



Impact Report

*Building More Regenerative Business Models
and Agricultural Systems*

Photo Courtesy of Guayaki

OSC²: One Step Closer to an Organic Sustainable Community

Mission: A network of CEO's and business leaders addressing the toughest sustainability problems facing our industry and our planet by building new regenerative business models and agricultural systems

The OSC² community is comprised of leaders in the natural products industry who maintain the highest sustainability standards in their businesses and personal lives collaborating through our Core and Rising Star Memberships.

OSC² also organizes two industry facing programs, the Climate Collaborative* and the Packaging Collaborative,** which are respectively driving climate beneficial business practices and packaging waste reduction in our industry.



Lara Jackle Dickinson
OSC² Co-Founder
& Executive Director



Ahmed Rahim
OSC² Co-Founder
& Board Member



Michael Anzalone
OSC² Program Director

Core and Rising Star Members



PARTNER THANK YOU'S

OSC² would like to extend a special thank you to a short list of amazing partners, who have supported us along the way.

*Sustainable Food Trade Association - Climate Collaborative

**Elk Packaging and Futamura - Packaging Collaborative

New Resource Bank - Future of Food and the Rising Star CEO Group

Squar Milner - Finance Group

Sensiba San Filippo - Future of Food and the Rising Star CEO Group, Impact Report Sponsor

SENSIBA SAN FILIPPO
CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS

OSC² Impact Metrics

22
Participating
Companies

74%
Minority Lead
Companies



46%
are Certified
B Corp Companies

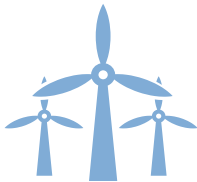


205,315,981
Lbs. of Organic Agriculture
Purchased

261,144
Total Forest Acres
Conserved



16,598,318
Total Trees Planted
and/or Conserved



15,720
Metric Tons of CO₂ Offset
and/or Renewable Energy
Credits (RECs) to offset

\$6,408,380
Total Fair Trade Premiums
\$'s Paid Directly to Farmers



\$6,989,895
Total Social/Enviro Impact
\$'s Paid Directly to Farmers

Programs

CLIMATE COLLABORATIVE A PROJECT OF OSC² AND THE SFTA

The Climate Collaborative was born from a belief that by working together, the natural products industry has a greater potential to combat climate change. Since launching on Climate Day at Expo West on March 8, 2017, the Climate Collaborative has experienced overwhelming support, with 200+ participating companies and over 700 climate action commitments logged to date. To support this growing movement, the Climate Collaborative produces a series of industry webinars, facilitates a climate action group, and via its annual awards program and communication channels, recognizes companies for their exemplary work on climate change.



PACKAGING COLLABORATIVE

OSC² formed the Packaging Collaborative to remove petroleum based plastic from landfills, oceans, and our planet by securing compostable and renewable flexible film structures with appropriate barrier qualities. As with our other programs, we believe that the best way to address packaging is to share our learnings and steer the industry towards leading-edge solutions. In its fourth year, the Packaging Collaborative is comprised of over 25 companies, including, Numi Tea, Alter Eco, Plum Organics, Amy's Kitchen, Ben & Jerry's, Lotus Foods, Patagonia Provisions.

With support from the Packaging Collaborative, Alter Eco, successfully launched an industry-leading, compostable, non-gmo pouch for its line of quinoas. Since then, the Packaging Collaborative has utilized this momentum to support the development and subsequent launch of Numi Tea's overwrap application, and to develop a marine degradation study of compostable films in 2017. The Collaborative continues to open source and share new plant based packaging materials and other potential solutions.

WORKING GROUPS

Our Finance, Operations, Marketing, and Sales working groups meet regularly and provide the senior staff of our member companies with a trusted space for collaboration, knowledge sharing, and peer support. Our model leverages the experience of our members, as well as trusted outside experts, to navigate the inherent challenges facing mission-driven natural products companies. Since their launch in 2016, we've hosted over 20 working group sessions and engaged over 100 leaders within our member companies, helping to foster a deeply rooted network of mission-aligned leaders.

EDUCATION & PUBLIC PROGRAMS

OSC² University gives OSC² members access to professional development courses throughout the year. The curriculum includes both soft skills courses, such as Leadership and Organizational Development, as well as technical skills training, such as Intermediate/Advanced Excel, Finance for Non-Finance Managers, and Project Management.

OSC²'s public events series, *Future of Food*, features a combination of live events and webinars with progressive food leaders. Our commitment to social good and climate beneficial action sets the tone for these candid yet informative dialogues. Programs in 2017 included, *The Climate Connection*, which focused on climate beneficial business practices in the natural products industry and *unWasted*, which looked at waste challenges and opportunities present in our food systems.

