAMBAZON's JEDI statement is the social mission of our triple bottom line philosophy (social, environmental, economic), and encompasses our commitment to our culture, community, and consumers.

With humility, dedication and passion, we move forward SAMBAZON's purpose of Sustainable Management of the Brazilian Amazon by creating millions of healthy, purple smiles.

The pillars of J.E.D.I. are outlined below.



#### Justice

Dismantling barriers to resources and opportunities in society so that all individuals and communities can live a full and dignified life.

AB	6
AC	X
	111

### Equity

Allocating resources to ensure everyone has access to the same opportunities. Equity recognizes that advantages and barriers - the 'isms' - exist.



#### Diversity

All the differences between us based on which we experience advantages or encounter barriers to opportunities. Diversity isn't just about racial differences.



### Inclusion

Fostering a sense of belonging by centering, valuing, and amplifying the voices, perspectives and styles of those who experience more barriers based on their identities.

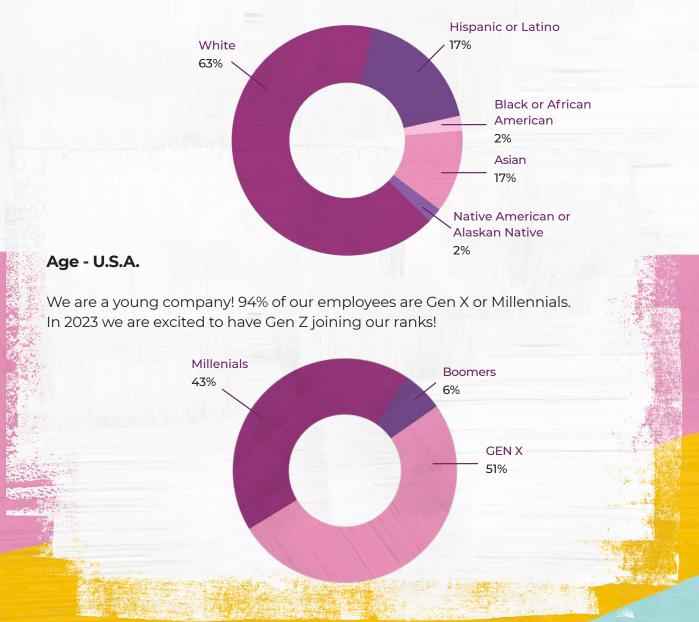
# **U.S. Demographics Survey**

Our first U.S. demographics survey was conducted in July 2022. It was anonymous and confidential—we had a 60% response rate, and our goal is to improve this response rate year over year. We are not yet actively tracking these demographics in Brazil; we hope to soon and doing so within in the legal limitations in that country.

Why do we survey our employees? We are committed to having a diverse and inclusive workplace for employees. By understanding our employee population, we can see if it is reflective of the community where we are based. If there are gaps, we know to work on more inclusive outreach in recruiting.

### Race and Ethnicity - U.S.A.

Of those who responded to our demographics survey, the following is the breakdown of the racial and ethnic backgrounds of our workforce.



# **Empowering Change: Bridging the Gender Pay Gap in the U.S.A.**

#### U.S.A.

49% Female 51% Male

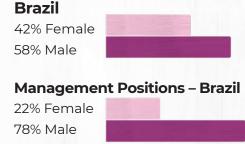
#### Management Positions - U.S.A.

48% Female 52% Male



#### **Board of Directors**

14% Female 86% Male



The Gender Pay Gap is the difference in earnings between men and women. Traditionally the gap has favored men. Currently, on average women in the USA make 83.7% of what a man is paid\*. SAMBAZON uses the Gender Equality Index used in France to track our own company progress. French companies employing over 50 individuals are mandated to report their pay gap using this methodology. The calculations are based on average wages by age group and comparable job categories over a calendar year.

