



NatureSweet
**SUSTAINABILITY
REPORT**



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About this report

This year's Sustainability and Social Impact Report describes what makes NatureSweet® unique, and "the leader" in the agricultural industry. The report highlights our commitment to transform the lives of agricultural workers in North America and our ongoing efforts to make a positive impact with our Associates, our communities, and the environment.



For any queries regarding this report, contact:

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Materiality analysis

The information included in this report has been defined using a thorough analysis of topics and issues that are relevant and important to the agriculture industry.

This materiality analysis is divided into three stages.

1

Production of an extended material issues list, created from a benchmark study of the most relevant companies in the agriculture industry, which also contains other subjects that are relevant to our company.

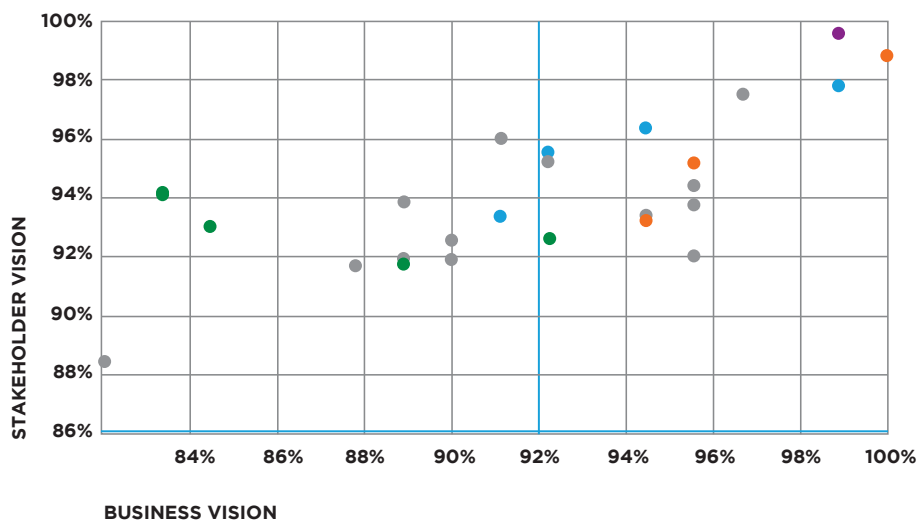
2

Consultation and collaboration with our stakeholders and others to prioritize important topics.

3

The incorporation of subject matter discussed by SASB's international standard for agricultural production and farming industry.

Materiality Matrix



Stakeholders

- Clients
- Company's Board
- Collaborators/Associates
- Community
- Suppliers
- Leadership Team members



Material issues list

Below is a list and description of topics that were prioritized through various consultations with our stakeholders. Also included is material from the SASB methodology, and other topics were voluntarily selected.

- Agricultural inputs
- Business ethics
- Corporate strategy and sustainability
- Health, well-being and safety of the workers **
- Human rights

- Water conservation**
- Energy and emissions **
- Climate change and GHG emissions **
- Social and environmental impacts of agricultural inputs in the supply chain**
- GMO management **
- Food safety of the product **
- Fair wage and benefits*
- Education and training*
- Other issues not in report

*Voluntarily selected issues

** Issues that come from SASB methodology

Note: Arizona facility not included in this Report - not in operation.

**SASB (Sustainability Accounting Standards Board). The Standards identify the subset of environmental, social, and governance issues most relevant to financial performance in each industry.

WHO WE ARE

We are a company dedicated to growing the freshest greenhouse-grown produce. Our purpose is to transform the lives of agricultural workers in North America **through unleashing the power of people**. Our commitment drives us to be the most revolutionary leader in the fresh produce industry.

It all starts with our tomatoes – they're grown using nature as a guide, handpicked at their peak and delivered fresh to your local store.

Our signature flavor and firmness are the perfect addition to any type of meal – from salads to snacking, sandwiches to cooking and beyond. But we not only grow tomatoes the right way, we partner with customers the right way and we raise careers the right way too – giving associates a fair wage and clear path to advancement. And we're leading the way for raising food right across the agriculture industry. **It's our way of growing more goodness in the world by focusing on Raised Right.**



Our PRODUCTS



Cherubs®



Glorys®



Constellation®



Twilights®



Comets™



**D'Vines®
Tomatoes**



**Tomatoes
on the Vine**



Roma



Beefsteak



**Long English
Cucumber**



**Mini
Cucumbers**



**Baby
Cucumbers**



**Mixed
Peppers**



**Mini Sweet
Peppers**



**Seasonal Medleys:
Spring, Summer, Fall, Holiday Medley and Dia de Muertos**

Raised Right

NatureSweet believes the more you put into something, the more you get out. We grow our produce with the goal of transforming lives. Having a transformational effect in the produce industry starts with our Associates*.

