

**CALIFORNIA
OLIVE RANCH®**



Shaping a Better Future

Impact Report 2021-2022



An Ongoing Journey

At California Olive Ranch (COR), we take pride in challenging convention to help change the olive oil industry for the better. Over twenty years ago, we revolutionized olive growing practices in the United States and helped establish the California standard for extra virgin olive oil (EVOO), one of the strictest standards for quality in the world. Our award-winning products have helped millions of US consumers eat healthier and make more delicious meals, something we are truly proud of.

Now, we are challenging conventions again. Over the last several years, we have embraced new, more sustainable practices across our business, hoping to inspire others to do the same. In our inaugural impact report, we outline some of the exciting things we are doing, and I am thrilled to share our progress thus far.

Acting sustainably is an ongoing journey that requires a sustained commitment. While we have come far, we still have much work to do. We know our efforts in regenerative farming practices, new product and packaging innovation, and community involvement can contribute to making our world a happier, healthier place for all.

Thank you for supporting California Olive Ranch as we work towards creating a better future.

Michael Fox
CEO

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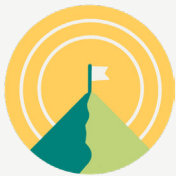
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Our Values



Challenging Convention

We are pioneers at heart. Innovation is not a buzzword, it's what we do



Passion for People

We love what we do, how we do it, and the people involved at every step.



Fanatical About Quality

We are obsessed with quality, in our products and in our work. We hold ourselves to the highest standards.



Radical Transparency

From the beginning we have been open and honest about our business and we intend to keep it that way.



Care for Natural Resources

We are California farmers with a strong connection to the land. Stewardship of our natural resources is our responsibility

Key Facts



#1

Largest grower of olives for extra virgin olive oil in California

#1

Largest miller of olives for extra virgin olive oil in California

3.4M

Olive trees across California Olive Ranch farms

\$3M

Invested in community & industry since 2017

1st

To plant high density olive trees in USA – helping make highest quality EVOO available at scale and accessible price

230

Awards for quality and taste in the last 10 years

Our Sustainability Pillars

Planet



- Leverage regenerative agriculture practices to nurture healthy soils and offset our carbon footprint
- Use water responsibly, as the precious resource it is
- Reduce waste
- Consume energy efficiently



Product

- Continue to elevate our best-in-class quality measurements & standards
- Create innovative & sustainable packaging solutions
- Communicate about products with transparency
- Innovate in new nutrient dense superfoods

People

- Champion a culture of safety
- Offer competitive pay & benefits that attract & retain top talent
- Help our grower partners unlock their profit potential
- Support our community



Planet

Our Farms & Facilities



We are committed to practices that regenerate the health of our soils. Healthy soils means healthy trees. Healthy trees means healthy olives. Healthy olives produce the healthiest, best tasting olive oils.

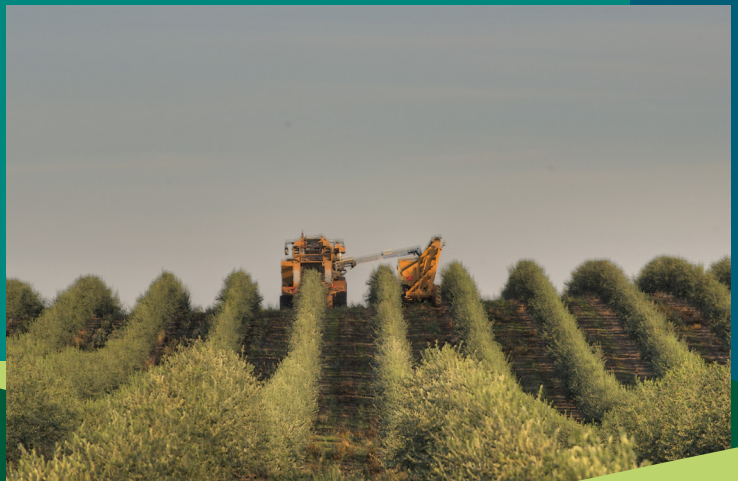
- Jim Lipman, EVP of Agriculture

Regenerative Agriculture

Regenerative agriculture is a holistic approach to farming that is focused on improving (regenerating) soil health. By focusing on soil health we enhance ecosystem resilience, improve water utilization, and increase bio-diversity.


Why is healthy soil so important? Soil is much more than dirt. Soil contains billions of microorganisms which recycle organic material to create a fertile home to support plant growth. Fostering healthy soils can offset greenhouse gas emissions; it's been proven that when soil has a healthy biology, carbon dioxide can be sequestered from the atmosphere back into the soil at greater rates than many conventional farming methods.

