#### THE DELICIONS DE



### 2021 Impact Report



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### **A Letter from Ryan Black,** Co-Founder & CEO

There is a growing movement around the world for people and the companies they work with to operate at increasingly higher standards. Some call this social responsibility, while others just call it business as usual. These standards sometimes not only include best in class economic metrics of revenue and profit, but they also include social standards surrounding each and every stakeholder's short and long-term well-being, as well as environmental standards which represent and protect our climate, our atmosphere, our precious land, oceans, animals and more.

In 1994, innovator John Elkington coined the phrase, "the triple bottom line," adding to the economic bottom line a social bottom line to measure health and wellness of human needs and an environmental bottom line to measure a company's impact on Mother Nature. It is from a triple bottom line philosophy which we, SAMBAZON, approach our first annual impact report to transparently demonstrate our goals, our efforts, our shortcomings, and our progress to be a model corporate citizen and sustainable business of the future.

It is with pride and gratitude we share our work in the Amazon and beyond. I would like to acknowledge our team members for their individual and collective contributions in helping SAMBAZON to become a triple bottom line success. Each and every time someone eats the delicious Powers of SAMBAZON Açaí, a positive socio-economic chain reaction is caused from the Amazon to the world. This impact report is a description of these reactions.

#### Thank you for your faith and support of our mission.





# PROTECTING THE ANAZON

OUR FIRST AND MOST IMPORTANT MISSION.



### Lungs of the Earth

The Amazon has been called the "lungs" of the earth because of its incredible ability to "breathe in" carbon dioxide and "breathe out" oxygen. And at SAMBAZON, we live and breathe the Amazon—we even came up with the name of our company by creating the acronym from **S**ust**A**inable **M**anagement of the **B**razilian **A**ma**ZON**. We've made it our mission to provide a win-win solution that helps protect the biodiversity of the Amazon Rainforest and support your health and wellness.

In the past 10 years, 19,274,220 acres of the Amazon have been lost to deforestation. 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.

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

The Amazon stretches to a whopping 2.587 million mi<sup>2</sup> (6.7 km<sup>2</sup>), but we lose 6 acres of land every minute!\*

Thanks in part to our Fair Trade certification (more on that soon!), we do everything we can to 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 birds2,200 types of fish427 types of mammals

430 amphibian species380 reptile species80,000+ types of plants



### **Fair Trade** air for life Certification

At SAMBAZON, we like to keep it real. That's why our Fair Trade certification is so important to us: because it's more than just another label. It's what validates that our work makes a difference in the lives of thousands of Açaí family farmers. It's one thing to say that you're doing the hard work, but it's entirely another to follow through on your word and be able to prove that you're making a difference. That's the SAMBAZON way, with no greenwashing, plain and simple.

fair trade

Fair Trade is founded on the following principles:

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

Plus, we've been doing all of this since before it was cool. In fact, we were the first certified organic and Fair Trade Açaí company! We helped pioneer the first and only Fair Trade Standard for Açaí back in 2008 with EcoCert, one of the largest international 3rd party certification agencies. 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.

**Everyone working for or with SAMBAZON—including our factory workers** in Brazil, our warehouse employees in the USA, and our employees around the world—has the guarantee of a fair wage, safe working conditions, protective equipment, zero tolerance for any forms of harassment, zero tolerance for child labor or other exploitative practices, and freedom of association regardless of country laws or norms.

### TOTAL FAIR TRADE INGREDIENTS **PURCHASED** (in weight)



11,051,275.04 lbs 2010

2015 54,839,944.55 lbs

2020 46,172,629.64 lbs

#### 68,450,823.30 lbs 2021

### Fair Trade Funded Projects

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 Açaí is harvested.

Each year, we invest a portion of our annual Açaí purchases **over \$80,000** in 2021—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.

To date, SAMBAZON has provided **\$1,037,815 USD** in support for Açaí grower communities in the Amazon Rainforest.

"From supporting education, healthcare, and community projects, our investments are making a difference in the lives of



thousands of Açaí family farmers."

– Jeremy Black, SAMBAZON co-founder

Read about all of our Fair Trade funded projects on our blog!

### 2021 FAIR TRADE FUND PROJECT DONATIONS: \$80,000

This year, we've allocated funds for construction on a community center that will support various non-profit organizations operating in the region. This will provide a place for the community to meet and strengthen their cultural and economic relationships, and will serve 200 families in the Araramã community and the surrounding area.