As we grow more goodness in the world, the growing and caring continue as our Associates harvest NatureSweet produce by hand and deliver it to our packaging centers. There, qualified Associates select the best of the best to transport to our customers in North America.

At NatureSweet, running a successful business and caring for our environment are compatible. When we decided to grow a seasonal product all year (to ensure the good taste of the product in winter and summer at the same price), we wanted to do it in a natural way, reducing our carbon footprint. That's why we do everything we can to protect our natural resources.

Our promise is for best tasting snacking tomatoes and high quality greenhouse vegetables in the world for consumers to enjoy in their meals, sharing with family and friends. All of this takes patience and hard work which are pillars of our company.

*We refer to all our employees as Associates.



Ownership of the company

NatureSweet controls the following companies:

100% Ownership of NS Brands, Ltd.

- NATURESWEET COMERCIALIZADORA S DE RL DE CV
- NATURESWEET MÉXICO S DE RL DE CV
- NATURESWEET TALENTO S DE RL DE CV
- NATURESWEET INVERNADEROS S DE RL DE CV
- NATURESWEET USA, LTD.
- NATURESWEET GI, LLC.

100% Ownership of Silver Brands Partners

- NATURESWEET MANAGEMENT, INC.*
- NS BRANDS, LTD.**

*Sole General Partner

**Limited Partnership

BOARD MEMBERS

Dale Tremblay

NatureSweet Board
Member
USA

Dan Burdett

NatureSweet Board
Member
USA

Kevin Murphy

NatureSweet Board
Member
USA

Suzanne Wade

NatureSweet Board
Member
USA

Fully Clingman

NatureSweet Board
Member
USA

Bryant Ambelang

Executive Chairman
for NatureSweet
USA

Jordana Markman-
Epstein

Chief Investment Officer
at Silver Ventures
USA

Rodolfo Spielmann

President & CEO
Chile

Frederic Steunou

VP & Chief Financial Officer
USA

NatureSweet Leaders

Advisory Board Members:

Composition:
Five independent Board Members
Four internal Board Members



Rodolfo Spielmann
President & CEO
Chile



Frederic Steunou
VP & Chief Financial Officer
France



Skip Hulett
VP & General Counsel
USA



Jim McErlean
Senior VP of Sales
USA



Luis Pablo Calvo
VP of Manufacturing
México



José Bruno Del Río
VP Supply Chain
México



Martha Calderón
VP Human Capital
México



Lori Castillo
VP of Global
Marketing and
Mexico Commercial
Operations
México



Lauro Rivera
Sr Quality Research
and Development Director
México



José Alfredo Vega
Sr Planning Director
México

CORPORATE STRATEGY

and sustainability

Transforming the fresh produce industry begins at home by transforming the lives of our agricultural workers. We build a better future by paying a transformational wage, supporting education, and making improvements in our communities.

When we began this initiative, we aimed to give our workers living wages, good working conditions, and to finance social programs and donations. However, we quickly realized our impact and incorporated sustainability principles into our corporate strategy.

Sustainable management is one of our fundamental pillars of business management and value creation.

We also want to generate the same positive impact with our Associates. For that reason, our long-term commitment to sustainability transforms the lives of our Associates, the communities in which we are present, and the working relationships within the agriculture industry. It also impacts the well-being of our environment and allows us to grow the highest quality products and meet or exceed the highest regulatory standards.

Our strategy is based on three fundamental pillars: **the social pillar, the governance pillar, and the environmental pillar.** Each of them in itself integrates a series of actions that together constitute the sustainable management of NatureSweet.



SOCIAL RESPONSIBILITY

Our Social Responsibility Committees define the local commitments which are used to implement NatureSweet's general strategy.

NatureSweet's Commitment to transforming and impacting lives in 2021 led us to develop the following initiatives:



- Education programs
- Recognition of academic excellence
- "Sweet Family" and "Sweet Life" well-being programs
- "Adopt a school"
- Baby kits for Associates
- Outreach programs
- "You ARE The Difference"
- "Groundbreaking Associate" reward
- Volunteering hours
- Social Responsibility Committees
- "Juguetón" (Toy drive)
- Groceries and tomato donations
- Donations to the food bank
- Donation of kits to prevent the spread of COVID

Every initiative mentioned above greatly improves life within communities and also impacts sustainability. These initiatives have impacted

About 500,000



people since we began them.

