**ROOTED IN AUTHENTICITY** 

# 2023 CONSCIENTIOUS COMPANY REPORT





# WE ARE WHOLESUM

A premier grower and shipper of 100% organic, Fair Trade Certified fresh produce. We are a third-generation family farming operation based in Amado, Arizona, with family farms in the US and Mexico. With over 90 years of farming experience, we are committed to fostering a more sustainable food production system that nourishes both people and the planet. Our dedication spans over three decades of organic production, equitable labor practices, and environmental protection. Leveraging deep industry knowledge and innovation, we provide healthy, flavorful, and high-quality fresh produce year-round.

### THE WHOLESUM WAY

Our Purpose: Nourish a healthy world.

**Our Vision:** Be leaders of responsibly-grown organic produce.

Our Mission: Beat conventional.

Our Values: Integrity, Responsible Growing, People on the

Move and Problem Solvers.





Our purpose statement "to nourish a healthy world" defines the contribution we aspire to make through our work. For us, this means delivering healthy, high quality produce that brings value to people, not only through their experience with it but through the assurance that it was grown responsibly. This means delivering more, while being mindful of the resources we use to achieve that.

In this quest, we have embraced four core values that guide our decision-making: Integrity, Responsible Growing, Problem Solvers and People on the Move. These values did not come to fruition overnight. They have materialized over time from moments lived and stories told from one generation to the next; organically, authentically, cementing themselves into Wholesum lore. With a value-driven culture propelling us, we have no doubt in our potential to continue doing better in our use of energy and natural resources, the development of sustainable solutions, and in the contribution we make to the world.

As a company, the results generated from our collaborative efforts is reliant on the culture we create. We are proud of the culture here at Wholesum. This is an environment where diversity thrives and ideas flourish. Each of our collaborators

possesses a unique perspective and skillset that is valuable in solving complex problems. From harnessing solar energy, to producing biological insects, to finding new ways to connect with youth and the community, 2023 holds many examples of individuals and teams unlocking new possibilities for innovation and sustainable growth.

In this year's Conscientious Company Report, we will not only review the sum of our collective effort towards eco-conscious solutions, we also want to shed light on the people and teams that have made these achievements possible. All the while, we continue to contribute to the global movement towards a more sustainable future through our commitment to the UN Sustainable Development Goals in the areas of human rights, labor, environment and anti-corruption.

To our collaborators: As leaders, we couldn't be prouder of the achievements documented in this report! You have each embraced creativity to pursue new solutions, have taken risks for the betterment of the company and have done so through the guidance of our company values.





Thank you.

Theojary (Theo) Crisantes Jr. Ricardo Crisantes Owners, Brothers, COO & CCO

# **ORGANIC** INTEGRITY

Sixty years ago, a book changed the course of the environmental movement, inspiring Wholesum's second generation owner, Theojary Crisantes Sr. The book, Silent Spring by Rachel Carson, proposed a grim depiction of a world drenched and devastated by synthetic pesticides. This moment sparked our path towards more sustainable methods of production. It was 20 years later that the USDA brought forth the framework to make this happen; USDA organic certification.

Since then, one quality that will continue to define Wholesum is our loyalty to 100% organic production. This commitment goes beyond specific practices but is a deep-rooted philosophy that prioritizes the health of the environment, farmers, and consumers. By harnessing the natural processes and ecological relationships found in ecosystems, we can achieve remarkable results in terms of yield, quality, and resilience, all while minimizing our environmental footprint. Remaining true and delivering on this commitment is an example of Wholesum's value of Integrity.









# GUARDIANS OF THE GREENHOUSE: HARNESSING NATURE'S ALLIES FOR ORGANIC HARMONY

One of the most fascinating and innovative aspects of organic production is the utilization of biological helpers such as earthworms, ladybugs, and parasitoid wasps to manage various production processes. This approach exemplifies a holistic and sustainable method of agriculture that works with nature to enhance crop health and control pests without relying on synthetic chemicals. At our farms, we embrace these natural methods, creating a lively ecosystem where organisms thrive.

