

IOTUS FOODS®

INDACT BEPORT 2023



FOUNDERS STATEMENT

When we founded Lotus Foods, we wanted to use our business for positive change- to create more well-being for our producers, our consumers and the world we live in. We are proud to share this overview of what we have achieved and our goals for the future.

In gratitude, Ken Lee and Caryl Levine Co-Founders

"The entire team at Lotus Foods is united around our mission and committed to growing and innovating. I couldn't be more honored and excited to continue to scale the impact of Lotus Foods with this group of talented people."

-Andre CEO

HI FROM OUR CEO

-Andrew Burke

MISSION & VISION

MISSION

LEAD THE WAY IN RICE FARMING PRACTICES

That simultaneously mitigate climate change, promote farmers'

resilience, and empower women.

VISION

To CHANGE How Rice Is Grown Around the World.



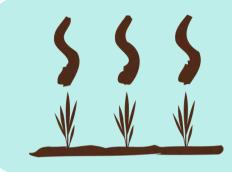


Rice sustains half the world's population. Most is grown on small family farms. But producing it is hard on people and the environment.



NATURAL RESOURCES

1/4 to 1/3 of the planet's annual renewable supply of fresh water is used for rice irrigation.



CLIMATE IMPACT

Flooded rice fields are a major source of human-induced methane gas emission.



LABOR INTENSIVE

Hundreds of millions of women perform back-breaking tasks in unhealthy standing water.



LIVELIHOODS

Most smallholder rice farmers struggle to make a living.



28 YEARS & GROWING

For over 28 years we have tackled these challenges proactively. We promote organic and regenerative More Crop Per Drop® rice cultivation practices to restore natural resources and slow climate change. Our Fair Trade premiums improve incomes and the resilience of rural communities. We strive to make healthy ricebased products more accessible and enable more farmers to benefit. We advocate for a more just, equitable food system together with like-minded brands and partners. While we have accomplished a lot, we are committed to even greater impact in the future.

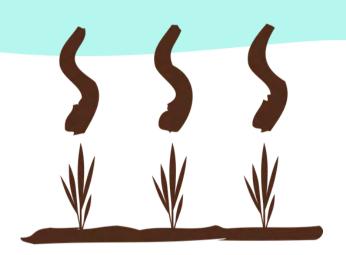
OUR IMPACT







LBS OF ORGANIC **RICE PURCHASED**



CO2e TONS SAVED

Every organic pound means fewer agrochemicals in our soil & water.

Over 15,000 Cars Worth!







GALLONS OF WATER SAVED

Almost 1 gallon for every person in the WORLD!

cumulative 2009-2023

MORE ON OUR IMPACT



Families benefit from Organic & Fair Trade premiums

40%

Less methane emitted



cumulative 2009-2023



±300

Hours/acre less work for women

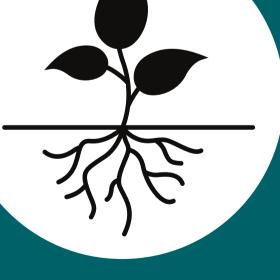


PRINCIPLES OF REGENERATIVE AGRICULTURE

MINIMIZE Soil Disturbance

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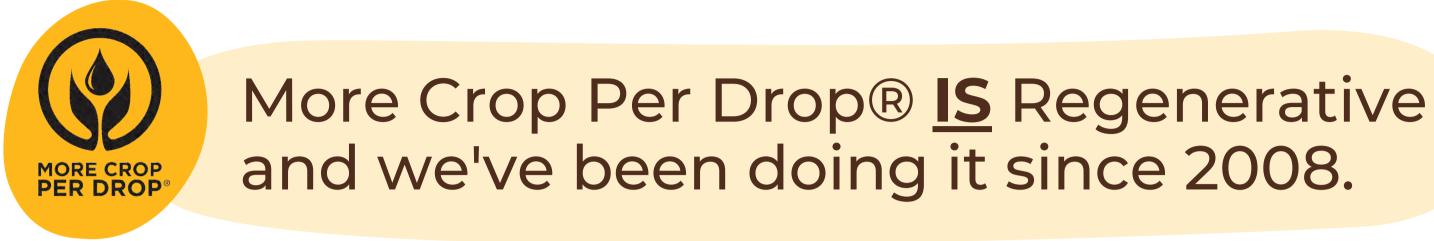
MAXIMIZE Crop Diversity KEEP Soil Covered



