

# Expect the world from us<sup>™</sup>

**OPPY 2024 SUSTAINABILITY REPORT** 





Thanks to the efforts of our team and partners, we have made significant progress with respect to sustainability in 2023. As a global grower and marketer of fresh produce, we recognize we still have quite a journey ahead, and remain committed to creating a more robust and environmentally sustainable company.

Oppy's five areas of focus throughout our supply chain remain the same: reducing greenhouse gas (GHG) emissions, food waste, water use, packaging materials, and making a positive impact on the people and communities in which we operate. This overview outlines the progress we've made since our last report.

## **Greenhouse Gas Emissions**

The Carbon Trust, a global climate consultancy, categorizes GHG emissions into three scopes:1

#### SCOPE 1

Direct emissions from owned or controlled sources

Fuel combustion Company vehicles Fugitive emissions

#### SCOPE 2

Indirect emissions from the generation of purchased electricity, steam, heating and cooling

Purchased electricity, heat and steam

#### SCOPE 3

Includes all other indirect emissions that occur in a company's value chain

Purchased goods and services Business travel Employee commuting Waste disposal Use of sold products Transportation and distribution (up and downstream) Investments Leased assets and franchises



Oppy collects data in line with Greenhouse Gas (GHG) Protocol for Scope 1, 2 and 3 annually. CO<sub>2</sub>e emissions are then calculated by a third-party environmental consulting firm and CarbonCloud, a leading food industry climate intelligence platform. By identifying the largest contributors to Oppy's total carbon footprint, we can measure our progress, and guide our efforts for reducing emissions — from field to fork.

(Note: Oppy's footprint is part of Dole plc's global carbon footprint. Scope 1, 2 and 3 emissions are verified by a third party to a reasonable level of assurance.)



# Scope 1 & 2 Emissions

As in previous years, our Scope 1 & 2 emissions were largely comprised of purchased heating and electricity, as well as fuel and refrigerant used to power the coolers that store Oppy's products. While these operations are essential for the delivery of fresh produce to our customers and consumers, we continue to explore ways to decrease their corresponding carbon emissions.





EMISSIONS SOURCE	CLIMATE IMPACT (TONS OF CO2E)
Fuel	121
Refrigerants	66
Purchased electricity	275
Purchased heating	10

Greater access to emissions data for purchased electricity resulted in its larger share of this year's total Scope 2 emissions. This doesn't represent an increase, but rather a more accurate calculation to use for evaluating progress moving forward.

This year's report also includes data on purchased heating which was not included previously, again due to a more thorough and improved data collection process.

Market-based emissions were used for both purchased electricity and heating to account for renewable energy sources and provide a more granular view of Oppy's energy use.

# Scope 1 & 2 Initiatives

In 2023 we improved the data collection of renewable energy sources that are used by power providers for Oppy's offices and warehouse space, including hydro, geothermal, nuclear, solar, biomass and wind power.

In the previous reporting period, 1,119,062 kilowatt hours (kWh) were generated from renewable sources, representing 59% of electricity used to power our offices and warehouse space, and avoiding 162 metric tons of carbon emissions.

#### 2023 energy-reduction progress includes:



The installation of LED lighting in our Houston and Seattle offices which will result in an annual energy savings of 1,500 and 1,750 kWh respectively.



Switching to R449, a low Global Warming Potential (GWP)<sup>1</sup> refrigerant in the cooler in our Vancouver, BC facility.



Generating Low Carbon Fuel Standard (LCFS) credits from electric equipment used in our California warehouse facilities through our partnership with Pinespire.



LCFS carbon credits are generated through the use of electric equipment that is less energy-intensive. The credits are sold to other companies as part of a California air-pollutant reduction program.<sup>2</sup>

## **Scope 3 Emissions**

Like many companies, the majority of our total carbon footprint comes from Scope 3 supply chain activities. Through our continued partnership with CarbonCloud, a leading food industry climate intelligence platform, we can calculate emissions from the production, transportation and packaging of all products. As such, we will continue to focus our emissions-reduction efforts on these key areas.