Our 2021 achievements include more than:



5,900 hours

of voluntary work. We are proud to highlight the following data:



130 graduates

Thanks to our program of education for adults, we have managed to help 148 associates graduate from school. In total, **1,450 Associates** have graduated through this program.



13,754 groceries

were donated to help the people who were most impacted by the pandemic.



10 schools

in the communities in which we operate.



We also rewarded

1,075

elementary and middle school students

for their academic excellence.



14,772 toys

Our annual "Juguetón" collected toys that were donated to needy children in local communities.



7,600 sanitary kits

were donated to communities.



Through the **Sweet Family program** in 2021, we positively impacted:

1,152

and

288

lives in total

directly impacted

WORKERS

Demographics, education, training, health, well-being, and safety of our *Associates*

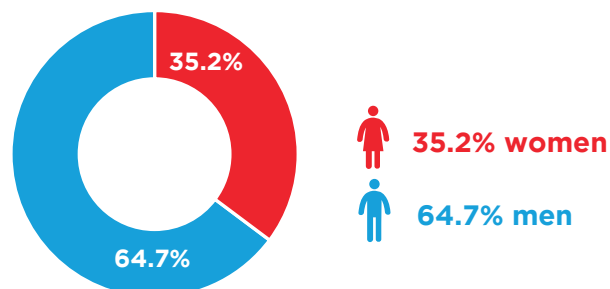
Development, training, transparency, and accountability are very important to us here at NatureSweet. Our policies and practices, as well as mandatory compliance training reflect the commitment we have to our values.

During 2021 we had a total of **6,282 Associates**, **35.2% women** and **64.7% men**.

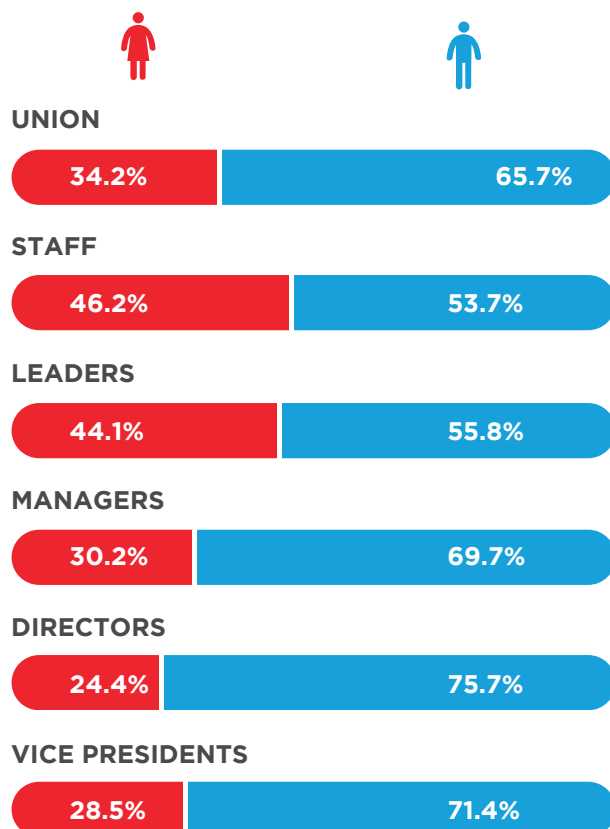
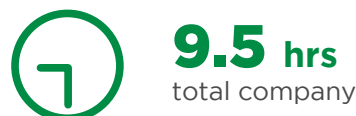


EDUCATION and training

TOTAL HEADCOUNT



Average hours of training per Associate in 2021



Average hours of training per gender:



Average hours of performance reviews per Associate in 2021

In 2021, **96.5%** of Associates received regular performance and professional development reviews (union Associates are not included).

Performance review by gender:



OCCUPATIONAL Health and Safety Management System



We have a Health and Safety Management System in every manufacturing plant. The system is based on the international standard ISO 45.001:2018. It's also certified by EFI, FAIR TRADE, and SMETA, while meeting the demands of other interested parties such as Walmart, Costco, and Kroger, among others. Our Safety and Hygiene Committee leads this program. The committee meets quarterly, and union leaders are among the members. We also have a Senior Management Committee and the ISO 45.001 implementation Committee, which meet once a month to monitor the system.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

NUMBER OF WORKERS REACHED

6100 / 100%

PERCENTAGE OF COMPLETED ACTIVITIES

100%

PERCENTAGE OF OPERATION SITES COVERED

100%

We have a training matrix for our work place Health and Safety Management system. Each of our Associates when entering the company receive a general induction about the activities of the company. They also receive an annual specialized training in the area with which they belong, to ensure their competence and awareness of the position.

