

Aires de Campo Business Context

Founded in 2001, Aires de Campo is a Mexican agriculture company that engages in the commercialization of organic products. Their diverse portfolio includes poultry, coffee, dairy, eggs, honey, oil, vegetables, and seeds, all of which are certified by an organic certification body. Their success in organic production is testament to their commitment to sustainability, and while their focus to date has mainly been on environmental dimensions, having effectively reduced their water consumption and cut out pesticides and harmful chemicals, they are now looking to expand their efforts and achieve the same success in economic and social sustainability.

In terms of economic sustainability, Aires de Campo are aiming to counter the notable disparity that exists between small-scale and large-scale farmers in Mexico. At present, only larger agricultural enterprises can benefit from exporting their products, giving them a huge advantage. In response, the company aims to rectify this imbalance by supporting small-scale farmers, offering them greater autonomy and the possibility of international export, thereby working towards a more equitable and inclusive agricultural environment.

Aires de Campo are also dedicated to progressing on various dimensions of social sustainability. The company generates more than 8,900 agricultural jobs and is committed to gender equality and female empowerment. Two thirds of the managers in the company are women, and some of their producers aim to employ female heads of households to support families in the local community.

However, the company struggles to find and keep hold of qualified staff and are therefore striving to cultivate a more nurturing work environment. A key strategy in this regard is to improve staff training so that a culture of quality and safety can be implemented across the business. While 40% of suppliers are already certified in food safety, they are aiming to provide additional staff training on this and wider sustainability issues.

Assessment

WHY? What was the objective of the assessment?

Aires de Campo's main motivation for conducting a capitals assessment was to gain a better understanding of their social capital. Being a leader in the organic produce market, their natural capital is already well measured to ensure certification of all products. They saw the capitals assessment as an opportunity to ensure the other capitals, particularly human and social, are equally well measured.

The objective is therefore to obtain better and more accurate information on the beneficial impacts of organic agriculture both to individuals (human capital) and to

society as a whole (both human and social capital). The business application is to leverage this information to improve communication with customers on the benefits of consuming organic. With these results, Aires de Campo are seeking to position themselves as a flagship company in the organic sector, and to generate more demand for their products.

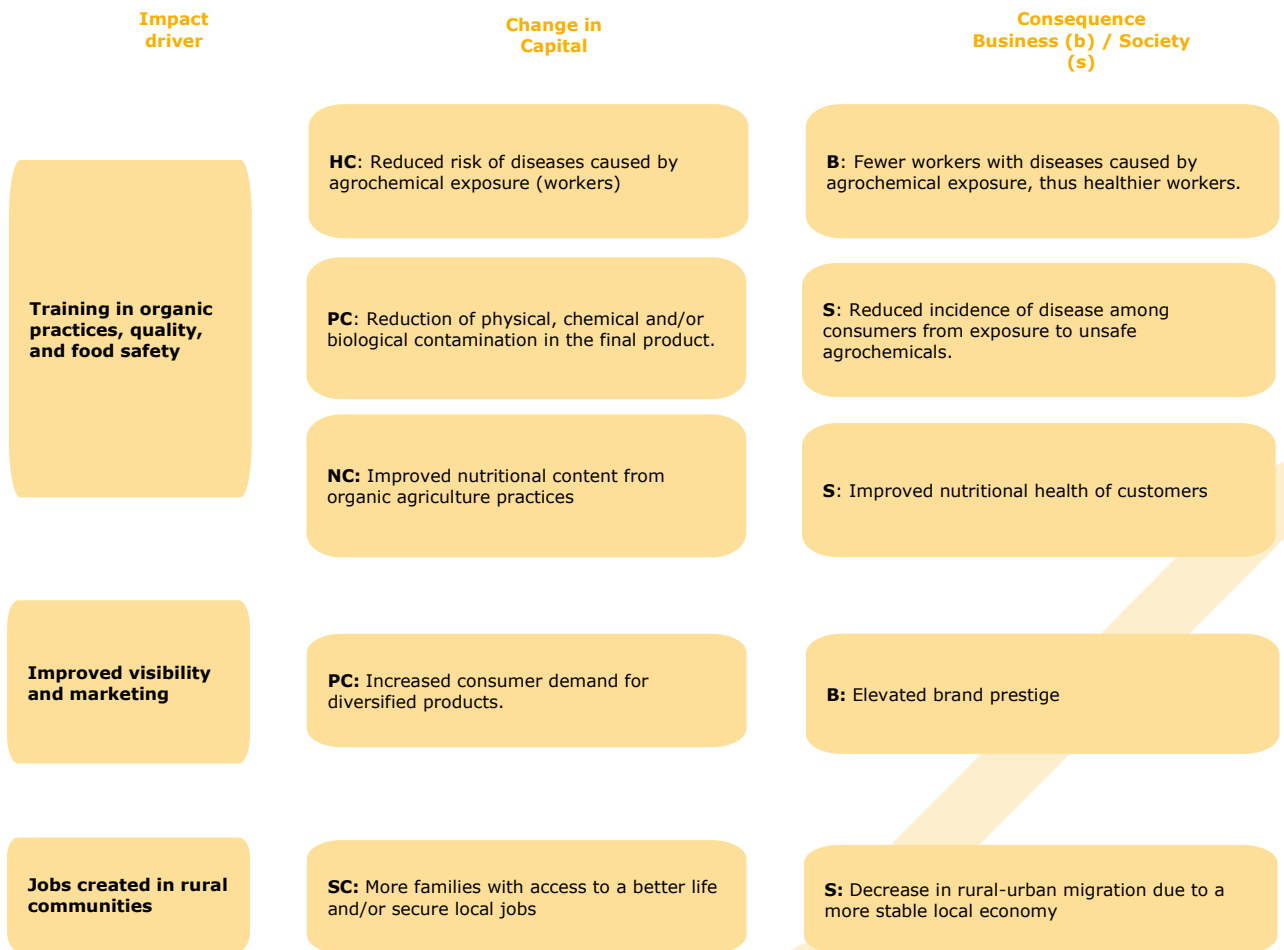
WHAT? What was the scope of the assessment?