We're on the right track! Our overall Gender Equity Score for 2022 is 93/100, slightly in favor of men. A score of 100 means full equality has been reached between men and women. Check out the breakdown in the chart below. Part of our score includes the pay gap analysis, which shows SAMBAZON women in the U.S. make on a weighted average 1.1% more than the men. \*Source: U.S. Department of Labor

INDEX INDICATOR	SAMBAZON'S SCORE	POINTS POSSIBLE
Pay gap between men and women	38	40
Difference in non-promotional pay increases	35	35
Percentage of women who receive a salary increase upon returning from maternity leave	15	15
Gender represenation amongst employees in the top 10 highest paid positions	5	10
Final Index Results	93	100

SAMBAZON has been intentionally seeking more diverse talent pools as well as hiring and promoting more women. Of all promotions given to employees in 2022, 63% of employees promoted were female in the U.S.A. and 33% were female in Brazil.

# **Employee Benefits**

Total Number of Employees: 473

**U.S.A.:** 19% (84 Employees)

### Full-time employees in the U.S. receive:



Paid Parental Leave for new mothers and fathers Paid Catastrophic Illness Leave Policy Paid Birthday vacation day

Expanded all year ½ day Fridays

Fully paid employee health insurance (premiums)

SAMBAZON is still allowing an expanded flexible hybrid arrangement for the majority of employees. This practice is of significant benefit to employees and our environmental impact as it decreases our carbon footprint through commute reduction AND provides working parents with work from home flexibility that, for example, allows them to pick up children from school or childcare.

### Our Progress & Goals in the U.S.A.

### 2022 Accomplishments

First Employee Demographics and Employee Feedback Surveys completed.

Diversity & Inclusion online training for employees launched.

### Goals

Increase number of women in senior leadership roles (VP & above).

Improve recruiting outreach: Increase the number of Asian and Latino employees to more closely align with the available labor pool in the San Clemente area.

#### Brazil: 81% (389 Employees)

#### **Employees in Brazil receive:**

All our employees in Brazil have access to Brazil's universal public health system which is funded through tax revenues and contributions from federal, state, and municipal governments and includes: primary care, outpatient specialty care, mental health support, hospital care, and prescription drug coverage. 14% of our employees receive a supplemental health care plan and 45% have an added telemedicine plan.

Dental Insurance (Barcarena)

Dental and Life Insurance (Santana)

Served 236,092 meals to employees in 2022

Monthly Birthday celebrations and other special events such as Mother's Day

Partner with The Secretary of Health in Santana and Barcarena to provide employees the opportunity to receive vaccines including Tetanus, Hepatitis B, Yellow Fever, and Influenza



Workplace exercise classes

U.S.A. and Brazil: Provided 628 Employee Training Hours in the following subjects:

Continuing Education (College)

Leadership Academy

Diversity

Harassment Prevention

Certificate Programs



# Collaborations

We've been fortunate enough to join forces with the best and brightest minds in the natural product industry. By collaborating with these organizations, we've not only created better business practices for ourselves, but have redefined the standards of business for the world. We look forward to continuing to work together to achieve our shared vision.

### OSC2



We have been members of the OSC (One Step Closer) since 2017 and the OSC Packaging Collaborative since 2018 with the goal to remove petroleum-based plastics from landfills, oceans, and our planet. Together, we are testing new sustainable solutions destined to change the face of the industry. Learn more about our partnership with One Step Closer here!

### SFTAC



SAMBAZON has been a member of the Sustainable Food Trade Action Council (SFTAC) since 2016. The SFTA is an organization made up of companies in the food industry whose goal is to strengthen the organic sector's voice in climate policy and sustainability issues and boost the sector's efforts to create an environmentally friendly, sustainable food system. The SFTA consolidated with the Organic Trade Association in 2021.

### **Climate Collaborative**



Through the Climate Collaborative, we have made a public pledge towards reducing our climate impact and fighting for climate action to solidify our commitment and, as a company, work with industry partners in the following areas: Agriculture, Energy Efficiency, Food Waste, Forests, Packaging, Policy, Renewable Energy, Short-Lived Climate Pollutants, and Transportation.