NatureSweet has risks and hazards identification, evaluations, and control procedures, that utilize the ZURICH analysis methodology. It assesses the risks in each of our operations. The evaluation is performed once a year and also after the implementation of corrective measures that follow a FODA-style of analysis.

Operational control is also performed daily which involves the direct participation of our Associates at the beginning of activities. This helps prevent risks and hazards at working stations. Associates are also trained to report any situation that may present a threat to them or others.

The activities involved in the daily operational control are:



A safety talk, a check-up to verify safety conditions, installations and staff's personal safety elements,



A health condition examination of the workers, and lastly



"Safe start" practice ("Arranque Seguro"), which is the most relevant activity of the procedure and is oriented to avoid mistakes.

We constantly perform a risk analysis of dangerous and contaminant chemical substances following NOM 05-010 STPS. Also, we perform different industrial hygiene studies regarding the vibrations our activities cause, noise and light pollution, and others. A manual loading analysis is performed following the NOM 036 STPS guidelines, its preventive programs, laboratory, and consultancy studies, according to POES analysis.

In case of any work-related incident, investigations are performed and utilize the procedures established in our Investigation, Incidents, and Accidents policy. Incidents and accidents are documented and recorded. This process includes everyone involved, which might include a supplier, contractor, client, or any Associate. The objective is to identify the root cause of the problem, take mitigation action and plan corrective actions to eliminate the root cause.



We listen to our Associates

We use surveys and suggestion boxes at our plants to gather feedback. Survey results, and suggestions, are reviewed without delay and action is taken when needed. Safety is always a priority and workers are encouraged to never operate in an environment where their well-being might be compromised. Concerns are welcome without retaliation. At NatureSweet, we have a zero tolerance No Retaliation Policy.

Other NatureSweet policies include prevention protocols against COVID-19 contamination and other infectious diseases, rules for entering the premises, policies and procedures for critical processes (high altitude work, welding, working with forklift equipment, operations using tractors, fumigation, etc.), among others. For each policy we require proper training, without which, our workers are instructed not to perform the activity.



SISSO

Industrial Safety and
Occupational Health
Integral System

Additionally, we conduct health campaigns following the contents established by NatureSweet's internal Industrial Safety and Occupational Health Integral System (SISSO) to teach our Associates about the risks of seasonal ailments and contagions. We also supply vitamin supplements, have vaccination centers, and carry out preventive controls for those Associates exposed to higher risks and hazards in their working position. We rely on the VICORSAT care program, which aims to educate workers about the importance of self-care.

With the help of our medical professionals from SISSO, NatureSweet follows up on the preventive health programs, and we also evaluate if they are correctly performed.



For any emergency or contingency, we have emergency services and specialized medical services.

Additionally, we advise and support our staff in cases of COVID-19 contamination. We offer paid leave to our Associates who are pregnant or in a situation of chronic degenerative illness. If the chronically ill Associate is in need of medical assistance, guidance, or a medical consultation and cannot afford it, NatureSweet offers professional medical assistance centers at every operation plant.



As a company, we are committed to offering a safe environment for our workers and have created a safety management, risk, and well-being system for all our Associates at every plant, including external workers.



We recognize the highest number of occupational accidents can occur during the rainy season, between the months of July and September. Because of the rainfalls, the roads our Associates use can become slippery and irregular, increasing our worker's risk of falling and injuring themselves. As a result, we take extra care through our daily operational control efforts to make sure our Associates remain aware of the risks during this season.



We are also aware that musculoskeletal injuries can occur as a result of heavy lifting or improper movements. At times, this happens when instructions included in our Heavy Load's Manual are not properly followed. To prevent even minor muscle aches, we started training our Associates in the correct way to lift weights, posture care, and even calisthenics before starting the activities. There are also micro health pauses during the workday as another way to prevent and mitigate muscle aches, along with other prevention activities that are in accordance with NOM 036-STPS.



We are also keenly aware accidents can result from improper handling of chemicals. We are dedicated to correcting every aspect of the handling risks that may endanger our workers.



