

# 2018 Conscientious Company Report







# Our mission

We grow organic produce for people's wellbeing.

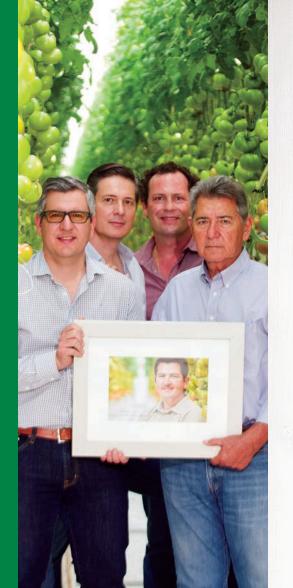
# Our vision

Beat conventional.



### Get to know us

Wholesum is a third-generation family owned and operated organic and Fair Trade certified grower/shipper with farms in the U.S. and Mexico. We produce a wonderful variety of tomatoes, cucumbers, bell peppers, eggplant, green beans, squash, brussels sprouts and artichokes year-round. Our family farms are located in Arizona, Sonora and Sinaloa. Our partners are based in Baja California, Sonora, Sinaloa, Jalisco, Estado de Mexico, Guanajuato and California.



## History

Farming operations in Culiacan, Sinaloa started in 1928, after Miguel Crisantes Gatzionis migrated from Greece. Years later, Theojary Crisantes Sr., his son, captivated by Silent Spring, began experimenting with organics in the 1980's. Challenged and passionate about organics, in 1992 he received his first USDA Organic Certification. As Theojary Sr. learned about the depth of impact he could make in the agriculture industry, he found himself looking into a more holistic way to grow with social and environmental goals. Around 1998, his three sons - Theojary Jr., Ricardo, Adrian (1976-2014) and son-in-law, Jonathan Alarcon came on board to help. They now take leadership of operations in the U.S. and in Mexico and partner with farmers with the same vision and commitments that keep our program running year-round. Our motto is Grown for Good, focusing on

growing produce that is flavorful, good for our health and good for our farming communities.

Wholesum has been operating under the same four family values for at least 30 years. The values integrity, responsible growing, people on the move and problem solvers are intrinsic to our operations. In 2018, the company introduced "Our Values Campaign" to promote the implementation of its values throughout its organization and reinforce the subject to tenured and new employees. It is important for us that as we grow as a company, we keep the company's culture and values that guide us to meet our mission and vision. Further, you'll see how each value plays an integral role in our operations.



# Integrity

For us, Integrity means that we can trust each other to be honest and that we will give our best efforts to deliver on our commitments.

### Organic integrity

Integrity naturally translates into our organic practices at Wholesum. We have been growing organically since 1992. Since then, we have been fully committed to organics because we believe this is the production method that is best for our workers, consumers health, environment, future and the movement. We've remained diligent to incorporate cutting-edge growing practices that supports produce that is simple, honest and wholesome.



100% organic production



Organic practices eliminate the use of synthetic pesticides and herbicides that contaminate our air, soil and water beds.

32,000 tons of organic produce taken to market



16% more produce sold than last year.

1,249,000 plants grown from organic seeds

Family and partner farms yield

3,090

acres of organic production

To control pest numbers and prevent the use of approved substances

115,200 LABOR HOURS

were spent manually removing pests from crops

Plants grown at Wholesum,

1 in 4

comes from organic seeds

## Responsible growing

Our passion for organic agriculture leads us to take it a step further and take care of our people, their communities and the planet.

### Our Sustainability Effort

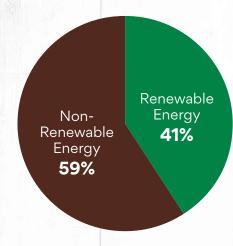
Our results are proof of our efforts to take care of our environment, make more efficient the use of our natural resources and help the communities that we work in. Measuring helps us find inefficiencies and areas of opportunity.



#### **ENERGY USE**

Our renewable energy comes from PV (solar) and biomass

10% increase in use of energy



34% increase in renewable energy use from 2017

#### **WATER USE**

**22%** of irrigation water was captured and reused to water crops in our farm in Arizona – this sums up to 15.6 million gallons or 24 Olympic pools



No change from 2017

#### RECYCLING

**475 lbs** of electronics recycled

**56 tons** of cardboard were diverted from landfill and sent to recycling facility



30% increase in diverted recyclables from 2017

### **ECOSYSTEMS**

**1,225 lbs** of native seed planted to replace invasive species

**255** trees planted

### COMMUNITY

**937,800 lbs** of organic produce donated to local food banks in Mexico and in the US

**600+** employees trained on sustainability

**40+** volunteered on Earth Day to plant native trees, flowers and clean a community in Mexico

\$35,400 in donations made to different organizations in the US and in Mexico. Of this, \$25,000 were donated to the Whole Kids Foundation to support the Give Bees a Chance campaign. The campaign funded grants to support educational honey beehives to support the health of bee populations and providing educational opportunities for 15,574 students.





### People on the move

We are like a big family where the company grows through the empowerment and development of its people.

### Fair Trade

We obtained our Fair Trade certification in our two farms in Mexico in 2012. In 2015 we were the first farm to become Fair Trade certified in the USA. Since its beginning, we've been fully committed to the certification and its mission. Every partner farm that joins Wholesum is required to attain the Fair Trade certification within two years, this means that hundreds of their employees now have opportunities to develop themselves and their communities.

#### **HOW FAIR TRADE WORKS**

Fair wages, safe working environment investment in communities

100% of the premiums generated go into a farm worker-controlled Community Development Fund (CDF). Farm workers decide together how to spend their funds to improve their lives and meet their unique social, economic and environmental needs, such as education, health care and clean water.