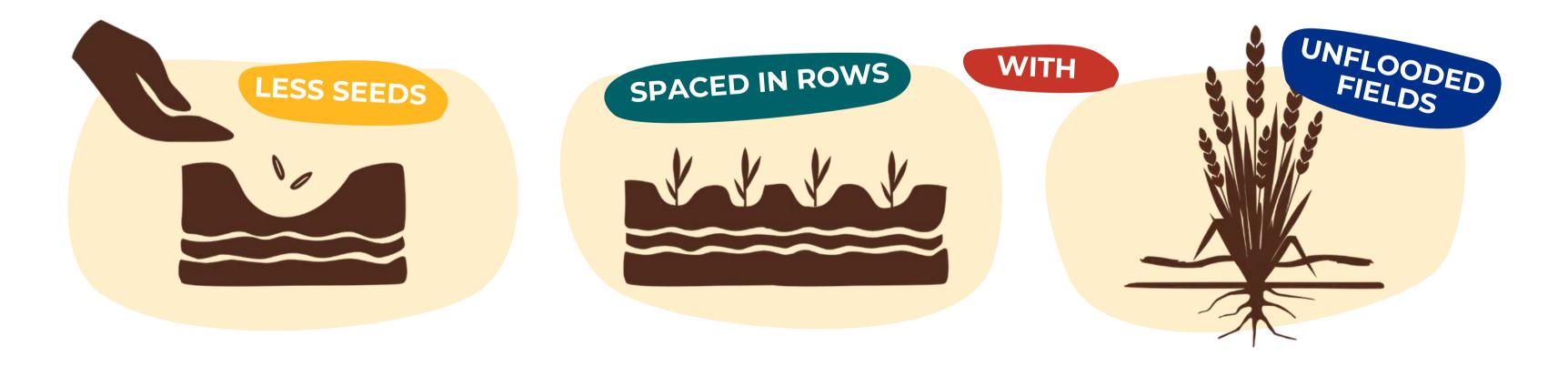
MAINTAIN Living Roots

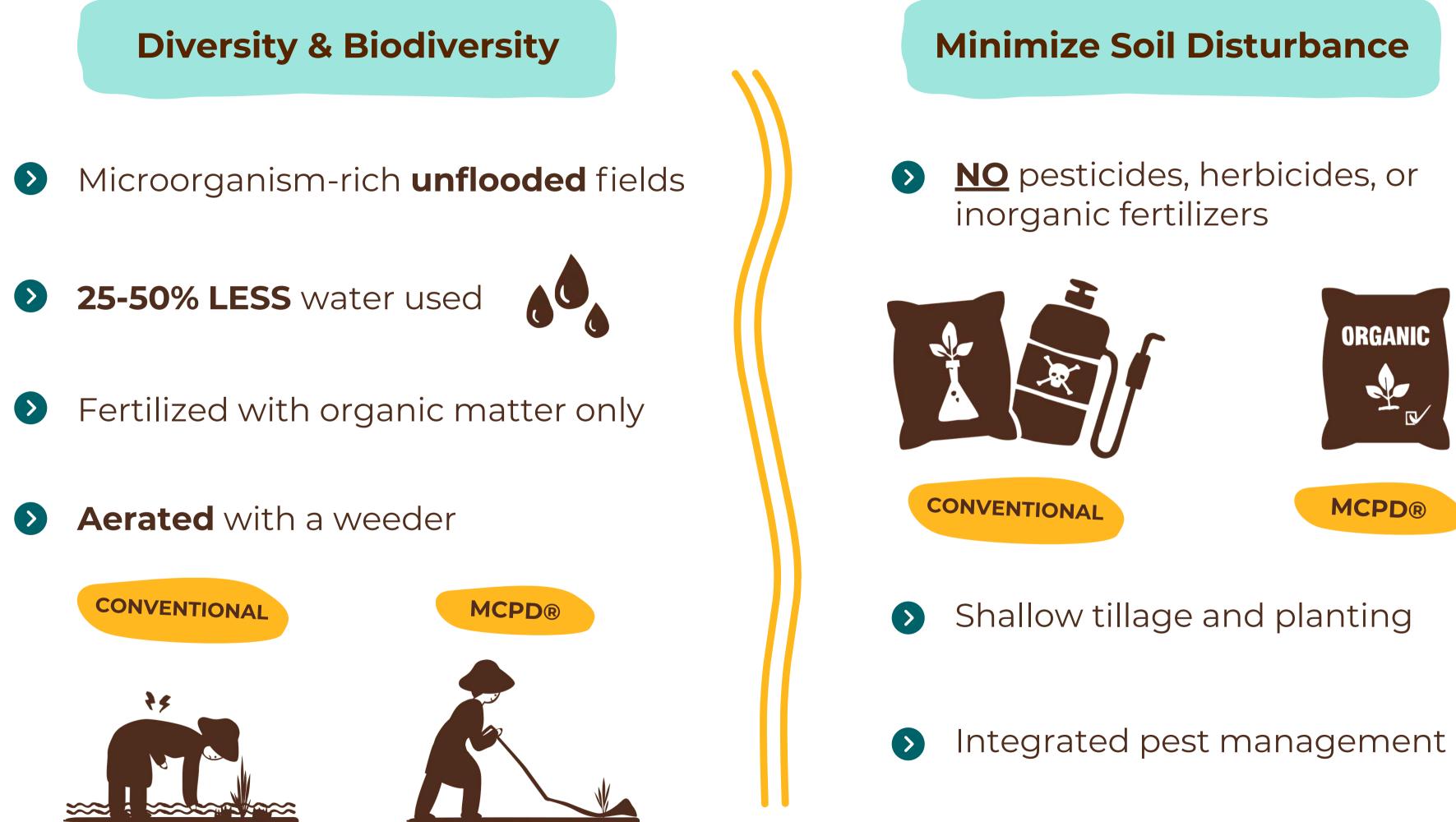
INTEGRATE Livestock

PIONEERING REGENERATIVE FARMING