#### 242,107 tons CO,e/year **Total climate impact** BASED ON ALL PRODUCTS WITH SALES VOLUME **1,013** tons CO<sub>2</sub>e/year Average product impact BASED ON ALL PRODUCTS WITH SALES VOLUME **Emissions per sector** tons CO<sub>2</sub>e/year 46% Agriculture 1.10 x 10<sup>5</sup> Transportation 37% Packaging 14% 32.974

8.780

The total climate impact for 2023 amounted to 242,107 tons of CO2 per year, representing a decrease from the 282,484 tons recorded in 2022. This results from looking at the climate footprint per product (measured in kg  $CO^2e/kg$ ), multiplied by the quantity of products sold, yielding the total emissions. The average product impact is the average climate footprint per product based on the volume of products sold. In 2023 the average impact per product rose from 971 to 1013 units. This increase can be attributed to changes in the volume of products sold between 2022 and 2023, for example selling more volume of products that have a higher amount of emissions (measured in kg  $CO_2e/kg$ ).

4%

Note: Scope 3 emissions values from additional categories are listed below. We will continue to improve our data collection process in effort to have more scope 3 emissions categories calculated for Oppy's 2025 sustainability report.

## ADDITIONAL SCOPE 3 EMISSIONS - IMPACT PER GHG PROTOCOL & CATEGORY IN tCO<sub>2</sub>eq

Cat 15 Investments	46,000
Cat 7 Employee commuting	700
Cat 2 Capital goods	600
Cat 6 Business travel	400

Processing



#### **SmartWay**

Oppy received SmartWay certification in the fall of 2023. SmartWay is a voluntary, public-private program that requires an extensive application process that includes measuring and documenting Oppy's fuel use and freight emissions throughout the supply chain. SmartWay also assists with identifying more efficient freight carriers, thereby reducing the environmental impact of transportation activities.

SmartWay carriers increase the use of alternative fuels, new technology, lightweight trailers, antiidling equipment, improved routing and shipment consolidation to reduce fuel consumption.

## **Electric Truck Pilot**

We are continuing to pursue an electric truck pilot program for port to storage routes in the Vancouver area, as announced in our 2023 sustainability report. Despite numerous efforts to get this underway, limited availability of electric trucks and exponential demand in the marketplace have made it infeasible thus far. We will continue our efforts in 2024 in hopes of launching a pilot this year.

Our goal is to increase the amount of freight transported by SmartWay carriers from 14% to 20% by 2026.



## A Global Approach to Sustainability

As an organization that grows fruits and vegetables on six continents and moves close to 50 million boxes of fresh produce through our global supply chain, we're intimately aware of the need for environmental stewardship. Likewise, we are also responsible for the livelihoods of the farmers who grow our products.

#### **Regenerative Agriculture**

Oppy is proud to market Mexican table grapes that are grown using regenerative agriculture production practices. Regenerative agriculture is a system of farming principles that rehabilitates the entire ecosystem and enhances natural resources, rather than depleting them, by improving soil health, reducing inputs and ultimately, sequestering carbon in the soil.

This production practice aims to reduce or eliminate biocidal chemicals while increasing crop and biological diversity by mimicking natural ecological processes.<sup>3</sup> Retail and consumer demand for regenerative agriculture has grown exponentially in recent years — given its potential to help combat climate change.



# **Certified Organics**

Organically grown food is defined by the EPA as avoiding the use of synthetic fertilizers or pesticides.<sup>4</sup> Unlike regenerative farming, organic farming is regulated by the USDA, and must meet the standards of the National Organic Program (NOP) to be labeled as certified organic produce in the U.S.,<sup>5</sup> or the Canada Organic Regime (COR)<sup>6</sup> in Canada.

Bell peppers, apples and kiwifruit top the list of certified organic products Oppy sells by volume.

130%

increase in our sales volume of organic products between 2018 and 2023 — aiming to both meet market demand and limit the effects of climate change.<sup>7</sup>

<sup>3</sup> Rodale Institute White Paper

<sup>4</sup>Organic Farming | US EPA

<sup>5</sup>Organic Regulations | Agricultural Marketing Service (usda.gov)

<sup>6</sup> Canada Organic Regime

<sup>7</sup> Why Organic? | CCOF



#### **Integrated Pest Management**

Integrated Pest Management (IPM), is defined by the EPA as an effective and environmentally sensitive approach to pest management that relies on a combination of practices with the least possible hazard to people, property and the environment.<sup>8</sup>

IPM is increasingly viewed as an important component of the production of fresh fruits and vegetables. We are proud to report the majority of our production already has a third-party IPM certification, verifying IPM principles and control methods are utilized. Our goal is to obtain a third-party IPM certification for 100% of the food we grow, distribute and market by 2027.