Here at California Olive Ranch, we have embraced regenerative practices. We are making investments in research to quantify the impact of regenerative practices on high-density olive trees, so that we can share the results with other olive and specialty crop growers, hopefully inspiring them to enact similar practices.



Below is a sample of some of our regenerative practices:

- Cover crop plantings throughout our orchards
- Reduced tilling
- Utilization of compost and biologic (compost) teas
- Reuse of our tree branches, olive pomace and wastewater as a source of compost
- Livestock grazing through our orchards
- Reducing the use of synthetics fertilizers and testing new nutritional applications



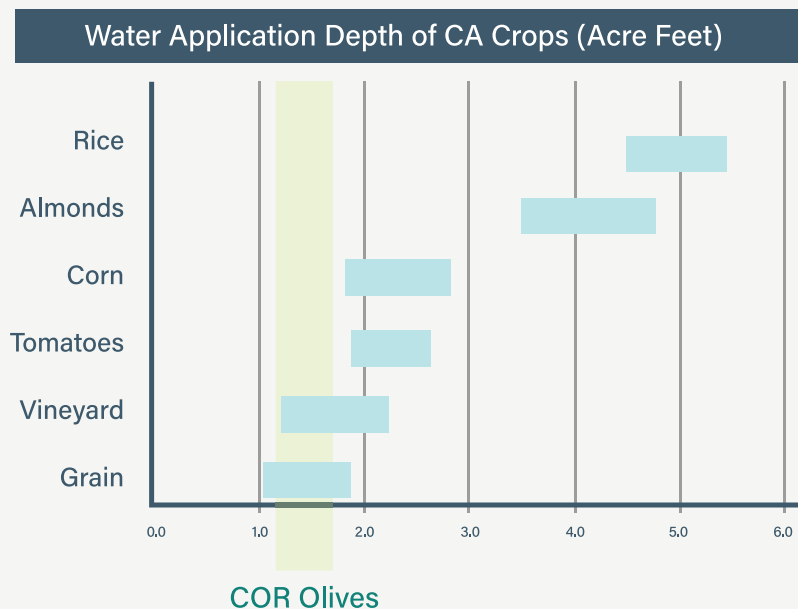
Fact: One tablespoon of soil contains more organisms in it than there are people on Earth!

Using Water Wisely

Water is one of the most precious and fought over resources in the state of California. With most of our rainfall occurring mostly in the winter months, we irrigate our trees during the summer season to keep them healthy.

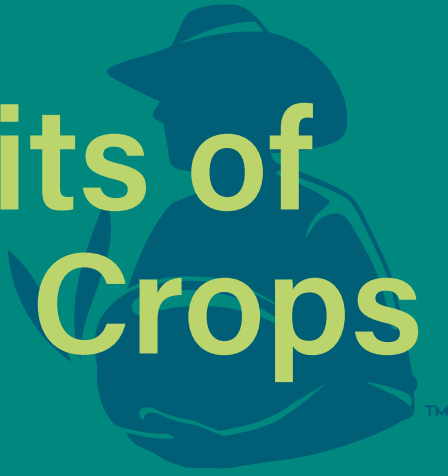
All our ranches are irrigated from aquifers using drip irrigation, one of the most efficient forms of irrigation. Olives are also a great crop because they don't need a lot of water to thrive. As you can see from the chart, olives are one of the best crops in the state of California from a water utilization perspective, needing very little water to thrive.

Here's how olives compare to other crops with water usage:



Acre Feet: an acre-foot is defined as the volume of one acre of surface area to a depth of one foot.

