

*For Purity and Safety, Processed in the U.S.A*

# Sustainability Initiative

## Preliminary Report

January 1, 2020

Our company's foundation is built on family values and the commitment to ensure safe, responsibly sourced and sustainably processed products in a manner that protects our employees, the community and the environment, now and for future generations.



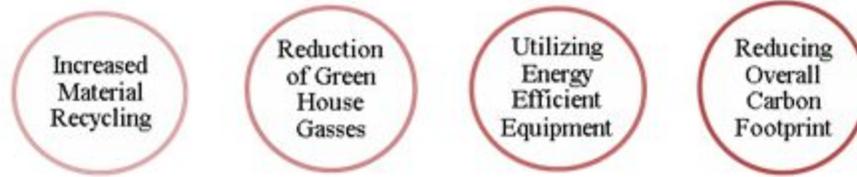
## Our Story & Our Commitment

Elite Spice is a family owned business founded in 1988, best known for our safe, wholesome spices and seasoning blends we have provided to the food industry for decades. At Elite Spice, we believe that the role of business is not only about maintaining steady growth, but about ensuring that the processes it employs are sustainable. The goal of sustainability, derived from the U.S. National Environmental Policy Act of 1969 (NEPA), is to, “create and maintain conditions, under which humans and nature can exist in productive harmony, that permit fulfilling the social, economic, and other requirements of present and future generations.” As typical 3rd party sustainability audits do not consider the uniqueness or specificity of the longstanding spice industry, we have established an action committee to create and manage a program internally. In this, we are committing to take a systems-based approach to comprehensively evaluate and understand the interactions among environmental, social and economic pillars in an effort to manufacture our spices and seasoning blends in the most responsible way possible.

# Our Corporate Responsibility

## To The Environment

We are committed to reducing the environmental impact of global food production through managing our carbon footprint, increased recycling, reducing waste, implementing more energy efficient machinery and beginning the company-wide conversation of sustainability and what it means to us.



**Material Recycling** promotes the conservation of natural resources. In 2019 Elite Spice’s East Coast facilities recycled 721.53 tons of single stream materials. This included paper waste, wooden pallets

destined to be refurbished, plastic pallets and corrugated cardboard boxes. We are constantly looking for better ways to manage our process materials to minimize waste put in landfills.



Sourcing from **suppliers who value sustainability** is an important aspect of forming a comprehensive sustainability initiative. Some programs established by our suppliers include taking steps to mitigate man-animal conflict and advanced technology in irrigation systems that save both water and energy.

**Reduction of Greenhouse Gasses** through logistics and supply chain management. In selectively choosing locations for facilities, ports for import and modes of transportation, Elite Spice is effectively reducing both energy usage and greenhouse gas emissions. Elite Spice is also looking to participate with the EPA in their SmartWay Program with the aim to choose distribution companies based on their commitment to sustainable practices.

**Utilizing Energy Efficient Equipment** such as opting for LED light fixtures supports the sustainable use of energy. Since 2018, Elite Spice has invested nearly \$175,000 on 1,584 fixtures with the goal of converting all standard fixtures to LED. One ongoing project is the replacement of warehouse lighting. Each fixture will save 66.75kW of energy annually. In the last quarter of 2019, 36 fixtures were replaced, equaling an energy savings of 2,403kW per year.

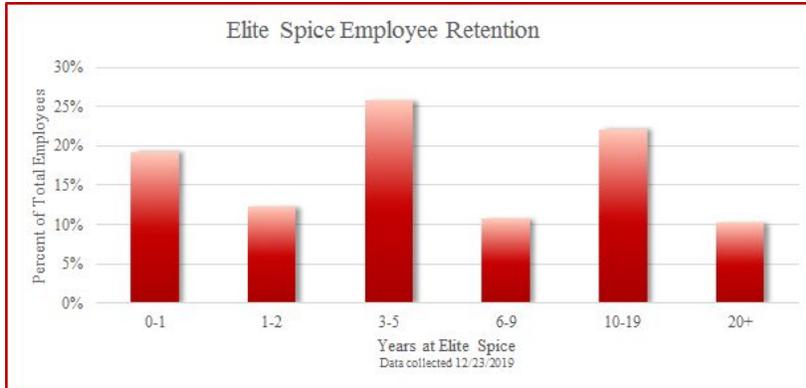
## To Our Family & Community

As a company, we strive to maintain the support of our employees and community by creating a safe workplace and being a good neighbor and community member, locally and globally. Our business focuses on the retention and engagement of employees, investing in individuals to create the family dynamic that is a core value of Elite Spice. Our objective to be socially sustainable focuses on providing amenities and infrastructure, social and cultural life, voice and influence, and space to grow.

### Elite Spice Culture and Family Values

We facilitate a **community culture** by investing in our people. We accomplish this by enrolling employees in programs to continue their education, including; workshops, seminars, certification courses and travel to domestic and international suppliers to promote appreciation of our role in the integrated food system.

Establishing a **safe work environment** for employees to thrive is of utmost importance in being socially sustainable. This is accomplished through comprehensive safety training and maintaining strong relationships between employees and managerial staff. The ability to voice new ideas and concerns is integral in developing these relationships which contributes to the high retention of Elite Spice's employees. Over 30% of our employees have 10+ years experience.



We are an **equal opportunity employer**, hiring employees with the goal of having them grow from within. We have a diverse group of employees, with 30 countries around the world being represented by Elite Spice's employees.

Historically, food manufacturing and industrial settings have been dominated by men. As of 2019,

20% of Elite's employees are women, higher than the 16% national average, with 29% of supervisory or managerial roles being filled by women.

Industry-wide, Elite Spice has maintained **long lasting, strong relationships** with our customers, competitors and suppliers. These trusting relationships enable communication and teamwork to face industry challenges head on.

Lastly, we take pride in sourcing from suppliers who value their employees. Our suppliers have programs including specialized training, employee wellness workshops and providing child care facilities and scholarships for employee's children.



## To The Economy

*“Economic sustainability refers to practices that support long-term economic growth without negatively impacting social, environmental, and cultural aspects of the community.” – University of Mary Washington, Economic Sustainability*

Our goal is to continue growing while remaining environmentally cognizant and socially responsible. By following the key parts of economic sustainability, compliance, proper governance and risk management, Elite Spice is working towards this goal. Locally, we are sustaining local communities by providing employment, including work-release programs. Globally, we are investing in suppliers who value their community/farmers and sourcing from those who show a commitment to sustainable development goals.



## Continuous Improvement Goals

For Elite Spice, this is just the tip of the iceberg when it comes to sustainability. In 2019 and 2020 Elite Spice’s Sustainability Task Force will research and create a baseline by taking inventory of programs already in place and implementing new procedures. Only then can a personalized and comprehensive plan be created that will address all pillars of sustainability.

In the coming years we will:

- Determine key corporate sustainability metrics and set benchmarks.
- Find new ways to recycle, reuse and reduce materials.
- Discuss further reduction of our carbon footprint through engineering design.
- Improve internal resource management.
- Start a larger conversation about what being sustainable means to Elite Spice.