### LIFETIME IMPACT\*:

- 33 projects
- 2,410 Families
- 4,300 Children
- 500 Women
- 3,000 Producers

Lifetime funding for projects: \$1,037,815

\*Fair Trade and other projects

### Spotlight Massarapó Multisport Court Project

For our 2019 Fair for Life Initiative, we supported the community's decision to begin construction on the Massarapó Multisport Court. This was our first Fair Trade project in the state of Pará, home to our new factory and our expanded harvest land.

We wanted to introduce how our Fair Trade certification, and how following all the Fair Trade rules, could help those who have started working with SAMBAZON in Pará as well as the entire surrounding community.

The SAMBAZON Brazil team spent many weeks working with the community, ensuring a safe and well-made sports center and playground met their desires, followed all local building rules, and

would be supported by the local government.

Before we built this center, there were no designated places for children to play and adults to enjoy sports that needed courts or other specialized equipment.

In our initial survey, we expected this project to serve over 120 families. But once word got out that this community had a beautiful sports center, we were thrilled to see it used by many more to host informal sporting events and family gatherings like birthdays and other celebrations.





### **Quality of Life**

In addition to construction projects, our Fair Trade certification requirements help us enhance the quality of life for the Amazon communities.

#### **Financial Literacy**

Because Açaí is a wild harvest product with a specific growing season of six months, our financial literacy classes help collectors manage their finances during the off season.

#### Personal Protection Equipment

Since 2010, we've equipped over 2,000 collectors with a donated canvas and knife with sheath to keep them safe at work.

### KEEPING OUR COMMUNITIES STRONG & SAFE

400 communities

1,293 individual collectors

12 full-time SAMBAZON employees dedicated to working with the harvesting communities year round



### Planet

Following the environmental protection guidelines from our Fair Trade certification in 2021, we certified 69,884 hectares/172,688 acres of land in the Amazon. This give 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 12 million metric tons of carbon dioxide. That's equivalent to about 9.5 million passenger vehicles driven for one year!

#### SAMBAZON's Biodiversity Study

In order to more effectively analyze the biodiversity in our harvesting areas, we offered a \$35,000 USD competitive 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.

<u>Read more about our biodiversity study here!</u>

### FAIR TRADE & BIODIVERSITY BY THE NUMBERS

172,688 acres certified = 92,611 soccer stadiums

12 million metric tons of carbon dioxide stored
= 9.5 million passenger
vehicles driven for 1 year 50% more tree species in our certified Açaí environment compared with uncertified

\*Source: EPA Calculator



# PRODUCTION AND THE LARELS

GOING BEYOND THE LABELS





### 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 and transported by boat in baskets through a series of middlemen, changing hands several times before arriving at huge farmer's markets in the big cities. So many exchanges made origin 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 handharvested and transported by riverboats, to its inspection and environmentally responsible processing in our state-of-the-art factory. It's our guarantee to our consumers:

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



### A More Sustainable Supply Chain

We proudly purchase from collectors who hand harvest wildgrown Açaí using natural techniques that don't damage the tree or the surrounding plants and animals. This allows for the management of the natural ecosystem while encouraging a healthy forest full of diverse plant and animal species.

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. In 2021 both factories received an AA rating on their food safety audits from BRC. This is the highest score they offer and we were one of only two food companies in Brazil to achieve this.

The British Retail Consortium Global Food Safety (BRCGS) Standard has set the benchmark for over 20 years. Adopted by over 20,000 sites in 130 countries.

Read more about food safety on our blog!

### AMAPA, AP SANTANA FACTORY

### **BARCARENA FACTO**

Completed in 2019, our Pará factory was constructed using high-efficiency thermal insulation, which reduces 70% of waste vs. typical bricks and cement.

The external factory lighting is entirely LED, with its own generation of photovoltaic power. This lighting meets the luximetry according to norms in order not to hinder the nocturnal life of the animals that live in the area.

The new plant also has a dry transformer system, free of oil,

#### so there is no risk of leakage or possible soil contamination, respecting

#### international environmental standards.

### Reducing our Impact on the Climate

### **ENERGY USAGE BREAKDOWN**

Total electricity used in U.S. and Brazil: 8,553,843 kw

79% from renewable energy sources

### **GHG EMISSIONS**

We have been tracking our GHG Emissions for several years. This helps us see where our biggest areas of emissions are as well as opportunities for reduction.

This next year we will be setting science-based reduction targets and expanding our calculations to include indirect emissions sources from our supply chain.