More Crop Per Drop® differs from conventional rice farming by using:



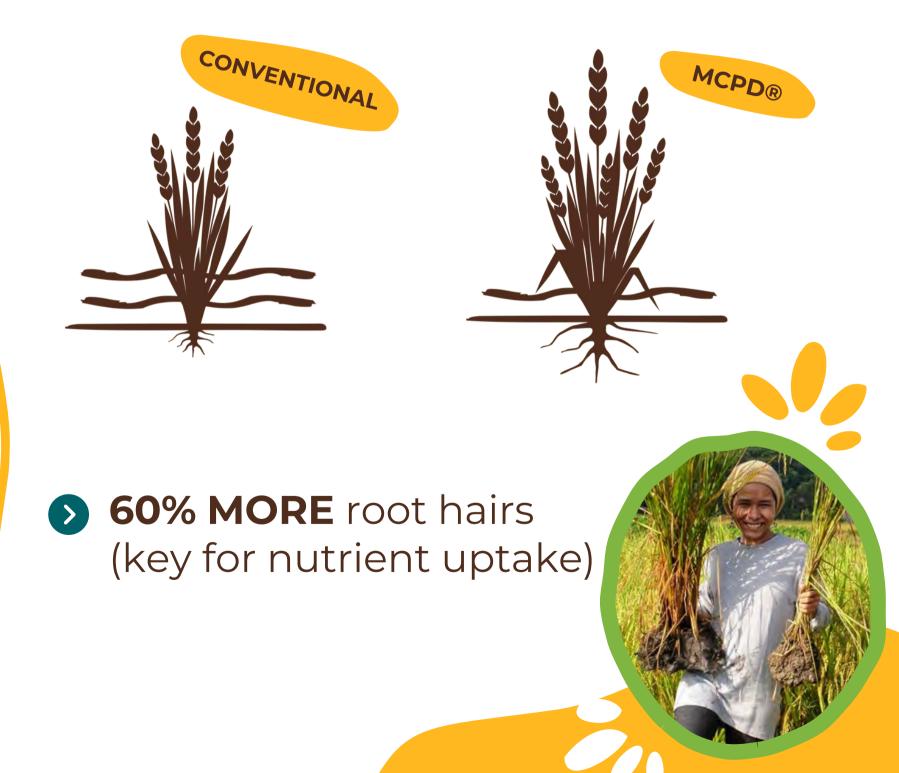


Keep Soil Covered

Reduces methane emissions by up to 70%!