Impact Stories

Read more of our member stories on osc2.org.

Guayaki **AGRICULTURE**

Guayaki is leading on regenerative agriculture with its rainforest-sourced yerba mate and Market Driven Regeneration business model, which is unique in its living systems approach. The approach covers rainforest protection and restoration, producer livelihoods and training, food sovereignty and women's leadership, fair trade, and community stakeholder engagement. In 2017, Guayaki sourced rainforest-grown yerba mate from 512 indigenous families and 81 small producers in South America. As part of its long-term partnerships with indigenous communities, added 23 more acres to its food sovereignty program (for a total of 35), built a school which will help the Guarani preserve their language, and facilitated a Participative Workshop for local stakeholders. Guayaki had the largest annual increase—58%—in the number of stewarded acres. To date we've stewarded and restored 130,200 rainforest acres and created 885 living wage jobs. Guayaki continues to share their story with other businesses and business students in hopes of instigating change in the food industry and exemplifying that values-minded companies can be profitable. Early in 2017 they completed a full greenhouse gas inventory of our supply chain with SCS Global, confirming that Guayaki has been carbon positive for 22 years.

Dr Bronner's **RENEWABLE ENERGY**

Our Quest for 100% Renewable Electricity In 2015, Dr. Bronner's made a goal to use 100% renewable electricity by 2025. At the time, 15% of the company's electricity was considered renewable, as its products are produced mostly in California, where the grid includes wind and solar sources. With the on-site installation of solar panels in 2017, as well as our enrollment in a renewable electricity purchase program through our utility, over 90% of electricity used at its Vista facility is now derived from renewable sources. Dr. Bronner's solar panels, a massive 346-kilowatt installation, generate 572,000 kilowatt hours of electricity annually, contributing about 50% of its total electricity needs. Dr. Bronner's hopes that with further efficiency gains we will reach our 100% renewable goal by 2025.

Happy Family **TRANSPORTATION**

Knowing that transportation makes up roughly a quarter of Happy Family's full-scope carbon footprint, Happy Family began looking for ways to reduce our impact in 2017. Using the Environmental Defense Fund's Green Freight Handbook as a guide, it zeroed in on transitioning a portion of our inbound domestic raw material transportation from truck to rail. It worked with key Third Party Logistics (3PL) companies to identify the most cost-effective and strategic lanes to move, and transitioned close to 20% of our domestic inbound raw material volume to intermodal lanes. This move has the potential to reduce Happy Family's transportation footprint by roughly 150 metric tons. Happy Family has also simultaneously been working with its 3PL providers to measure and increase its usage of EPA SmartWay certified carriers to further reduce its logistics footprint.

Lotus Foods **SHORT-LIVED CLIMATE POLLUTANTS**

Since 2009 Lotus Foods has sourced much of its rice from farmers using novel water-saving and methane gas-reducing practices called the System of Rice Intensification, or what we refer to as More Crop Per Drop™. SRI enables lowest-income farmers to produce higher yields with 20-50% less water, 80-90% fewer seeds and no agrochemicals or pesticides. In a radical departure from conventional rice production paddies are no longer continuously flooded. This not only saves enormous amounts of water but reduces methane gas emissions by 30 to 70%. Flooded rice paddies are a major source of global warming, producing up to 20% of man made methane, which is 30X more warming than CO2 over a 100-year period. Not keeping paddies immersed under water also improves soil health and root growth, which translates into more productive plants. Another important benefit is that women's workload is lightened, and they no longer have to work in standing water. Due to the success of SRI-grown rice in retail markets across the US, our annual purchase of this climate- and women-friendly rice has increased over the past eight years from 54 to 670 tons in 4 countries.



Manifesto

We envision a regenerative global economy that supports all life and living systems. We believe that our relationship to the world, and all that inhabit it, requires a long-term view with brave action. We see our network of purpose-driven businesses as an important vehicle for catalyzing this vision.

How do we get there? Step by step, and in collaboration. As leaders in our community, we believe it is our responsibility to:

- Push the boundaries of our own knowledge and experience
- Bring together our companies, customers, employees, and community to create new approaches and practices that regenerate our businesses and our earth
- Share these learnings with our industry peers and allies in order take meaningful action

We will always strive to leave these systems better than how we found them. And so, hand in hand, leading and sharing, we take One Step Closer, to manifesting our common vision.

For more information or to inquire about joining the OSC² community, please contact: Lara or Michael at info@osc2.org.

www.osc2.org