While these biological helpers have been part of our production and Integrated Pest Management strategy for many years, in 2023, we amplified these efforts and expanded our capabilities to produce them in-house. Leading these initiatives is our Research and Development team in Wholesum Farms Sonora. The team manages three labs and an earthworm farm. They oversee efforts in the reproduction, life cycle and breeding of biologicals. Once the organisms reach their adult phase, they are released to fulfill their duties in the greenhouse. A variety of biologicals are currently used in tomato, cucumber and pepper cultivation as well as the farm's organic seed production.







70,220

### California Red Earthworms

produced in-house and introduced to the root system of tomato crops.

In every tomato crop planted, we introduce earthworms to the crop's root system and growing medium. Earthworms burrow in this organic matter, aerating it, allowing better water and nutrient penetration. This promotes healthy root growth and enhances plant vigor. In addition to their burrowing activities, worms can eat one third to one half of their body weight daily. Through their digestion, they break down organic matter into nutrient-rich humus, which enriches the soil with essential minerals and microorganisms vital for plant growth.

95,000

### Parasitoid Wasps

(Aphidius colemani) produced between August and December 2023.

Parasitoid wasps are another biological tool used in organic agriculture. These tiny creatures, no larger than a grain of salt, are heroes of organic production, playing a crucial role in pest control. They lay their eggs inside or on the bodies of pests such as aphids. As the eggs hatch, the larvae consume the host insect from the inside. By using parasitoid wasps, we can manage pest populations while minimizing harm to beneficial insects.

1,923,381

### Ladybugs

produced for Integrated Pest Management and distributed among cucumber greenhouses.

Beneath each ladybug's charming appearance lies a fierce and highly efficient predator. This makes them one of farmers' favorite insects for natural pest control. These beneficial insects feed on aphids, mites, and other pests that can damage crops, reducing the need for chemical pesticides. On average, a ladybug can eat approximately 5,000 aphids in its lifetime.

2,237

### **Banker Plants**

produced and introduced to greenhouses.

Banker plants provide a natural habitat to predators of pest populations serving as a home for parasitoid wasps. In 2023 an average of 65 banker plants per week during a 34 week period were distributed across greenhouses at Wholesum Farms Sonora.

# RESPONSIBLE AGRICULTURE

Nature provides our most essential resources needed for farming; land, water, sunlight, biodiversity and much more. To nourish a healthy world, we must look at our role towards nature in a holistic manner; what we put in, what we take out, and how we do so. It is our responsibility to ensure that these resources are managed wisely, maintaining a balance to support agricultural productivity and environmental health.

The systems we use in our production are important in our role as stewards of the land. From our implementation of innovative and efficient greenhouse infrastructure to our management of water, energy and waste, we are intentional in our adoption of new technologies and our measurement of their effects on our resources.

### **ENERGY**

41%

renewable energy at Wholesum Family Farms' distribution center



19%

renewable energy at Wholesum Farms Sonora\*

\*In 2023, we faced unforeseen challenges that impacted our use of renewable energy at our farm in Sonora. A mechanical failure affected our primary supplier of renewable energy, disrupting our energy supply. Unfortunately, the situation was compounded by governmental delays, which prolonged the downtime. It wasn't until November 2023 that the facility was fully operational again. This period tested our resilience and underscored the importance of reliable energy infrastructure in maintaining our commitment to sustainability.

# **SUN-POWERED SUCCESS:**

# GREENHOUSE TROLLEYS GO SOLAR

While many may see a greenhouse as a place to grow crops, for Carlos Valencia, maintenance supervisor at Wholesum Farms Arizona, it is a hub of innovation and sustainability. His ideas are bold and ambitious, but nothing that isn't worth the try. With a visionary approach to problemsolving, Carlos is spearheading a groundbreaking initiative; converting our trolleys, which currently operate on rechargeable 12-volt batteries, into solar powered machines!

