



# SUSTAINABILITY REPORT 2020

*An Unprecedented Year & an Opportunity for Change*

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## INTRODUCTION: AN UNPRECEDENTED YEAR & AN OPPORTUNITY FOR CHANGE

We tend to think of climate change as something that impacts ice caps or forests. However, in California, we're seeing climate change firsthand. In 2020, record-breaking wildfires tore through our community. At the same time, people around the world pulled together to battle COVID-19. It was a powerful demonstration of our interconnectedness and, more than that, our ability to work together for a healthier world. So, even in the challenges of an unprecedented year, I see an opportunity for sustainable change if we all pull together and do our part.

This year, at Lundberg Family Farms, we maintained our [Platinum TRUE Zero Waste](#) and ENERGY STAR certification, increased our on-site solar generation to 21%, grew 17,995 acres of organic rice and quinoa, received [Rodale's Organic Pioneer Award](#), were recognized as an [EPA Green Power Leader](#), and partnered with [TerraCycle](#) to improve packaging recyclability. We also doubled down on policy engagement. Because while we're proud of the strides we've made, we know we can't cultivate a healthier world alone.

Let's keep growing together for generations to come!

**Grant Lundberg** | CEO | Lundberg Family Farms

# OUTSTANDING IN THE FIELD:

# SUSTAINABILITY BY THE NUMBERS

**99.7% DIVERSION RATE**

We diverted more than 15,252 tons of waste, equal to the weight of 2,346 African elephants!

We partnered with our friends at TerraCycle so our flexible packaging can skip the landfill for a second life as durable plastic goods!

**1,184 RECYCLING LOCATIONS**

**1.9 MW SOLAR ENERGY**

We increased our total on-site generation from 19% to 21%.

**17 VARIETIES OF RICE GROWN**

We also grow quinoa along the Northern California coastline.

**3 CLIMATE ACTION GROUPS**

We are working closely with three different organizations to help protect our planet for generations to come!

**168 CERTIFIED ORGANIC PRODUCTS**

We produced 6 "made with organic" products as well!

**30% POST-CONSUMER RECYCLED CONTENT**

All of our paperboard boxes contain PCR content and our raw materials are sourced sustainably.

**41 TONS OF LANDFILL**

Our entire company's landfill use is equal to the waste generated by just 51 average Americans per year.

**100% RENEWABLE ENERGY**

We offset our Richvale, CA manufacturing facility with solar and wind energy.

**108 MILLION POUNDS OF RICE MILLED**

94% of our products are made onsite.



**WE LEAD WITH A LONG VIEW OF  
FAMILY, FOOD, AND SUSTAINABILITY.**

# FAMILY FORWARD

At Lundberg Family Farms, we lead with a long view of family, food, and sustainability. Our founding fore-farmers—Albert, Frances, and their four sons—saw how the Dust Bowl stripped the land of its topsoil in the 1930s. When they moved to California in 1937, they decided to work in partnership with nature, becoming pioneers of organic rice farming. We've been following in their footsteps ever since, growing healthy, great-tasting rice while protecting the place we call home.

Today, Lundberg Family Farms is led by the third generation of Lundbergs and owned by 36 actively engaged family members. However, our definition of “family” extends far beyond “family-owned.” It also includes a network of 44 growers and more than 400 team members. Together, we create thoughtfully crafted rice and quinoa products while tending to soil, air, water, and wildlife as carefully as our crops. It's all part of our promise to leave the land better than we found it so we can keep growing together for generations to come!



**OUR FAMILY HAS GROWN FROM ALBERT, FRANCES, AND THEIR FOUR SONS TO...**



# VERTICALLY INTEGRATED

Did you know we grow more than 20 varieties of rice and quinoa? As a vertically integrated company, we grow, dry, store, mill, manufacture, market, and distribute our own products. So when we say “farm to table,” what we mean is: We stand behind every grain, every step of the way. Does this make some people think we’re a bit unconventional? Sure. But doing things our way—sustainably at every step—allows us to make better food for the table while leaving a better world for the next generation. Besides, we’ll take unconventional over the alternative any day. That’s why we have 168 certified organic, non-GMO products. Each one is crafted meticulously from seed to smile so you and your family can enjoy them at your table!