Aires de Campo's assessment was based on a sustainability survey sent out to all their suppliers. The survey is sent out annually and since it currently focuses only on natural capital, it was updated to collect social and human capital information. It was designed to obtain both quantitative and qualitative data, with the intention to use the results for sustainability reporting.

The value chain boundary of the assessment includes both internal and external stakeholders – Aires de Campo staff and the up-stream suppliers. The target audience of the results was clients (restaurants, hotels, supermarkets, and consumers). The survey was shared with the suppliers at the beginning of 2021 and the company aimed to analyse and communicate the results in May of the same year.

The company sought to design a robust assessment with sufficient granularity to understand the real social impact that they generate. The most important impacts they aimed to cover were benefit to small-scale suppliers, sales increases, job creation, and improvements in health and safety conditions for workers. Both internal (management, employees, investors) and external stakeholders (beneficiaries, clients, consumers) were identified to provide their insights into the updated sustainability survey.

Based on a thorough materiality assessment, Aires de Campo opted to focus on three key impact drivers: (1) training provided to staff and suppliers on organic practices, quality and food safety; (2) improved visibility and marketing; (3) jobs created in rural communities. The impact pathways the company mapped are presented in the table below (developed with the support of Sustain Value) showing the changes in capital as well as both the associated business benefits and societal benefits.



HOW? What was measured and valued?

Various methods were employed by Aires de Campo to assess the three impact pathways. Indicators were outlined for each impact driver, methods selected to measure the change in capitals, and valuation techniques chosen to understand the impacts to business / society. In the table a below, a synopsis of the approach is provided.

Impact Driver	Indicator	Change in Capitals	Method	Impact to business (b) / society (s)	Valuation technique
Training in organic practices, quality and food safety	Number of hours invested in training.	HC: Reduced risk of diseases in worers caused by agrochemical exposure (workers)	Academic literature	B: Fewer workers with diseases caused by agrochemical exposure, thus healthier workers.	Quantitative: based on survey results

		PC: Reduction of physical, chemical and/or biological contamination in the final product.	Academic literature	S: Reduced incidence of disease among consumers from exposure to unsafe agrochemicals.	Quantitative: based on survey results
		NC: Improved nutritional content from organic agriculture practices	Bromatological analysis	S: Improved nutritional health of customers	Quantitative: survey results and bromatological analysis.
Improved visibility and marketing	Volume of activity in social networks	PC: Increased consumer demand for diversified products.	Company sales records	B: Elevated brand prestige	
Jobs created in rural communities	Number of agricultural jobs	SC: More families with access to a better life and/or secure local jobs	Supplier questionnaires/ interviews	S: Decrease in rural-urban migration due to a more stable local economy	Quantitative / qualitative: survey results / opinion polls

Developed with the support of Sustain Value

WHAT NEXT? What were the results of the assessment?

Through the consultation of internal and external stakeholders, Aires de Campo was able to collect relevant and useful information to inform their capitals assessment. However, in terms of the first impact pathway, they were only able to draw upon evidence from scientific articles and although they obtained useful information, they expressed that the results would be more meaningful if they had been able to analyse direct data on pesticide residues, heavy metals and GMOs, workers exposure to bio-inputs, and the nutritional content of their products. Direct data would have been more effective with regard to their objective to improve communication with consumers because they would have more trust in what is shared. In the future, they plan to obtain this information so that the results can be transmitted through a QR code present on the packaging of each product, as well as on social networks.

The results from the second and third impact pathways are more accurate since the information was obtained directly from the suppliers through the sustainability survey. For example, with regard to job creation, the number of agricultural jobs in the area can be compared with the number of agricultural jobs from ADC activities, as well as the comparison of the jobs of each provider before and after starting alliances with ADC. Such results can also be transmitted through the QR code and social networks.

Communicating the benefits of the products to the consumer yields multiple benefits to individuals and society. First, it may increase demand for organic products, initiating a positive feedback loop, because this in turn creates the need for more agricultural jobs. The additional demand could also enable the expansion of the product catalogue, which translates into new jobs and economic opportunities among farming communities.

Furthermore, consumers are educated in conscious consumption, and gain greater understanding that their consumption choices have direct impacts on personal, social and planetary health. The company are also hopeful that sharing the results of this evaluation will encourage other local companies and even the National Council for Organic Production to use the multi-capitals assessment framework.

With the results from the assessment, Aires de Campo implemented new structures and programs informed by those directly involved and/or affected. They introduced a sustainability training program to sensitise staff and customers, improved working conditions in their production centres, and restructured internal departments to create multidisciplinary teams. Furthermore, the business used the outcomes of the assessment to successfully support their application to become B Corp certified.

The next step is to extend the valuation to produced capital to complement the analysis conducted so far. After this, they plan to compile results from the multi-capitals assessment and conduct a life cycle analysis of their products. They also plan to generate actions to further promote the empowerment of women and gender equity. Finally, the results will inform the company's new communication strategy.