### Total GHG Emissions: 6,411.97 tCO2e\* -

This represents about 1,382 gasoline-powered passenger vehicles driven for 1 year\*\*

### This includes all our direct sources of emissions:

Boilers (biomass) and Generators (fuel) 49%

Refrigerants 40.2%

> Purchased Electricity 9%

l Owned Vehicles 1.8%

#### \*GHG Emissions were 3rd party calculated

#### \*\*Source: EPA's Greenhouse Gas Equivalencies Calculator

### 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, it's the right thing to do for our planet.

### **DID YOU KNOW?**

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

That's **56,249,023** lbs of seeds that are turned back into energy!



### LANDFILL DIVERSION RATE

99.96% This means we send almost all of our waste to be turned into energy, be reused, or be recycled!

### **OUR WASTE STREAM**

Other waste: 384,291 lbs

78% Reused

15% Recycled

7% Landfill

99.3%

Seeds: 56,249,023 lbs



### Organic Certification

We take all necessary steps to ensure that the water, land, and berries themselves are never contaminated with 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.

Organic certification requires full traceability. This means that from point of harvest through to production of a finished good, we can trace the entire life of our berries.



Certified organic is Non-GMO... Under the strict rules of organic certification the use of GMO materials is prohibited!



### **ORGANIC INGREDIENTS PURCHASED**

**69,484,740 lbs** organic ingredients purchased in 2021 translates to 100% of finished products being USDA Organic



Non-EU agriculture





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











### 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-to-replace frozen flexible films. This is a complex problem that, once we solve,

will enable us to eliminate most plastic from our frozen items.

Since 2019, we've transitioned our Sorbet pints from plastic to paper, reducing plastic by about 90%. We've launched the plant-based Ready-to-Eat Açaí Bowls with a container made from 100% Plant Fiber. And, we've transitioned our Fresh Juices into post-consumer recycled bottles.

### A SNAPSHOT OF OUR PACKAGING FOOTPRINT

Net packaging content: **3,915,092** lbs

Total packaging from post-consumer recycled materials: 79% (Corrugate, paperboard, RPET)

All product shipped, including packaging: 44,981,579 lbs

Net packaging content: 3,915,092 lbs

Plant-Based: **56%** by weight

Metal: 5% by weight\*

Plastic: 39% by weight\*\*



#### \*\*includes RPET



### **Our Packaging Eco-mmitment**

SAMBAZON is committed to achieving plant-based and postconsumer recycled packaging for all USA retail products by 2025.

<u>Read more about our commitment to waste reduction on our blog!</u>

By the end of 2021, 64% of our US retail packaging was made from post-consumer recycled or plant-based materials. That is a BIG 46% improvement from 2019. Our changes to packaging also helped us avoid over 360 metric tons of virgin plastic—plastic made from scratch using crude oil and zero recycled materials—in 2021!



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



**Ryan Black,** CEO and Co-Founder of SAMBAZON

> **Ryan Hickman,** Founder of Ryan's Recycling



### Helping at Home

While the majority of our energy and effort goes towards protecting the Amazon and helping those communities thrive, we also work tirelessly to make sure our employees and customers here in the U.S. and around the world are living a fulfilling life.

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 each and every day.



"I LOVE THE PEOPLE THAT MAKE UP THIS COMPANY and that we can give back to Brazilian communities as a show of gratitude."

— Chris, Director, Financial Planning & Analysis, Ohio, USA

"I'M GRATEFUL AND HONORED to represent a company with altruism as its core driving principle, making a positive impact in the world and providing an example to the industry on the potential of mission-driven enterprise."

— **John**, Director of Sales, Distribution & Northwest CPG, Washington, USA

"I LOVE WORKING FOR SAMBAZON! All of the little

perks are amazing. Having your birthday off is super special. So neat. And half day Fridays... like how can it get any cooler!?"

– Katie, Domestic Freight Specialist, Iowa, USA

#### "I AM REALLY HAPPY TO BE PART OF SAMBAZON,

due to their values of Fair Trade, their care for employees and for the world. "Share love" is more than words, is a life value, and SAMBAZON really walks the talk!"

— Luiza, Senior Project Manager, Innovation and Commercialization, Natal, Brazil

#### "IT'S A BEAUTIFUL THING WHEN A CAREER AND

PASSION COME TOGETHER! Amazing leaders and team members working together for a healthier tomorrow!"

- Stacey, Director of Imports and Warehousing,



### Volunteering and Donations

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.

#### Whole Planet Foundation

Since 2011, SAMBAZON has donated \$410,975 to Whole Planet Foundation to fund 9,795 microloans and create 53,392 opportunities for low-income entrepreneurs (most of whom are women). This year SAMBAZON is supporting the \$25,000 Poverty is Unnecessary Fund.