**WE STAND BEHIND EVERY GRAIN,  
EVERY STEP OF THE WAY.**

RICE & QUINOA  
MORE THAN  
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TO SMILE

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NON-GMO



# MISSION-DRIVEN

We may cater to a need for healthy, great-tasting food, but our mission extends far beyond the table: To honor our family farming legacy by nourishing, conserving, and innovating for a healthier world. As we work toward a healthier world, sustainability is part of everything we do, and it's guided by our core values:

## RESPECT

We treat others as we want to be treated, care for the environment, and use resources wisely.

## INTEGRITY

We keep our commitments, report on our performance, and communicate truthfully.

## CONTINUOUS IMPROVEMENT

We endeavor to improve our products, operations, and resources, and will support this with investments in people, equipment, products and processes.

## TEAMWORK

Our success is the result of collaboration between many talented individuals, including team members, growers, vendors, and customers.



To make sure we're moving in the right direction—and at the right pace—we conduct annual performance audits. The results included in this report are relevant and necessary indicators of our progress from September 2019 to August 2020.

**TO HONOR OUR FAMILY FARMING LEGACY BY  
NOURISHING, CONSERVING, AND INNOVATING  
FOR A HEALTHIER WORLD.**



# AREAS OF FOCUS



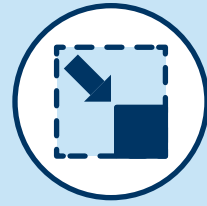
WASTE



SOIL



ENERGY



PACKAGING



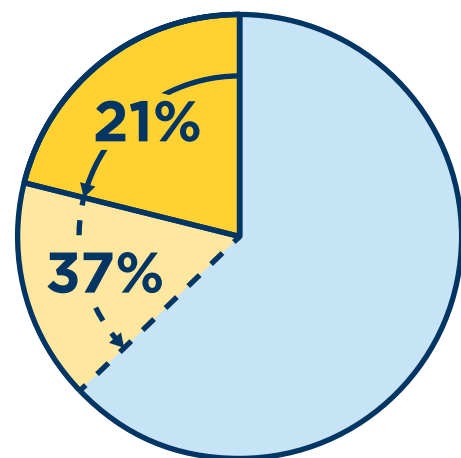
POLICY  
ENGAGEMENT

The Intergovernmental Panel on Climate Change (IPCC) estimates that [21% to 37% of global greenhouse gas \(GHG\) emissions are attributed to the world's food system](#). These emissions come from agriculture, storage, transport, packaging, processing, retail, and consumption.

As a farm and food manufacturer, this means we have a huge opportunity to make a positive impact on the world. That's why we choose to do things differently—sustainably—every step of the way.

Through the [Sustainable Food Trade Association](#) and the [Climate Collaborative](#), we've committed to working toward improvement across eleven action categories ranging from land use and organic practices to energy generation and manufacturing efficiencies. While we aim to make progress in every category, we've decided to focus on five to maximize our impact: Waste, Soil, Energy, Packaging, and Policy Engagement.

## GLOBAL GREENHOUSE GAS EMISSIONS



 **Estimated Food Industry Impact**

*An estimated 21% to 37% of global greenhouse gas emissions are attributed to the world's food system.*

**AS A FARM AND FOOD MANUFACTURER,**

**WE HAVE A HUGE OPPORTUNITY TO MAKE**

**A POSITIVE IMPACT ON THE WORLD.**





## WASTE

**Goal: To maintain our 95% diversion rate.**

We give 100% to achieving zero waste! Our zero waste journey began in 2008, when mixed recycling bins were made available in Richvale, the little town we call home. Since then, our zero waste program has grown to include a lot more than a few mixed recycling bins! In fact, we collect, sort, and recycle just about everything—99.7% to be exact—from packaging to scrap metal to uniforms (which are broken down and used as insulation in vehicles).