- Complementary crops create balance in the soil nutrients
- Reduces greenhouse gasses >50%





> 10X MORE root mass!

Animal Integration & Welfare

> Farmers' cows contribute:

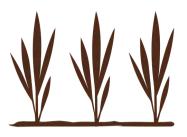
- Milk
- Manure
- Biogas fuel
- Rice straw used for animal feed

More nutrients =
improved health
& productivity





25-50% MORE rice= MORE Income!



~300 Hours/acre less work for women with better conditions



Organic & Fair Trade premiums



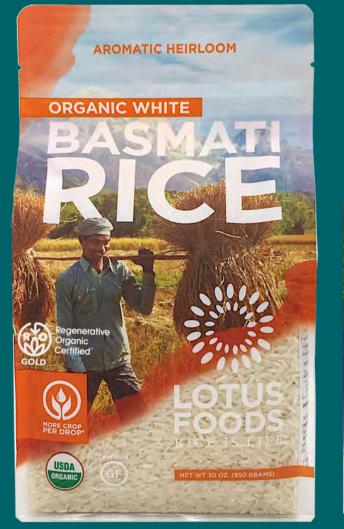
WORLD'S FIRST & ONLY ROC® GOLD ROC® GOLD

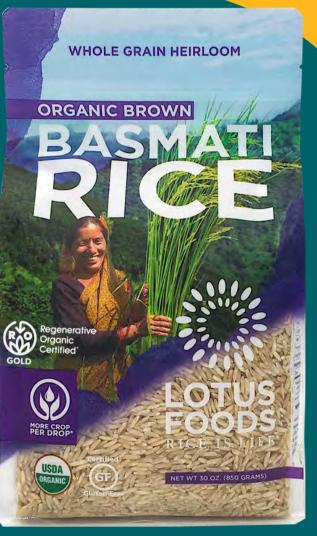


Regenerative Organic Certified® (ROC®) is comprised of three pillars that embrace the regenerative principles and go above and beyond existing Organic and Fair Trade certifications.



By purchasing ROC® products, individuals know at a glance that their purchase makes a positive impact at every level: environmentally, ethically, and socially.





Regenerative Organic Certified®





MET OUR FARMING COMMUNITY

We partner with small family farmers to preserve local biodiversity and grow rice more sustainably. Our farmers are at the forefront of climate- and womenfriendly cultivation methods.



PRATITHI ORGANIC

PARTNER NAME PraTithi Organic Foods Pvt. Ltd.

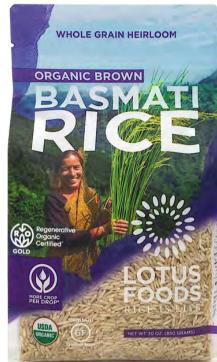
LOCATION Uttar Pradesh, India

PRODUCT Organic White & Brown Basmati Rice Organic White Quick Cook Rice

LOTUS FOODS PARTNER SINCE 2019









PraTithi Organic Foods, a pioneer and leading champion of organic farming in India, partners with small and marginal farmers, preserving traditional knowledge and local crop varieties with eco-friendly techniques, like the System of Rice Intensification (More Crop Per Drop®) to produce the best yields and quality. Farmers producing heirloom Basmati rice for Lotus Foods qualified for Regenerative Organic Certified® Gold. These farmers also supply our White Quick Cook Rice, another prized heirloom rice called Kalijira.



FOODTECH SOLUTIONS

PARTNER NAME

Foodtech Solutions (FTS) & Amnatcharoen Organic Agricultural Community Enterprise Network

LOCATION Amantcharoen Province, Thailand

PRODUCTS

Organic White & Brown Jasmine Rice

LOTUS FOODS PARTNER SINCE 2017





Together, FoodTech Solutions and Amnatcharoen Organic Agricultural Community Enterprise Network are addressing the power imbalance between large millers and small producers. They apply ecological principles to revive on-farm soil fertility and produce certified organic rice to boost net farm income and community resilience. Network members meet for two hours of training each month and to exchange best practices. The Hom Mali Rice they produce is some of the best aromatic rice grown in Thailand.