#### Social Entrepreneurs

Beginning in November 2018, SAMBAZON has funded a grant to support college students working to improve their campus and community. Recipients also received seed funding, workshops at SAMBAZON headquarters, and ongoing mentorship. We have supported 30 students since the start of this program, and to inspire and encourage the next generation of social entrepreneurs to build solutions into their business models to make immediate and positive change for our planet.

#### **Volunteering**

At SAMBAZON, we believe in sustainable practices not only as part of our business model, but also in doing good for people and for the world wherever and whenever possible. Given those beliefs, we've instituted a Charity Give-Back Policy that rewards team members for donating their time and efforts to worthy causes to help others. Through this program, employees can earn one day off for every 8 hours of qualifying volunteer service they perform.

Lifetime Whole Planet **Foundation Donations:** \$410,975

2021 SAMBAZON Volunteer Hours: 231



Lifetime Contributions to Social Entrepreneurs: \$48,000

2021 Donations: \$55,837 (USA only)



### SEEDINGCHANGE 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 create solutions through their supply chains, branding, and products. Whether they're fighting poverty through Fair Trade job creation, protecting biodiversity and rainforests, or regenerating topsoil through organic and sustainable agriculture, these businesses empower consumers to practice conscious commerce and make a positive change for the planet by voting with their dollars.

In 2021 we made Seeding Change available for free on YouTube, giving people around the world the ability to take part in our movement. Our filmmakers also held Q&A panels at colleges and universities across the country from Miami University to University of California. We hope to inspire and encourage the next generation of social entrepreneurs to build solutions into their business models to make Climate change isn't a science problem, it's a hui immediate and positive change for our planet.

16,759+ Virtual Audience Members

324+ Total Screenings

Viewed in over **30 Countries** 

Available in 68+ EVOD (Educational Video On Demand) Campuses across 12 countries



seedingchangefilm.com

SOLUTION

coming spring 2021

### **Notable Awards**

Seeding Change won 10 awards and nearly 20 official selections across the U.S. and the world, including...



#### **Grand Jury Prize**

"Feature Documentary" Awareness Film Festival 2020



### Award of Excellence

"Use of Video for Social Change" IMPACT Docs 2020



#### Award of Excellence

"Feature Documentary" IMPACT Docs 2020



### Sustainable Business

Award, Cinema V

#### 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.

### WATCH THE FILM



### **Employee Demographics**

We're committed to a culture of equal opportunity and equity for those who have been looked over for far too long. We believe that when you treat every employee with dignity and respect, they'll remain true partners to your mission.

Like the biodiversity which strengthens the mighty Amazon Rainforest from which we're born, SAMBAZON's Social Ecosystem thrives on (J.E.D.I) 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 J.E.D.I 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.

### TOTAL NUMBERS OF EMPLOYEES: 682



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

- Hybrid or remote work options
- Fully paid employee health insurance (premiums)
- Health and wellness classes and events
- <sup>1</sup>/<sub>2</sub> day Summer Fridays

Brazil: 89%

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

- Provided access to 1583 vaccines (COVID, Yellow Fever, H1N1, Hepatitus B)
- Served 256,383 meals to employees
- Provided 66 exercise classes
- Providing Health, Telemedicine, Dental, and Life Insurance Plans



46% of leading management positions in the U.S. (defined as Director level or above) are held by women.

17% of management roles in Brazil are held by women.

#### 17% of the SAMBAZON Board of Directors are women.

### 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.



#### 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.

OTA.com



#### **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.



# LOOKING ALEAD 2022 AND BEYOND



### What's Next for **SAMBAZON**

While we're so excited about everything we've accomplished in 2021, we're already putting in the work for an even better year in 2022. As a whole, SAMBAZON is working towards a more thriving world for our customers, employees, and the entire Amazon community through:

- Expanding ESG (Environmental, Social, and Governance) monitoring and goals, including more environmental and diversity markers.
- Exploring Renewable Energy Credits (RECs).
- Continuing to expand our philanthropic efforts by looking for direct-funding projects.

- Setting science-based reduction targets for our GHG Emissions and expand our calculations to include indirect emissions (Scope 3) sources from our supply chain.
- Starting a recycling program that reduces plastic waste and improves the recycling infrastructure in Brazil. This has already had an impact in Year 1 and we can't wait to see where the program goes next!

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!





## OBRIGADO (AND THANK YOU)