The goals of this project are three-fold, making things easier for the workforce, increasing efficiency, and being more eco-friendly in our daily operations. "Before starting this project we had to charge trolley batteries manually. Between forgetting to charge them and not charging them properly, the batteries would begin to work

inconsistently, sometimes requiring to be charged daily," states Carlos. It was then when he realized the potential of solar energy to revolutionize the trolley system. "We believed that solar was the key to a more consistent and effective charging. This in turn reduces our use of energy as well as battery waste... a win win!" he adds.

By the end of 2023, with the project underway, four trolleys had been retrofitted with a solar panel system and began testing in the greenhouses. "My goal for 2024 is to convert 5 trolleys per greenhouse. By increasing the number of solar powered trolleys, we aim to improve overall productivity. This addition will ensure that our greenhouses operate more smoothly, benefiting both the workers and the environment."







### **WASTE**

**27** 

WATER

29%

of water recirculated at Wholesum's tomato farm in Arizona

### **ECOSYSTEM**

surrounding ecosystem

### **COMMUNITY**

1,387,710

\$15,250

in charitable contributions

\$10,000

went to the Whole Kids Foundation in the form of scanbacks - this program helps support nutrition in schools. Wholesum's funding will support at one year and approximately 4,995 students over a 3-year period.

55%

under Fair Trade terms

# INSPIRING YOUTH IN THE **COMMUNITY THROUGH ART**

Art and agriculture, while seemingly distinct realms, came together at the end of 2023 in a very Wholesum way. As part of Wholesum's commitment to supporting the local community while nurturing creativity, we placed a spotlight on the artwork of high school students of our local Nogales, AZ community in front of the organic produce industry. And what more inspiration for their art than Wholesum tomatoes?

The fusion of art and agriculture inspired youth to see produce in a different way. With Wholesum tomatoes as the focal point of this exploration, students were encouraged to capture the unique aspects of their tomato of choice such as shape, color, flavor, personality and history through artwork.

This culminated in an art exhibit that took place in early 2024 at the Global Organic Produce Expo, an annual organic tradeshow hosted by The Packer. Attendees voted on the pieces they believed exhibited most skillful use of technique and best reflected the artist's inspiration. Two first place winners were selected, one in the ceramics category and another in the two-dimensional art category. We awarded first place winners \$500 to be used towards educational expenses. Second place winners in each category received \$250 awards.

"It was exciting to see the evolution of the students' feelings towards the tomatoes... at first questioning the entire brief, later watching their faces light up as they interacted with the different tomato varieties and finally seeing their ideas and inspiration come to life. That is what art is about."

- Carolina Lopez, Art Teacher at Nogales High School



# PEOPLE ON THE MOVE The value of "People on the Move" refers to Wholesum's commitment to fostering the growth and development of its employees by providing them with opportunities

The history of this value is rooted in Wholesum's own story of growth. Like all industries, agriculture has evolved and in its near-century of existence, so has the company. One milestone is the implementation of organic practices, which set us on a path of learning through observation and experimentation, and later the change from open field farming to greenhouse production requiring greater workforce specialization. But beyond the functional and technical, evolution is also rooted in the mindset. As leaders in the organic space, we too want to create pathways for our

workforce to achieve leadership roles and assume them as empowered individuals.

for advancement and career progression. The path to growing the company is through the empowerment of

# FAIR TRADE IMPACT

The Fair Trade model is one of the ways in which we achieve workforce empowerment and community development. Fair Trade offers us a regulatory framework for relations between the company and its collaborators. Not only does the model detail standards for equitable and ethical business practices, but the program also supports worker wellbeing. Using funds generated from Fair Trade purchases, workers are able to implement impactful community projects that address needs such as access to education, housing, transportation and health care services. The concept of self-management of projects and programs has allowed enormous personal growth for the entire workforce.

