

**CALIFORNIA
OLIVE RANCH**



IMPACT UPDATE 2023

BETTER TOGETHER



A note from Michael Fox CEO, CALIFORNIA OLIVE RANCH

At California Olive Ranch (COR), our mission is to help open minds to what makes great food. For us, all great meals start with healthy, antioxidant-rich Extra Virgin Olive Oil (EVOO), which, in our view, is the key to unlock the taste and texture of any dish. To truly appreciate how our high-quality EVOO is a transformational ingredient, you need to understand all the great practices and good people that help bring our EVOO, dressings, marinades, sauces and vinegars to your table.

I'm very proud of our team as we continued to make strides on our environmental and community impact agenda over the last year. We continue to get smarter about our impact on the environment and in our communities. This year, we conducted a complete greenhouse gas assessment, which has helped us understand the carbon footprint of our supply chain from end-to-end. We also collected insights and created programs to help manage water, reduce waste, and promote biodiversity on our farms. We made great strides this year supporting our teams with improved pay, benefits, and job opportunities. We continued to support our grower partners with research and advocacy. Finally, we introduced new products, such as our 12oz aluminum bottles that offer a more environmentally-friendly packaging option with our most affordable price point yet.

Thank you for being a fan of California Olive Ranch, we are proud to have you with us and we are honored to be on your counter.

Michael

WHO WE ARE

WE ARE THE LARGEST DOMESTIC GROWER OF OLIVES FOR EVOO IN THE UNITED STATES.

In partnership with over fifty family farmers in California and numerous grower partners globally, we have built a reputation for offering premium quality products at an approachable price point. Our oils, sauces and vinegars are sold primarily in the US retail market under the California Olive Ranch™ and Luicini Italia™ Brands.

No.1

Top selling California EVOO brand¹

No.3

Top selling national EVOO brand¹

~5K

Acres under management

140

Employees



¹ IRI/SPINS/Nielsen Total MULO, Natural, Whole Foods latest 52 weeks ending April 26, 2023

Celebrating the Benefits of **Extra Virgin Olive Oil**

ENVIRONMENT

- COR’s olive trees require less water than other specialty crops and can grow on soil that can’t be used for other crops.
- COR’s olive trees require minimal pesticide and herbicides and don’t require bees to pollinate.
- COR’s olive trees are estimated to capture 6.4 kg of CO2e (carbon) per liter of EVOO produced – which is more carbon than is directly emitted in its production.
- In the 2023 Harvest 10% of COR’s acres will be certified Organic.



HEALTH

- EVOO has numerous health benefits that have been identified in medical research over the years.
- EVOO is a critical component of the Mediterranean Diet one of the most proven diets to follow.
- EVOO is a monounsaturated fat, with positive health attributes.
- Olive oil phenols – which are positive antioxidants that provide health benefits and are not found in other cooking oils.



TASTE

- COR grows its olive trees in long rows – a format called super-high-density, which allows us to harvest early & quickly when the fruit is greener to make high quality, great tasting EVOO.
- Always cold pressed, COR prides itself on producing and procuring the highest standard of EVOO in the world.
- COR’s oils are useful for all types of cooking from sauteing (including high heat) to drizzling over salads.
- COR’s brands have won over 230 quality awards in the last 10 years!



Our Environmental Areas of Focus & Key Highlights



1 REDUCING OUR CARBON FOOTPRINT

This year we measured our complete carbon footprint. Based on academic research estimates, we capture more carbon than the direct emissions needed to produce our olive oil.

2 IMPROVING OUR WATER EFFICIENCY

We kicked off new, industry-leading research with the USDA to measure how our trees and soils absorb water which will help us optimize our irrigation strategies.

3 PROMOTING BIODIVERSITY

We secured grant funding from the state of California to plant native species hedgerows in our orchards to promote biodiversity.

4 MINIMIZING WASTE

We completed our composting system that reutilizes our harvest waste streams.