#### **FAIR TRADE MILESTONES**

Two new farm partners obtained their Fair Trade certification in our supply chain for a total of 13 Fair Trade certified farms



18% growth in FT Certified farms

54% of our produce was sold under Fair Trade terms

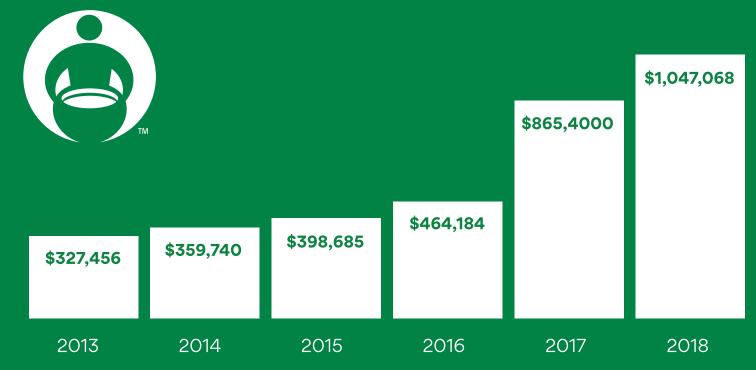
\$1,047,068 CDF's paid to FT worker committees



21% growth from last year

# Community Development Funds

Altogether, CDFs sum up to \$3,465,533 since its inception in 2013.



# Impact of Fair Trade projects

- 6,660 vouchers to use for specialized care, medicine or food
- 484 dental care consultations
- 67 workers in the US benefited from an 80% paid healthcare
- 532 children nourished by healthy meal program
- 520 scholarships from kindergarten to post-graduate education
- 346 benefited from year-round bus transportation to school
- 2,665 users with guided access to computers and internet
- 600+ people benefited from Mini Market (managed by FT committee)
- 350 soccer players (registered) benefiting from the FT field
- 114 home improvements
- 30 jobs created by FT activities
- 540 people benefited from refrigerator use in company housing
- 9,800 loads of clothing washed by a FT employee in a laundry facility



### Problem solvers



In December 2018, we officially joined the United Nations Global Compact. This corporate responsibility initiative is the worlds largest effort with over 9,000 participants in 135 countries. It aligns

companies to universally accepted principles in the areas of human rights, labor, environment and anti-corruption and to take actions towards the Sustainable Development Goals (SDGs). We look at the whole value chain of our operations and identifying where we can increase our positive impacts and reduce our negative ones. Below are eight goals that we work towards:

### **INCREASING POSITIVE IMPACT**

Decent Work Gender Equality

Hunger Gender Equality

Water

Land

Decent Work

Hunger



The SDGs are a call to end poverty and create a life of dignity and opportunity for all by 2030. We are currently defining our baseline to better understand our current operations and set our goals for 2030.



#### **GENDER EQUALITY**

We prioritized this goal because we strongly believe in the importance of gender equality as a driver for education, empowerment, business development, family success and to end poverty.

- 41% of our workforce is female
- 28% of managers are female



### **RESPONSIBLE CONSUMPTION** AND PRODUCTION

Awareness of our consumption patterns is crucial to drive innovation and change within our company, suppliers and community.

We strive to learn more about our suppliers and work with them for a stronger and better partnership.

#### **TOP FIVE EXPENSES**

**Labor** - We ensure through our Fair Trade certification that farm workers have fundamental rights at work, fair wages, fair working conditions and environmental protection.

Packaging - We've had many efforts to turn away from plastic with little to no success, our efforts continue.

Electricity - We need electricity to cool down our greenhouses during hot days, for this we put our efforts towards efficiency and increase of our renewable energy.

Natural Gas - Used to heat and dry our greenhouse, its byproduct is CO<sup>2</sup>, which we use for our plants. We've tried to u se our waste product to produce our own heating and CO<sup>2</sup>. Efforts in this area still continue.

Seeds - Our plants are grown in house and we continuously look for organic seeds.



MINIMIZING NEGATIVE IMPACT

### Certifications, partnerships and organizations that matter to us



Fair Trade USA is a global certification movement that has rigorous standards for workers and the environment. Through a transparent system, the workers are empowered to make decisions based on their necessities as individuals and community.



Organic Trade Association is a business association for the organic agriculture industry that seeks networking, advocacy and initiatives to protect organic farming practices.



Vitalis Born, Wholesum Raised is our commitment to organic integrity. It is a promise that seeds were selected, produced and grown with highest organic standards.



**USDA Organic** is a national certification that holds us accountable for protecting natural resources, conserving biodiversity and that the plants have been grown only using substances that are allowed by the National Organic Program.



Fresh Produce Association of the Americas is the leading agent of produce trade at the US and Mexico border, advocating for the growth, harvest, import and distribution of Mexican produce. They are a powerful voice for improvement and sustainability.



The Coalition for Sustainable
Organics group seeks to promote
sustainable and organic production
through advocacy. They advocate to
continue having container production
in allowance for organic production.



Sustainable Food Trade Association serves as a hub for learning and sharing best practices for businesses to improve in a social and environmental based approach.



Local First Arizona is a non-profit organization that supports local businesses in the state of Arizona. They help raise awareness of strong local economies and contribute to a sustainable economy. We participate in their events to promote organic produce and educate consumers about its relevance to the environment and consumers.



**Ecological Farming Association** is a non-profit educational organization that promotes ecological and just farming system.



**Organic Seed Alliance** is a group that promotes the diversity, quality and integrity of organic seeds in the United States.



**United Nations Global Compact** is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals.

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