#### **Innovation and Pollination**

In addition to dedicating a portion of land that we own or operate as a pollinator habitat<sup>9</sup> by the end of this year, we are currently testing BloomX's technology — a combination of artificial intelligence and crop-specific mechanical devices that mimic the natural pollination process.

The objective of this pilot is to determine if BloomX's technology can minimize our dependency on honeybees for pollination and decrease stress on honeybee populations, providing a sustainable alternative to increase yields and enhanced quality of crops.





Oppy visits Rios Organics' facility to see its product being converted into animal feed.



Beginning of anaerobic digestion process before being converted into energy source.

<sup>8</sup> Integrated Pest Management (IPM) Principles | US EPA <sup>9</sup> Pollinator\_Habitat\_Initiative.pdf (usda.gov)

#### **Waste Reduction**

We work to ensure there is zero waste in our supply chain by partnering with upcycling organizations throughout the United States and Canada. These include food banks, animal feed processors, and local anaerobic digestion and compost facilities that generate energy and organic nutrients for plants. Oppy's upcycling partnerships for food waste and recycled materials resulted in the reduction of 74 metric tons of carbon dioxide equivalent (mtCO2e) and 430 mtCO2e, respectively. While we are proud of these achievements, we continue to strive for zero waste in our operations, pledging to achieve this by 2028.

#### Highlights from Oppy's zero waste efforts include:



Recycling electronics such as phones and computer equipment, as well as recycling corrugated containers from Oppy's warehouses.



Donating over one million pounds of surplus fresh fruits and vegetables between 2022-2023 to Food Forward, a nonprofit organization that helps people experiencing food insecurity in the Southwest U.S.



Diverted 1,488 tons of food waste and packaging material from our warehouse facilities in Southern California through our collaboration with Rios Organics, a waste management company based in the Los Angeles, CA area.



Food waste sent to Rios was repurposed for animal feed or energy (via anaerobic digestion), or donated to local nonprofit community composters.



Diverted **794,044 kg** of food waste from our Vancouver, BC facility, thanks to our collaboration with ReFeed, a nutrient upcycle company who turns food waste into livestock feed, energy (via anerobic digestion), as well as donating food to feed people.



Recycled **431,749 kg** of cardboard, plastic and mixed recycles through ReFeed.

#### Water

Last year, our operations, like most in the fresh produce industry, experienced numerous climate events including drought, severe heat and flooding that negatively impacted production in regions around the globe. This underscores the need for optimized water use throughout our supply chain. While this goal is straightforward, accomplishing it is extremely complex. Consequently, we aim to achieve progress annually through strategic projects that are focused on water optimization.

In 2023, Oppy conducted a pilot project with AQUA4D, a precision irrigation technology with the potential to reduce water and fertilizer use by 15% and 10% respectively. Due to severe flooding at the beginning of the season, our results were inconclusive. Therefore, we will continue the pilot in 2024 to determine its potential to reduce the use of water and fertilizer.

We will also conduct a thorough water risk assessment for our growing regions in order to identify locations that are most at risk as well as potential opportunities for optimized water practices.



# Packaging

Sustainable packaging remains top-of-mind at Oppy. We continue to explore packaging options that are environmentally friendly, strong enough to withstand the journey from farm to consumers' homes, as well as preserving the quality of our products.

#### Recyclability

We ensure packaging is recyclable, whenever feasible, and support a closed-loop recycling stream to minimize environmental impact. We are also increasing the number How2Recycle-certified pack styles in order to help educate consumers on how to properly recycle our packaging materials. Our efforts include:





Adopting top seal packaging options with 30% less plastic.

Switching to recyclable low-density polyethylene (LDPE) material for all bagged products. Replacing extra-large clear clamshell labels with APR approved material for increased recyclability.

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Aim to use more than 50% post-consumer recycled plastic (PCR) in as many Oppy SKUs as possible.

APR Design® for Recyclability Recognition provides third-party validation of compliance with North American recycling systems.<sup>10</sup>



## Compostability

Given recent advancements in compostable packaging, Oppy is now pursuing home and industrially-certified compostable packaging when feasible. In January 2024 we launched a home and industrially-certified compostable avocado bag, The Earth Sack™, a 100% biodegradable and compostable bag free of microplastics and petrochemicals. It is crafted using cellulose tube netting sourced from PEFC/FSC® certified European beechwood forests. It is also marine degradable certified and naturally degrades in soil within 12 weeks, ensuring a sustainable and eco-friendly approach.