"Wholesum is a pioneer in Fair Trade produce. Since 2013, they have generated almost \$11 million in Community Development Funds. The sale of every Fair Trade Certified tomato, cucumber, and pepper creates meaningful, lasting impact for workers and their families - from affordable groceries and healthcare insurance to school transportation and housing improvements. Their farming communities in Mexico and Arizona are vibrant and thriving, thanks to Wholesum's commitment to responsible business and worker well-being."

- Paul Rice, Founder & CEO at Fair Trade USA



# A SNAPSHOT OF IMPACT

FAIR TRADE COMMUNITY DEVELOPMENT FUNDS

# \$1.2 million in 2023

THE \$1.2 MILLION TRANSLATED TO THE FOLLOWING AND MORE IN 2023:

6,423

Vouchers distributed to be used on specialist medical care, medicine and groceries.

1,209

Students benefitted from Fair Trade funded scholarship program.



Students benefitted from no-cost extracurricular courses.

Visits to the fair trade tortilla factory for low cost tortillas.

8,316

1,777

Students benefited from transportation to and from school in Fair Trade funded buses.



**226** 

Employees benefitted from free or low-cost transportation to and from work.

103,658

Visits to the fair trade funded mini market for low-cost goods.

1,955 Visits to the fair trade funded community center for access to computers, Internet access, printer, a small library.

4,223

Healthy meals served to children in daycare, preschool and elementary school.







# FROM HUMAN RESOURCES TO PEOPLE AND CULTURE:

### A NEW ERA OF EMPLOYEE EMPOWERMENT

"People have always been the cornerstone to our success, but people work within a system and within a cultural context" states Vanessa Cordova Hernandez, the now People and Culture Manager. When 2023 came along, Wholesum had already begun a process of introspection, taking a deeper look at the role of Human Resources within the company. The catalyst to this process was Covid-19, which placed a profound weight on the health and wellbeing of people, how leaders interact with employees and how coworkers connect with each other. This, along with many social events of the early 2020s, placed company culture at the forefront of business strategy and priorities.

"Through this process, we concluded that we were functioning beyond what is expected of a traditional Human Resources department, sparking a formal department transformation," states Vanessa. Our transition from a traditional Human Resources department to a People and Culture department reflects our commitment to cultivating an environment where employees feel valued, engaged and inspired to bring forth their utmost contributions. When teams function well together, they can outperform the sum of their parts, achieving synergies that drive innovation and efficiency.

So, what are some of the things that the new department is focusing on? With a dedication to fostering a culture of inclusivity, growth and connection, the initial step involved restructuring and defining roles within the department. The People and Culture Coordinator is the frontline ambassador for our workforce, bringing a deep understanding of each employee's story and needs and offering personalized assistance and guidance. The People and Culture Specialist manages the technical aspects of the department, leveraging systems, data and technology to support department goals. At the helm of this structure is the manager, who oversees both the human-centric and technical aspects of the department. The manager brings together these elements into frameworks that uphold company culture while supporting the needs of our people.

Three major areas of focus within this restructure are employee development, benefits and connection. While the full restructure is still underway, manager Vanessa has a vision, "I want to innovate, motivate, and empower our people to achieve their full potential."

### **People & Culture Focus Areas**

**Employee Development:** Creating pathways for professional and personal development, career growth and the success of each employee.

**Benefits:** Implementing programs that promote employee motivation and satisfaction, holistic wellbeing and worklife balance as well as a secure health and financial future.

**Connection:** Fostering a sense of belonging among coworkers by cultivating a culture of communication and collaboration



# PROBLEM SOLVERS

Problem solvers are invaluable assets in any field, but particularly in agriculture, where challenges can be multifaceted and interconnected. Their ability to identify issues, generate innovative solutions, and implement them effectively is critical for achieving our purpose to nourish a healthy world. How we have withstood three generations and now moving into the fourth is by embracing this value.