5 SUPPORTING OUR PEOPLE & COMMUNITY

We promoted 29% of our team members and increased our employee satisfaction.



Carbon Footprint Overview

In 2022, we partnered with Soil & More Impacts to help us understand our carbon footprint (measured in tons of carbon dioxide equivalent or tCO2e) through Scope 1, 2 and 3 of the GHG Protocol.

Through this work, we now have a better understanding of the source of our emissions and have crafted strategies with the aim to reduce our carbon footprint over the next ten years.

In the proceeding pages, we outline some insights about how our olive trees capture carbon at a level that more than offsets our Scope 1 & 2 emissions. We also, break down our Scope 3 emissions and highlight how we are trying to improve emissions from the production of our packaging.



2022 SCOPE ONE
DIRECT EMISSIONS

1

2,056 tCO2e

Emissions from direct inputs like gas, fertilizer, air conditioning, and tree trimmings (residue) related activities in our operations.

EMISSIONS CATEGORY	tCO2e
Stationary Combustion	1,159
Mobile Combustion	449
Fertilizer Application	406
Residue Management	24
Fugitive Emissions	21

2022 SCOPE TWO
INDIRECT EMISSIONS

2

426 tCO2e

Emissions from electricity consumptions in our operations.

EMISSIONS CATEGORY	tCO2e
Purchased Electricity	426

2022 SCOPE THREE
INDIRECT EMISSIONS

3

46,343 tCO2e

Emissions from goods & services purchased from suppliers plus downstream emissions related to delivering our products to our customers.

EMISSIONS CATEGORY	tCO2e
Goods & Services	30,900
Upstream Transport	10,037
Downstream transport	3,355
Pre-chain Emissions	1,727
End of Life Treatment	907
Waste	323

CALIFORNIA OLIVE RANCH™ CARBON FOOTPRINT

3.2

Kg CO2e/Liter Sold¹

LUCINI ITALIA™ CARBON FOOTPRINT

3.3

Kg CO2e/Liter Sold¹

WHAT'S NEXT?

In early 2023, we installed a solar array at our California operations that is expected reduce our grid electricity consumption at that facility. We are currently investigating converting our orchard wells to solar power. We have installed electric vehicle (EV) chargers at our corporate office. We have advanced our precision agriculture capabilities to help us better target and optimize our fertilizer applications.