Benefits of Cover Crops



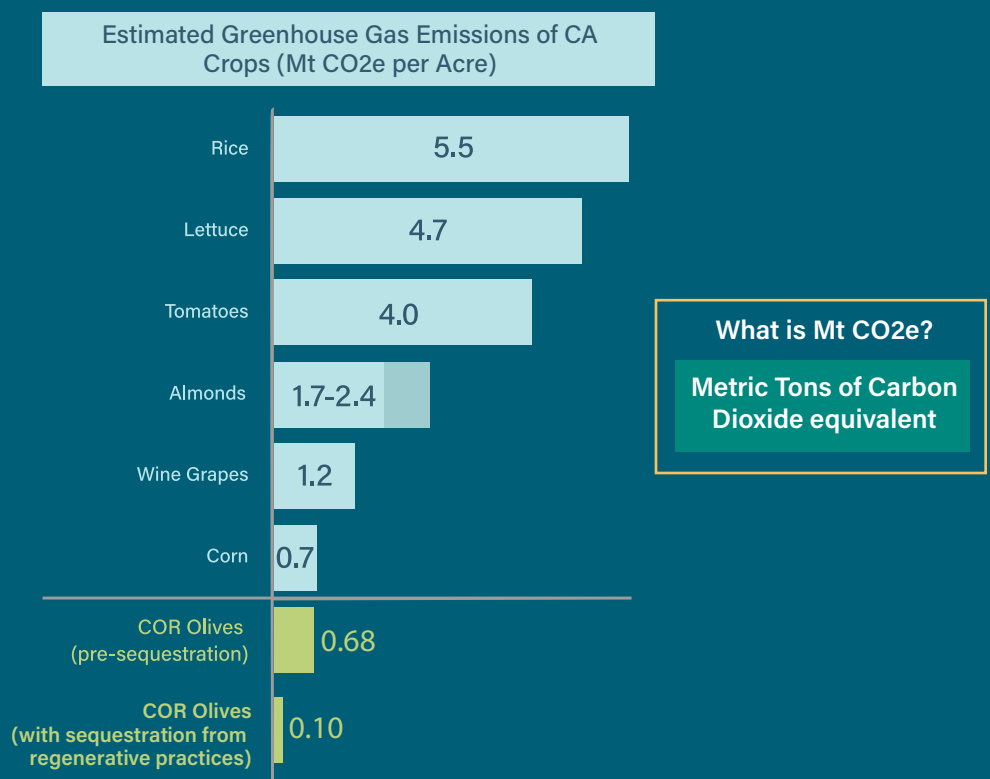
We've planted 13 types of cover crops across all of the acres of our farms. Cover crops are beneficial crops that are planted to cover the soil between periods of normal harvests. Cover crops do all sorts of good, such as:

- Minimize soil erosion & water runoff
- Reduce soil compaction, allowing nutrients & water to infiltrate more effectively
- Diversify ranch ecosystems
- Build organic matter in the soil
- Help control pests and weeds
- Sequester carbon



Our Carbon Footprint & Impact of Regenerative Practices

The chart below shows the total greenhouse gas (GHG) emissions from our farming and milling practices over the last year as measured by a third-party.¹ As you can see, our carbon footprint is lower compared to some of the other reported emissions of other crops in California.² And when you include our carbon sequestration impact from our regenerative practices, the impact of our operations is even lower.



- ¹ GHG emissions were measured with the support of Soil and More Impacts, using methodologies outlined in the GHG Protocol. For purposes of determining organizational boundaries of COR, the operational control approach was used with a 5% threshold for determining materiality.
- ² Greenhouse Gas and Energy Footprint of California Almond Production, UC Davis, Alissa Kendall, 2011. American Farmland Trust, A New Comparison of Greenhouse Gas Emissions from California Agricultural and Land Use, May 2015.

Waste Not

As a part of our regenerative practices we recycle our harvest and farming byproducts back into the soil to help promote a healthy environment.

Twigs and Leaves:

Twigs, leaves, and other natural material that hitch a ride with olives during harvesting are what we call “MOO” (material other than olives). California Olive Ranch has invested extensively in state-of-the-art machinery that removes MOO to be used as compost to fertilize our ranchlands. We plan to have 100% of this waste reapplied back onto our orchards.

Olive Pomace and Wastewater:

Olive pomace is the pulp left over after pressing of olives during harvest. Our olive pomace is primarily sold off as a nutrient-dense cattle feed additive. However, we do combine some of our pomace with wastewater byproduct from our harvest operations to create our compost which is applied to our orchards.

Compost Tea:

Compost tea is a liquid compost made from decomposing waste materials including food scraps, animal manures, leaves, and straw. Compost tea is full of organic nutrients and beneficial microorganisms. Throughout the season, we will apply this mixture to our orchards to help create a healthier biology in our soils.

What We Are Doing Next



- **Setting Goals:** This impact report shares some of our data benchmarks. We are in the process of understanding our environmental footprint deeper and setting goals to improve. Our vision is to share our progress in future reports.
- **Organic Conversion:** We are in the process of transitioning one of our farms to organic by harvest of 2023. Once this conversion is complete, we will be one of the largest producers of organic California olive oil.
- **Solar:** In 2022 we will complete a project to install solar panels at our milling & bottling facility. This solar project will significantly decrease our dependence on grid energy, which will in turn reduce our total greenhouse gas emissions.



Product

At California Olive Ranch, taste & quality is everything to us. You can't make great olive oil without great fruit, so the first step is always our farming and harvesting practices. Our high-density farming style allows us to harvest olives at their peak ripeness and do so at scale, delivering a quality unmatched in the grocery aisle. During harvest we mill our olives within hours of harvesting, assuring that quality is preserved. No heat or chemicals are applied, it's simply cold pressed goodness.

Once we mill our oil, we take every measure possible to ensure quality in our bottling. At the product level, we are always looking for new ways to deliver our promise of sustainable thinking too.