### J.E.D.I



SAMBAZON is a member of the J.E.D.I Collaborative, which addresses justice, equity, diversity, and inclusion in the natural products industry. An initiative of One Step Closer, the purpose of the J.E.D.I Collaborative is to accelerate and expand the impact the natural products industry can have in transforming our entire food system and the accessibility of healthy products.



### **Rainforest Trust Foundation**

We regularly donate to the Rainforest Trust Foundation, and have recently incorporated them into our newly launched Berry Good Rewards program. Customers can redeem points they earn from shopping as a donation of cash to the Rainforest Trust, whose mission is to prevent deforestation, preserve critical habitat and safeguard endangered species.

### WSL – World Surf League



We have partnered with the WSL on events since 2021. We support their aims to minimize excess waste by eliminating single-serve plastics and arranging all unused resources to be donated, composted, or recycled at their events. We support WSL, WSL PURE, and WSL One Ocean's sustainability initiatives that inspire surfers, ocean lovers and ocean enthusiasts across the globe to act locally to protect and conserve our one ocean.

# LOOKING AHEAD & BEYOND

# **WORLDWIDE REACH**

#### How SAMBAZON is Expanding Globally

From the lush rainforests of Brazil to the bustling cities of Europe and beyond, our delicious Açaí products are quickly becoming a favorite among health-conscious consumers worldwide.

51 Countries where SAMBAZON is sold:

USA Antigua and Barbuda Australia **Bahamas** Bahrain Belgium Brazil Canada Cyprus **Dominican Republic Czech Republic** Denmark Egypt Fiji Finland France Germany Greece Iceland

Indonesia Irag Ireland Israel Italy Japan Kuwait Lebanon Malaysia Maldives Mexico Netherlands **New Zealand** Norway Oman Panamá Portugal

Qatar Romania Saudi Arabia Seychelles Singapore Slovakia South Korea Spain Sweden Switzerland Thailand Timor-Leste United Arab Emirates United Kingdom Venezuela



# **Customer Stakeholder Survey**

Earlier this year, we took a deep dive into the minds of our customers by conducting a survey to better understand their thoughts and opinions about sustainability, products, and materials. We were excited to see the overwhelming amount of responses – it proved that customers care about the actions we take and how they're impacting our world. These insights not only help us to better understand our customers, but also inspire us to continue our mission to create sustainable and ethical products that positively impact our world.

88.9% find Brand Values as motivating or a must when considering making a purchase

88.7% find the Fair Trade label as motivating or a must when considering making a purchase

Most important product attributes when buying groceries:

Healthy – 76% Delicious – 62.9% Certified Organic – 46.4% Fair Trade Certified – 32.9% Sustainably Packaged – 30.2%

55.7% found that our Packaging Eco-mmitment goal of transitioning to post-consumer recycled or plant-based materials instead of plastic is important.

61.3% value whether a company does good for its employees and the world when making a purchase decision.

Seeding Change – 23.9% have watched, and 59.8% hadn't but were going to watch!

Customers were interested in learning more about:

Selection of healthy ingredients – 76.7% Work in the Amazon – 51.4% Fair Trade Certification – 41.2% Packaging selections – 39.8% Sponsored Biodiversity studies – 39.5%

# What's Next for SAMBAZON

2022 was an incredible year for us at SAMBAZON, but we're not stopping there – we're already hard at work to make 2023 and even better and brighter year. At SAMBAZON, we have a deep commitment to creating a thriving world for our customers, employees, and the entire Amazon community. With that in mind, we're constantly pushing ourselves to go above and beyond in everything we do. One exciting initiative on the horizon for 2023 is developing and launching our loyalty program that rewards your better for you eating habits and positive contribution to a healthy planet.

We're not content with just being good enough – we strive for excellence in every aspect of our business. Our team is relentlessly focused on finding new ways to make a positive impact, and we're excited to see what the future holds. With each passing day, we're building towards a better, more sustainable future – and we're proud to have you along for the ride.

From everyone here at SAMBAZON, we'd like to say thank you for your continued support in bringing purple smiles to millions across the globe. Thank you berry much!