1. Scope 1,2,3 net of carbon capture from COR managed orchards All emissions calculations are for calendar year 2022

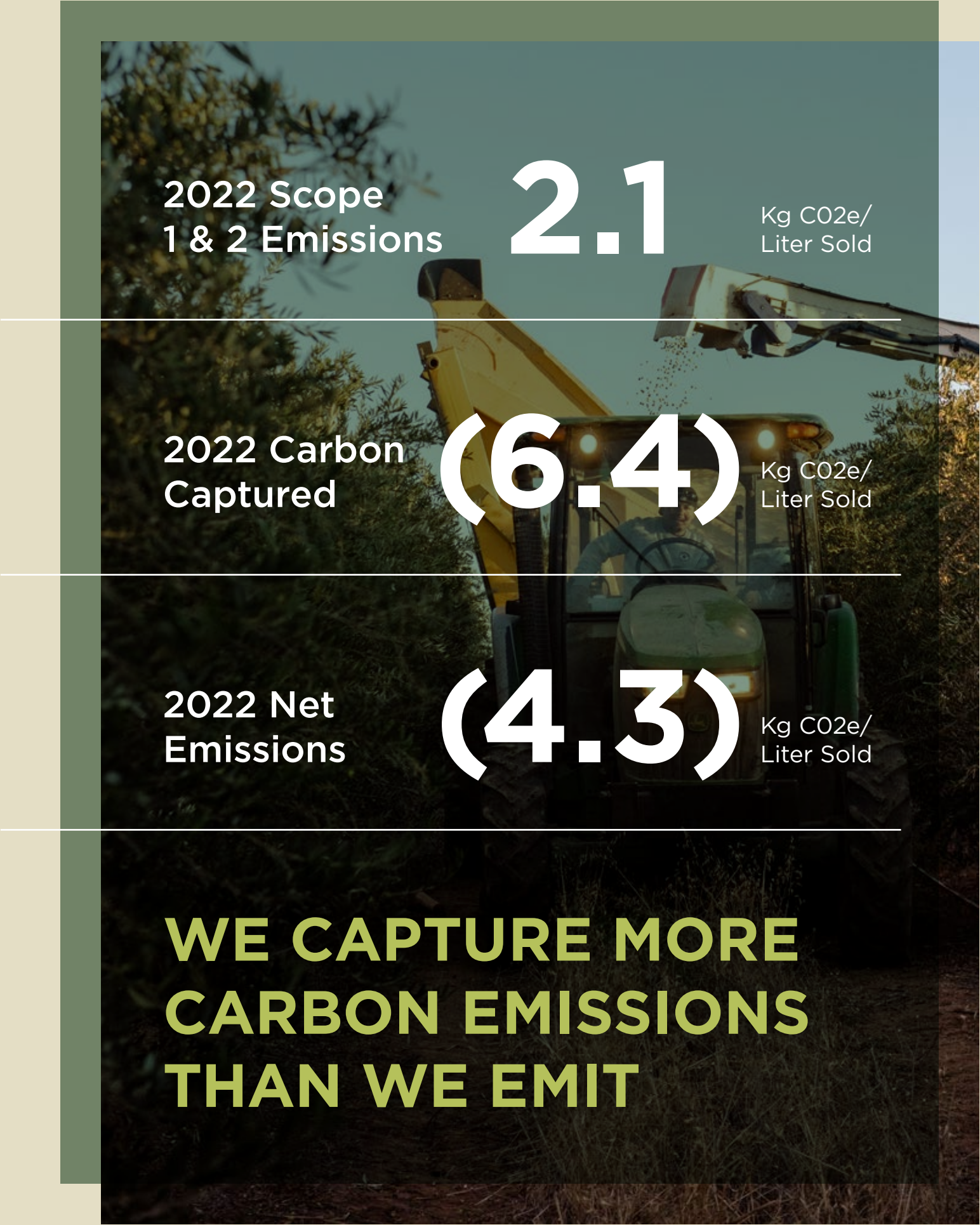
CARBON FOOTPRINT

Direct Emissions Net of Carbon Capture

One of the benefits of being the nation’s largest olive grower for EVOO, is that we have almost 3 million trees under our care that are pulling carbon from the air through photosynthesis and capturing that carbon in tree biomass and surrounding soil.

The calculation for how much carbon our trees potentially capture and sequester (store) is currently an estimate based on academic research¹, but by 2024 we plan to start measuring the actual carbon sequestration in our trees and soil to be in line with recently defined GHG Protocols.

Our findings show that, for every liter of olive oil we produced from our California orchards, our trees and soil are estimated to have captured more carbon from the air than we emitted to grow, harvest, and produce that oil!



1. soil sequestration: The Cool Farm Tool; tree biomass sequestration calculation: Lopez-Bellido et al, “Assessment of carbon sequestration and the carbon footprint in olive groves in Southern Spain”, Carbon Management, August 2016

CARBON FOOTPRINT

Our Approach to Regenerative Agriculture

Over the last several years, we have rolled out a regenerative agriculture program designed to improve the soil biology and carbon sequestration in our orchards. To help us track and improve our programs, we have initiated studies with the California State University at Chico and the University of California at Davis. Our goal is to use regenerative practices to improve the health of our soil, trees, and fruit. This is expected to help us maintain the quality of our EVOO while doing our part to reduce our impact on the environment. We plan to share the results of our studies to help our grower partners embrace similar practices over time.