OASIS & SURIN

PARTNER NAME

OASIS & Surin Family Farms

LOCATION

Surin, Thailand

PRODUCT

Organic Red Rice

LOTUS FOODS PARTNER SINCE 2019

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OASIS (Organic Agriculture Social Enterprise Innovators of Surin) is a FLO-certified Small Producer Organization with about 650 small-scale farmermembers in Surin, Thailand. Many use More Crop Per Drop® methods. Founded in 2018, OASIS enables small-scale farmers to access premium markets. It has grown over the past few years to market red and white jasmine rice in addition to diversification with herbs and vegetables. OASIS exports its rice through its sister company, Surin Family Farms.



BLOOM AGRO & WONO AGUNG

PARTNER NAME Bloom Agro & Wono Agung

LOCATION Central Java, Indonesia

PRODUCT Organic Tricolor Blend Rice

LOTUS FOODS PARTNER SINCE 2009





Bloom Agro partners with a group of youthful, entrepreneurial farmers in Central Java called Wono Agung. Wono Agung supplies a blend of traditional Indonesian whole grain red and brown rices that make our Tricolor Blend Rice. This rice is certified organic and was the first rice ever to qualify for Fair for Life, the most demanding Fair Trade certification that exists. Besides fair pricing, it encompasses many other social and environmental concerns, including water use and gender equity.



COFE

PARTNER NAME

Cambodian Organic Farm Enterprise (COFE) Co., Ltd.,

LOCATION

Takeo, Cambodia

PRODUCT

Organic White & Brown Jasmine Rice

LOTUS FOODS PARTNER SINCE 2008





COFE grew out of pioneering work by the Cambodian NGO CEDAC to improve farmers' food security and health by showing farmers how to grow more rice without toxic agrochemicals by using System of Rice Intensification (More Crop Per Drop®). When formerly food-deficit farmers began producing surplus rice CEDAC organized them into organic cooperatives to sell their traditional jasmine. Lotus Foods was COFE's first international buyer and sources organic and Fair Trade jasmine rice from them to this day. Fair Trade premiums have been invested by communities to dig wells and ponds, buy milling equipment and even build a community store and meeting center.



DALIAN HONGREN

WHOLE GRAIN HEIRLOOM

ORGANIC

PARTNER NAME

Dalian HongRen Whole Grain Foodstuffs Co., Ltd.

LOCATION Heilongjiang province, China

PRODUCT

Organic Forbidden® Rice, Heirloom Forbidden® Rice, Organic Jade Pearl Rice™

LOTUS FOODS PARTNER SINCE 1995







WHOLE GRAIN

HEIRLOOM

ORGANIC

Forbidden® Rice and black Organic Forbidden® Rice are grown on small family farms in the Heilongjiang region of China's far Northeast provinces – an area that has some of the most fertile and pristine soils in China and has become the 'organic' food basket for the country. They also supply us with our Organic Jade Pearl Rice[™], a fan favorite, due to its fresh green color and taste.



HESCO SOLUTION

PARTNER NAME

Hesco Solution

- Kritsanakorm Organic Farm
- Grace Bio
- Raithong Organic Farm

LOCATION Samutsakhon, Thailand

PRODUCT

Organic Heat & Eat Rice Pouches

LOTUS FOODS PARTNER SINCE 2020







Lotus Foods' founders Ken and Caryl were introduced to Hesco while they were looking for a supplier for a new product line, Arare Rice Crackers. For this product they actually ended up going with a different supplier, however, they were very impressed with the Hesco operation and kept in touch. Years later, they found an opportunity to work together on Heat & Eat Rice Pouches. This is a great story of building a relationship over years, open communication, and finding the right product at the right time.

Hesco sources from 3 certified organic farms:

- Kritsanakorm Organic Farm
- Grace Bio (Fair Trade)
- Raithong Organic Farm





OUR COMMITMENTS

JEDI | Justice, Equity, Diversity and Inclusion We have embraced the values of JEDI since our founding and will continue to take this commitment to a new level throughout our company and supply network.

CLIMATE COLLABORATIVE

- Agriculture
- Packaging
- Short-lived Climate Pollutants
- Policy

NET ZERO 2030 Our commitment to reduce our carbon footprint.