This figure, which we call company waste, includes rice byproducts such as hulls and bran. While we're proud to divert so much material from the landfill, we also realize that including byproducts can obscure the solid waste materials leaving our production facilities. So we don't settle for diverting 99% of company waste; we also aim to divert 95% of facility waste, which does not include byproducts.



In 2020, we exceeded our goal by diverting 95.78% of facility waste and 99.71% of company waste, enabling us to maintain Platinum TRUE (Total Resource Use and Efficiency) Zero Waste certification!



## SOIL

**Goal: To maintain soil health and better understand the impacts of our sustainable farming practices.**

As Bill Gates recently wrote, "We should discuss soil as much as we talk about coal." At Lundberg Family Farms, we're more likely to reference Albert Lundberg's motto: "Leave the land better than you found it." Either way, we cultivate rice from the ground up using eco-positive farming methods that prioritize soil health and help mitigate climate change. Our key farming practices include:



**Planting Cover Crops:** Like green juice for the ground, cover crops restore nutrients to the soil! We plant them during the winter so photosynthesis can occur year-round, bringing carbon out of the air and putting it into the ground. This creates a better home for microbes, which naturally make nitrogen, an essential part of the soil's well-balanced diet.



**Incorporating Rice Straw:** Our founders saw the value of returning rice straw to the soil long before a 1991 act was passed to curb the practice of burning it. Other farmers laughed at their efforts to turn straw into the soil because the task was so cumbersome. Now, incorporating rice straw is common practice to protect air quality. Plus, it builds organic matter!



**Natural Weed Control:** We manage weeds naturally—with water! A few weeks after planting, we raise the water level just high enough to drown the grass weeds, but not so high that it harms the rice. When the aquatic weeds begin to emerge, we return the water to rivers and streams, drying up the fields to control these water-loving weeds—no herbicides needed!

This year, we were honored to receive Rodale's Organic Pioneer Award for our contributions to the organic movement. Our family has been prioritizing soil health since 1937. So, at this point, our goal is to maintain the healthy soil we've built over decades. That said, we're working with the Cool Farm Alliance to better understand emissions related to our farming practices. It's a long row to hoe, but our ultimate goal is to complete a five-year baseline assessment of emissions company-wide—from the farm to our facilities—so we can set long-term goals related to climate change.







# POLICY ENGAGEMENT

**Goal:** To support likeminded organizations that cultivate a healthier world from the ground up.

As Homer Lundberg says, “No one knows as much as we all know.” In fact, Lundberg Family Farms was born of collaboration—among Homer, his brothers, and their parents. In this spirit, Lundberg Family Farms is committed to supporting organizations that help protect and improve our planet for generations to come. We’re actively engaged in 10 organizations that support organic farming, water conservation, and environmental stewardship.

## Organic Farming



## Water Conservation



## Environmental Stewardship



## Local Groups



This year, we doubled down on policy engagement by participating in the Organic Trade Association’s Organic Day, joining with 300 businesses in [Ceres’ Lawmaker Education and Advocacy Day \(LEAD on Climate 2020\)](#), backing the [Plastics Free California Initiative](#), and more. We also support organizations like the [Center for Land-Based Learning](#) and have joined the [J.E.D.I. Collaborative](#) to help cultivate a culture of inclusivity at all levels of the food system!