SOME PRACTICES INCLUDE →

Cover Crops & Compost



Livestock Grazing



Reduced Synthetic Fertilizers



Minimal Tilling



Scope 3 Indirect Emissions

Like most companies, the indirect emissions from goods and services we purchase to produce our finished products are the largest source of green house gases in our supply chain. Understanding the source of these emissions is very helpful to make sure we are paying attention to the parts of our supply chain where we can make the most impact.

Packaging is our top source of emissions. We have taken and will continue to take steps to improve our packaging emissions while attempting to maintain the right balance of consumer need and product quality.

SCOPE THREE INDIRECT EMISSIONS

46,343 tCO2e

Emissions from goods & services purchased from suppliers plus downstream emissions related to delivering our products to our customers.

EMISSIONS CATEGORY	tCO2e
Goods & Services	30,900
Upstream Transport	10,037
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STEPS WE ARE TAKING TO IMPROVE PACKAGING EMISSIONS

INTRODUCED ALUMINUM BOTTLES

In late 2022, we introduced our new line of 12oz aluminum bottles, which are recyclable and have lower production carbon emissions than other packaging types. This line includes our 100% California Medium EVOO, our Reserve Miller’s Blend and our Avocado Blend. All at our most affordable price point!



EXPANDED SALES ON OTHER LOWER CARBON PACKAGES

Our 100% PET 1.4L Global Medium EVOO and our 100% California 2L Bag-In-Box have become popular solutions for consumers looking for value. They have a lower carbon footprint than glass. Our PET bottle is recyclable and as is the box of our Bag-in-Box.

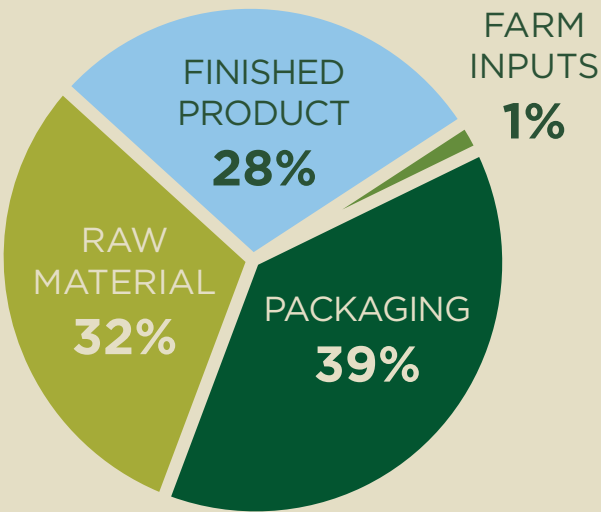


MOVING CASES TO 100% RECYCLED MATERIAL

In 2021, we reduced the amount of corrugate used in our case design. In late 2023, we plan transition a large portion of our cases to be made from 100% Recycled materials reducing our emission footprint further.



PURCHASED GOODS & SERVICES EMISSION DISTRIBUTION



PACKAGING

Emissions from our bottles and labels as well as shipping cases and pallets.

RAW MATERIAL

Emissions from our purchased olive oil from other countries and olives from our California grower partners. Does not include benefits of carbon capture.

FINISHED PRODUCT

Our sauces, vinegars, and our Italian oils procured as finished product.

FARM INPUTS

Fertilizers and other farm inputs.

Improving Water Efficiency, Promoting Biodiversity & Minimizing Waste

Water, biodiversity and waste are key focus areas for COR. We have several programs in place designed to help us reduce our water and waste while promoting biodiversity across our orchards. We are also taking part in research to help us quantify the impact our programs have so that we can share our findings with our grower partners and the broader industry to help increase the impact we all can have in improving our environmental footprint.