SCAN QR CODE FOR VIDEOS



Packaging for Oppy's organic kiwifruit carton is made from FSC<sup>®</sup> certified paper





The Forest Stewardship Council (FSC) is an international, non-governmental organization dedicated to promoting responsible management of the world's forests, in part, through the pioneering of an eco-friendly wood and paper product certification system.

FSC-certified forests are managed to strict environmental, social and economic standards. Certification confirms that a forest is being managed in a way that preserves biological diversity and benefits the lives of local inhabitants and workers, while ensuring sustainable economic viability.<sup>11</sup>

## **People and Community**

When asked what their favorite part of working at Oppy is, employees continually rate "the people" at the top of their list. We are grateful for the exceptional people who grow our products in communities around the world and Oppy employees in offices and warehouses throughout the U.S., Canada, Peru, Chile and South Africa.



Team Oppy hits the ground running in the **Race for a Healthier World 5K** at IFPA



The marketing department visits **Golden Eagle Farms'** cranberry bogs



The Vancouver office shows off their spook-tacular **Halloween** spirit



Showcasing our best in products and connections at SEPC

# **Fair Trade Certification**

Premiums generated through the sale of our Fair Trade Certified<sup>™</sup> produce help address urgent needs in the communities in which they're grown. These include healthcare, education, access to fresh water and other vital initiatives. Oppy has been working with Fair Trade since 2004, and has seen a **16% increase** in total Fair Trade-certified volume over the most recent reporting period.

We are the leading marketer of Fair Trade-certified bell peppers — which amounted to more than **26 million** of the 34.9 million lbs of total certified produce we sold in 2023. This generated **\$1,574,965** in premium funds for farmworkers and their communities.

#### Recent projects that were funded from Fair Trade premiums include:



#### PERU

A childcare center for farm workers' children ages 6 months to 3 years.

Vouchers for 300+ permanent farm workers to purchase essential goods such as food, cleaning supplies and personal hygiene products, among others.

Improving the infrastructure of workers' homes like roofs and floors.

Purchases of basic home appliances for 130 permanent agricultural workers such as washing machines or stoves, to eliminate the need to wash clothes by hand or cook with firewood.

#### CHILE

Purchases of supplies for a senior center in order to sustain an environment that helps many elderly residents in a rural community.

Food and emergency healthcare funding for workers.

#### MEXICO

Funding for a scholarship program to encourage the completion of primary and secondary education.

Funding the "Better Hearing Program" to provide hearing aids to improve the quality of life for workers suffering from hearing loss.

#### **Charity and Volunteering**

Oppy has a long history of supporting local charities including food banks, Red Cross flood relief, Variety Club, Cycle for Sight and the Canadian Cancer Society. This past July, we doubled the maximum amount of our donation matching program to account for inflation and encourage employees to support worthy causes in our community.

In an effort to reflect and support the diverse interests and areas of passion in our workforce, we have also streamlined our volunteer policy in 2022 to allow employees to take up to two paid days per calendar year to volunteer with an accredited charitable organization of their choice.

In 2023 we saw an 800% increase in Oppy employees' paid volunteer time off as this new policy gained momentum. Volunteer time was largely spent in the following areas: food bank and food security related charity work, environmental support initiatives such as tree planting and activities supporting children's education.







#### **Science-based Targets**

Oppy's sustainability areas of focus and progress are in alignment with Dole plc, our parent company. Together, we are committed to setting near and long-term climate targets aligned with the Science Based Targets Initiative (SBTi). Oppy's achievements in sustainability will be measured and feed into the science-based targets set by Dole, submitted to SBTi for validation in January 2024.

Science-based targets provide a clearly-defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth. Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to 1.5°C above pre-industrial levels.

The Science-Based Targets Initiative (SBTi) defines and promotes best practice in sciencebased target setting. Offering a range of target-setting resources and guidance, the SBTi independently assesses and approves companies' targets in line with its strict criteria.<sup>12</sup>



The Newark office celebrates **Super Bowl** with 6 ft hoagies



Freggie poses with Team Oppy at **BCPMA young** professionals event

#### Grow our tomorrow

As a global grower, marketer and distributor of fresh produce, sustainability remains a key element of our company's strategic pillar: Expect the world from us — where we strive to provide our children and the world, environmental, social and economic sustainability. While we are proud of progress we have achieved over the past year, we recognize the majority of our work lies ahead. We look forward to advancing sustainability each year through new initiatives, projects and collaborations throughout our supply chain and the fresh produce industry.