**“NO ONE KNOWS AS MUCH**

**AS WE ALL KNOW.” – HOMER LUNDBERG**

# ADDITIONAL ACTION CATEGORIES



## BIODIVERSITY

Choosing organic not only means saying “no” to chemicals and GMOs, but also saying “yes” to biodiversity, which is part of the organic system! Our fields are home to hundreds of species. During the winter, we flood a portion of our fields to replicate California’s once-abundant wetlands, which have been disappearing for decades as dams and levees were built to protect growing communities from floods. Today, [95% of the wetlands in California’s Central Valley are gone](#). Ducks, geese, swans, sandhill cranes, shorebirds, and other waterfowl depend on rice fields for [more than 60% of their nutrition](#) plus a place to rest while they travel the Pacific Flyway. Once they fly away, we return the water to rivers and streams, where [zooplankton from the fields support endangered salmon populations](#). Come spring, before we start our tractors to prep the fields for planting, we work with organizations like the [California Waterfowl Association](#) to search for duck nests. We rescue the eggs from the tractor’s path and transfer them to a local hatchery to be incubated, hatched, raised, and released back into the wild. Since 1993, more than 30,000 ducklings have been rescued from our fields!



## WATER

As organic farmers, water is a key component of our farming practices; as Californians, it’s one of our most precious resources. We make sure every drop goes as far as possible to produce wholesome food and provide habitat. In our fields, we carefully plan when to apply water, how much, and when to withdraw so we can balance weed management, pest control, crop yields, rice quality, and harvest times. In our facilities, we use water-efficient fixtures, including low-flow toilets, waterless urinals, automatic faucets, and water fountains with filling stations to make single-use bottles obsolete.



## CLIMATE CHANGE

This year, we began a deep dive into understanding our facility emissions and identifying the data we need to capture to get the full picture. We’re also working with the [Cool Farm Alliance](#) to better understand emissions related to our farming practices. Our ultimate goal is to complete a five-year baseline assessment of emissions company-wide—from the farm to our facilities—so we can set long-term goals related to climate change. To balance our use of natural gas and fuel, we also purchase carbon offset credits!



## TRANSPORTATION

We encourage our team members to participate in our Alternative Transportation Program by walking, biking, riding a motorcycle, or carpooling to work at least once. We reward their efforts with quarterly drawings for gift card prizes, but the real prize is our collective impact: In 2020, we saved almost 75,000 miles of travel and avoided 33 tons of CO2 emissions! As an alternative to gas-powered vehicles, we also use electric carts for tours and transport around our facility—and most of our forklifts are electric, too! In addition, several bicycles and bike racks are available for team members to use in and around the town of Richvale.



## CONSUMER ENGAGEMENT

We encourage consumers to eat the change they want to see in the world! In an effort to inform their choice, we prioritize consumer outreach and education through active social media channels, influencer partnerships, conferences, webinars, publicity, and more. It’s all part of our commitment to communicating the value proposition of not only Lundberg products, but all products made with Mother Nature in mind.



## LABOR PRACTICES

At Lundberg Family Farms, our definition of “family” extends far beyond “family-owned.” It’s a founding philosophy that means we take care of each other. We’re proud to be a rural employer that provides wages and benefits comparable to those available in more urban settings. Team members receive up to three free products per week, organic fruits and vegetables in the break rooms, healthier vending machine options, biannual company store credits, discounts, and seasonal flu shots. Beyond that, Lundberg Family Farms encourages team members to seek continuous improvement through education and pays for eligible expenses and professional dues. We also offer gym membership discounts, free smoking cessation classes, wellness challenges, and annual events to support each team member’s pursuit of a healthy, happy life. And, of course, we share our sustainability efforts through team member trainings, eBoards located throughout our facilities, and bimonthly sustainability newsletters!

CONCLUSION:

# GENERATIONS OF CHANGE



At Lundberg Family Farms, we've built more than 80 years of earth-friendly farming momentum. But we're just getting started. Because around here, we take pride in never settling. Always finding a better way. A way to make better food for the table while leaving a better world for the next generation. Together, we'll deliver on our promise to nourish, conserve, and innovate for a healthier world so we can keep growing together for generations to come!