MINIMIZING WASTE

Reducing waste is a key priority for COR

We recycle our harvest waste: twigs and leaves are turned into compost using recycled process water from our processing and bottling facility. Olive pomace (the remainder of the olive pits and skins harvest) are dried on site and sold off to local dairy farms as a healthy feed ingredient or reapplied in our fields as compost Our production facilities and corporate headquarters participate in local recycling programs.

IMPROVING WATER EFFICIENCY

Olive trees are a very efficient crop when it comes to water

Super-high-density olive trees, like what we grow, require roughly 2 gallons of water a day to grow olives for a season.

While we use drip-irrigation (a non-wasteful delivery system), we rely on rainfall in the winter months to provide a significant amount of water to our trees.

We support research with the USDA to more deeply understand how much more we can reduce our water usage while maintaining our olive yields, improving retention and reducing runoff.

PROMOTING BIODIVERSITY

We have several programs in place to support biodiversity

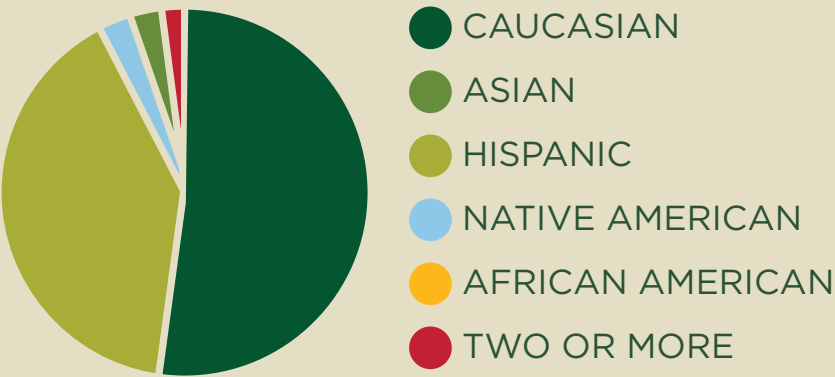
We are taking part in a \$2 million grant from the California Department of Food & Agriculture won by the American Olive Oil Producers Association (AOOPA) to plant 9 miles of hedgerows across our orchards.

Native species hedgerows increase the biodiversity of our lands, providing habitats for local wildlife, beneficial insects and increasing plant biodiversity. Beneficial insects may eliminate the need for pesticides on the olive tree.

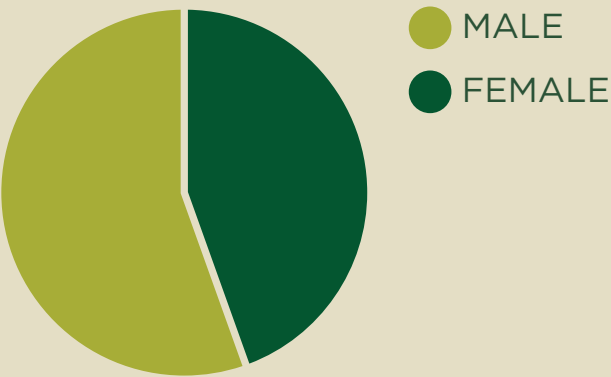


We are very proud of the progress we’ve made in increasing the diversity of our teams, providing the right benefits and incentives, and rewarding our people with new opportunities. Our efforts to support our local community continue to expand with the introduction of a Volunteer Program that will create additional opportunities for our team members to give back.

TEAM DIVERSITY
ETHNICITY



GENDER



ORGANIZATIONAL HEALTH (2022)

PROMOTIONS

29%
OF EMPLOYEES

TURNOVER

11%
UNDER INDUSTRY
ADVERAGE

EMPLOYEE ENGAGEMENT

+14pt
INCREASE SINCE 2019

COMMUNITY SUPPORT

Sponsoring local events & support local charities with donations. Investing in advocacy to support our grower partners; working with state and federal governments and quasi-government associations on industry priorities, research and grant funding. In 2023, we are adding a volunteer time off policy to our list of employee benefits.

CALIFORNIA
OLIVE RANCH®