The following pages outline some of the steps we are taking and the results we are seeing.



Nutritional Wellness

Phenols:

Phenols are an antioxidant and come from the skin of the olives. Like any other antioxidant, the more the merrier! Extra virgin olive oil contains over 20 different phenols, which can help neutralize free radicals and protect the body. Phenols can vary depending on the variety and maturity of each olive, therefore all olive oils have different phenol levels depending on the harvest.

Now why are we so proud of our phenols? We take extra time during the process of maintaining our olive trees, harvesting, and milling to prioritize the phenol levels in our oils. The extra time it takes to ensure quality of our products is absolutely worth it.

Monounsaturated fats:

In the 1960s, scientists discovered that monounsaturated fat could be good for your health. Studies have shown that people in the Mediterranean enjoyed a low rate of heart disease despite a high-fat diet. The main fat in their diet? Olive oil.

Monounsaturated fats are healthy dietary fats found in plant foods, such as nuts, avocados, and vegetable oils. According to the FDA, evidence suggests that eating about 1.5 tablespoons (20 grams) of monounsaturated fat rich olive oil daily may reduce the risk of coronary heart disease.¹ Just another reason to enjoy every last drop!



¹ Supportive but not conclusive scientific evidence suggests that daily consumption of about 1½ tablespoons (20 grams) of oils containing high levels of oleic acid, may reduce the risk of coronary heart disease. To achieve this possible benefit, oleic acid-containing oils should replace fats and oils higher in saturated fat and not increase the total number of calories you eat in a day. One serving of extra virgin olive oil provides 9 grams of oleic acid (which is 9.5 grams of monounsaturated fatty acid).

Packaging



Glass:

All of our green bottles for the California Olive Ranch® brand are currently sourced in California. All our glass is fully recyclable. And while all glass production contributes to greenhouse gas emissions, it is still one of the best packages to help us preserve the quality of our olive oil through its shelf life.

Cases:

In the last year, we reduced the amount of corrugate in our cases, and removed the inserts that separated the bottles. Without diminishing the integrity of our packaging we reduced our corrugate usage by almost 40%!

Bag-In-Box:

One of our most efficient packages from a quality and sustainability perspective is our Bag-In-Box packaging. Sold exclusively online, our two liter Bag-In-Box has a lower carbon footprint than our glass bottles, and the outer carton is 100% recyclable. In 2021 we were awarded the Good Housekeeping Sustainable Innovation award for this great product.



Transport

New Warehouse:

Historically, we stored raw materials (glass, cases, etc.) and some finished goods offsite at a warehouse several miles from our production facility. In 2021, we finished building a new warehouse next to our bottling operations, eliminating 6-7 round trips by semi-truck per day. This change alone reduced our transportation emissions by upwards of 45,000 miles annually.

Rail:

We switched our product transportation to our third-party warehouses in the midwest and on the east coast from semi-trucks to rail shipping. Moving freight by rail instead of truck lowers greenhouse gas emissions by up to 75%, on average.*

* <https://www.aar.org/wp-content/uploads/2020/06/AAR-Sustainability-Fact-Sheet.pdf>

Smart Labels

In 2022, we launched an exciting new program on select California Olive Ranch products that takes our commitment to transparency further than we've ever gone before.

With a simple scan of the QR code on the back of a bottle with your smart phone, you're transported to a mobile site where you can dive into the nitty gritty details of the olive oil bottle in your hand. You'll be able to learn specifics about the source and quality of your oil and go as deep into the information as your interest takes you.

Check out what else you can learn from our Smart Labels:

- Harvest Year
- Regions
- Bottle Date
- How it's Made
- Certification & Testing
- Oil Tasting Notes
- Phenol Range




People



"Sustainability is meeting the needs of the present without compromising the ability of future generations to meet their own needs."

Sustainability at COR is more than just being good to the planet, it's also about community, social awareness, and taking care of the people around us. We like to think of everyone that works here at COR as family.





To us, olive farming is as much about our people as it is about growing olives. We provide employee development, training for career advancement, and one-on-one coaching for management growth. Our workforce is approximately 50% Hispanic, so all of our internal material is translated into Spanish, and we offer Babbel language learning to all employees.

It's important for us to value the incredible breadth of people who make COR such a great place to work. We strive to be leaders providing the most fair & substantial benefits for our farm teams. Our average pay rate is 13% above other similar sized companies, and our benefits extend to our full time workers' families as we provide support for their dependents.

Our surrounding community is as important as our internal community, which is why we are proud to have a giving plan that supports local events and charities in our hometown of Chico. Since 2017 we've invested over \$3m in our community and industry; we are proud to have our contributions make a difference.

This is what family means to us.



OLIVE 'OIL