### **UN SUSTAINABLE DEVELOPMENT GOALS**

Global problems require global solutions. The UNSDGs are a set of 17 goals put forth by the United Nations' Global Compact as a universal call to action that aims to target the world's largest challenges such as poverty, inequality and climate change. The 17 goals, together help achieve the 2030 goal of peace and prosperity for all. For us the UNSDGs offer a framework for working towards these solutions. We found the most immediate that we can begin to tackle from within were SDG 5, Gender Equality and SDG 12, Responsible Consumption and Production.









### **SDG 5: GENDER EQUALITY**



With massive inequality in many places across the world, this goal seeks to end discrimination, violence, and harmful practices against women and girls worldwide. We believe we can help pave the path to a more equitable and just society where women and girls can fully realize their rights and potential. For us, this means filling in gaps in gender

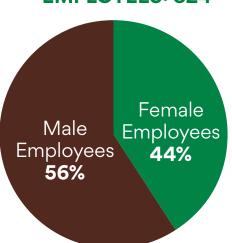
representation, creating equal opportunities for participation in decision making, education, benefits and growth at all levels. For us, it is important to understand makeup of our company and ensure that we are equitable and inclusive to all genders.

### **COMPANY MAKEUP**

Positions	Female	Male
Executive/Senior Level Officials & Managers	22%	78%
First/Mid-Level Officials & Managers	38%	62%
Professionals	36%	64%
Technicians	43%	57%
Administrative Support Workers	48%	52%
Operatives (Includes Laborers & Service Workers)	45%	55%
Total	44%	56%

Opportunities lie in building pathways for more women in top level positions within the company.

### TOTAL WHOLESUM EMPLOYEES: 824





#### SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION



The goal of SDG 12 is to ensure sustainable consumption and production patterns. This goal emphasizes the need to achieve more efficient use of resources, reduce waste generation, and promote sustainable practices across all sectors. In the agricultural context, we need to be mindful of the resources we use. How we decided to tackle this goal is to document and categorize

our consumption patterns. This has helped us identify areas of opportunity for moving from non-renewable to renewable resources and begin those transitions.

As we gain a better understanding of our consumption patterns, we are also looking into other areas that this goal can take effect such as lifecycle of inputs and the minimization of food loss and waste.



	All Inputs	
	2022	2023
Renewable	50%	51%
Non-renewable	50%	49%

	All Inputs
Semi-manufactured goods	28%
Raw materials	23%
Associated process materials	10%
Packaging materials	39%
Total	100%

Distribution within each category		
Non-Renewable		
99.86%		
11.69%		
90.34%		
24.12%		

#### A VALUE ALIGNED PARTNERSHIP IN SUSTAINABLE PACKAGING

Sustainable packaging has been the talk of the town in the produce industry! While the topic is complex and multifaceted, we achieved significant strides with a breakthrough concept that simplifies the conversation. In 2021, we launched a fully recyclable paper-based pack for organic tomatoes on the vine. This concept not only reduces plastic use but also minimizes shrinkage, ensuring that our tomatoes stay fresh and delicious longer.

Initially, this innovative concept took some time to catch on. However, we were fortunate to have a forward-thinking and value-aligned partner in Sprouts Farmers Market, who shared our commitment to sustainability and decided to take a chance on this initiative. Their support and alignment with our vision were instrumental in paving the way for broader acceptance.

In 2023, the success of this packaging concept truly exploded. What began as a regional effort expanded to nationwide distribution, capturing the attention and approval of consumers across the country. In the same year, we also refined the design, reducing the amount of cardboard used to create a more secure and snug tray. This tweak not only enhanced the packaging's sustainability but also improved its functionality, ensuring our tomatoes remained fresh and intact during transit.

Our journey with this packaging concept highlights the power of collaboration and innovation in driving sustainable solutions. Thanks to partners like Sprouts and our commitment to continuous improvement, we're moving towards a greener future, one tomato at a time.



### 2023 Growth:

56% Sales Volume increase from prior year







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