JUSTICE, EQUITY, DIVERSITY, & INCLUSION

OUR COMMITMENT

Click Here for Lotus Foods' full JEDI statement.



Recognizing that JEDI learning is never finished, members of the Lotus Foods team participated in the Right-Sizing your JEDI Commitment: A Culture of Belonging Starts with You Impact Ripple Session held at One Step Closer™'s first annual Ripple Fest.

Ripple Fest was an experiment in regenerative gatherings where attendees dove deep into work and conversations on sustainable packaging, better agricultural practices, regenerative governance, funding, Justice, Equity, Diversity & Inclusion, and activating impact.

We elected to make a supplemental temporary paid sick leave program we put in place to support our team during the COVID epidemic a permanent paid sick leave program. This program is in addition to our existing Paid Time Off/Vacation (PTO) program and allows team members to preserve their earned PTO hours for their own personal rejuvenation.

2023 UPDATE

OSC CLIMATE & PACKAGING

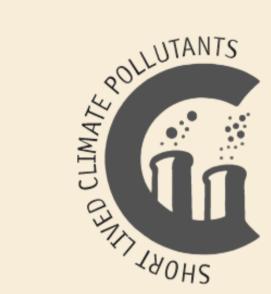


By 2025 we will double the amount of rice that we buy from farmers using regenerative/SRI methods.

As we broaden our rice noodle supply chain across Asia, we are expanding on our sourcing standards to better account for local growing conditions and practices.



Our goal is to transition 2 product lines to recyclable, postconsumer recycled, or biodegradable material by the end of 2024.



In fiscal year 2024*, we sold 1.8 Million pounds of MCPD® (SRI) rice, saving ~703 Million gallons of water.

*4/01/2023 - 3/31/24



Continue to advocate for regenerative agriculture and climate causes.

Lotus Foods Co-founders, Caryl Levine and Ken Lee spoke at the opening of Jubilee Justices' rice mill.

Caryl also advocated for Regenerative Agriculture at the Sustainable Food Summit.

NETZERO 20

Climate change affects all of us. We all must take responsibility to reduce our carbon footprint.

Lotus Foods partners with farmers who practice System of Rice Intensification (SRI) methods, one of the 100 solutions identified by Project Drawdown to reverse global warming. We are proud to join other <u>B Corporations</u> and commit to accelerating reductions in our company's emissions to be net zero by 2030.

2023 UPDATE

- Interviewed several resources to help us with Scope 3 GHG inventory: How Good, Reseed, Carbon Footprint, and ReGrow.
- Created a new Director of Sustainability position to lead our efforts to reduce our carbon footprint and achieve net zero emissions by 2030 (to be filled this year).
- In early conversations with <u>Sustainable Rice Platform</u> about the possibility of integrating SRI practices in their standards so that ideally we can certify SRI in the future.





COMMUNITY SUPPORT

- We support our local community through donations to food banks.
- We partner with mission-aligned nonprofit organizations.
- We are committed to ensuring our products are more financially and geographically accessible.
- We source from other B Corporations whenever possible.

DONATION HIGHLIGHTS

URBAN TILTH

Lotus Foods participated in Urban Tilth's MLK Day of Service with a Rice Ramen Soup Cup donation.

17th Annual MLK Day of **Service: Community Climate Action** Day in Richmond hosted an impressive gathering of 906 dedicated community volunteers.

Lotus Foods also continued the Team Birthday Donation Program. For each employee, a donation is made in the employee's name to the Richmond, CA based, mission aligned, non-profit organization, Urban Tilth.

ALAMEDA FOOD BANK

71% of our total donations went to the Alameda County Community Food Bank, an increase of 41% over last year.

Our HQ is located in Alameda County and we believe in giving back to our community.

Alameda County Community Food Bank passionately pursues a hungerfree community

For more information, visit ACCFB.

GLUTEN INTOLERANCE GROUP

9% of our total donations went to the Gluten Intolerance Group.

For 50 years, Gluten Intolerance <u>Group</u> (GIG) has led the way in helping support consumer's health and safety when it comes to living gluten-free. They understand the challenges faced when you omit gluten from your life and offer support groups, education and food safety research.