Occupational accident-related injuries 2021*



Deaths as a result of an occupational accident-related injury

0

Occupational accident-related injuries with great consequences (Excluding deaths)

0

Recorded occupational accident-related injuries

41



Main types of occupational accident-related injuries

Contusions, fractures, sprains, lower extremities

Number of hours worked

14,767,662



Rate of work accidents

0.56



* The rate is calculated in accordance with OSHA per 200,000 hours worked. Our indicator contemplates every person, internal or external, who works within our facilities, unionized and non-unionized workers, contractors, suppliers, etc.

Work-related illnesses and diseases 2021*



Deaths as a result of injuries caused by work-related illnesses and diseases

0

Recorded cases of work-related illnesses and diseases

12

Main types of work-related illnesses and diseases

Muscular contractions

Main type of work-related injuries

Fractures

*Information elaborated in accordance with ISO 45001 international standards: 2018 version. No worker was excluded.

AGRICULTURAL INPUTS



Our innovative greenhouse growing methods and processes use less chemical products and fertilizers than conventional open field agriculture.

All chemical products and fertilizers used during our production process are submitted to our safety risk and regulatory compliance assessment. Our health protocols are centered around the safety and well-being of our Associates.



All of our Associates receive proper training on how to correctly use agrochemical products and safety equipment.



We have medical assistance stations at every production plant for the safety of our Associates.



Our inputs have quality and phytosanitary certificates according to the type of input, such as seeds, agrochemicals and coconut substrates. Before any input application, an approval protocol is generated, which indicates the details of the product and the permitted concentrations of use. These requirements are also applied to companies that help NatureSweet with production. Also, all our agrochemicals must be approved through risk analysis and comply with the corresponding regulations.



Our BUSINESS

Business ethics

NatureSweet operates according to a spirit of ethics, learning, collaboration and transparency, both with our Associates and our clients.

At NatureSweet, development, training, transparency, and accountability are very important to us. Our policies and practices, as well as mandatory compliance training reflect the commitment we have to our values.



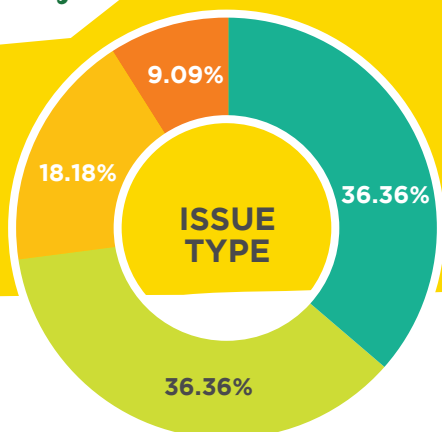
GOVERNANCE and Ethics Committee



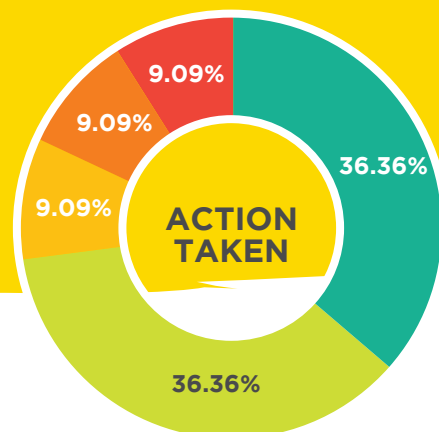
As part of the NatureSweet Business Ethics strategy we have a an Ethics Hotline in which all Associates, clients or suppliers can file a complaint (which can be anonymous) for any ethical breach. The contact can be in English or Spanish through the phone number **844-939-332** for US and **800-099-1708** for MX or through the website **naturesweet.ethicspoint.com**.

NatureSweet created the Ethics Committee, which is vital to good governance. It comprises five leaders from different areas with the mission to ensure ethical conduct and provide a formal framework for ethical standards and controls. The committee is responsible for investigating all ethics complaints and deciding if corrective action is needed. In 2021 NatureSweet had more than 6,000 active Associates and received eleven complaints of ethical breaches; **45%** of the complaints resulted in disciplinary action, and the remaining **55%** resulted in training, policy review, or no action necessary.

Summary



● Discrimination or Harassment	4
● Other	4
● Violation of Policy	2
● Conflict of Interest	1
Total	11



● Termination	4
● Training	4
● Discipline	2
● No Action Necessary	1
● Policy/Process Review	1
Total	11

HUMAN RIGHTS



Our Associates' well-being is fundamental to our company. It's why we have codes of conduct, policies, and certifications that maintain and demonstrate our commitment to human rights.



Our NatureSweet Code of Conduct (ethics code) governs our principles and business ethics. We do not tolerate workplace bullying and sexual harassment in the organization.



During 2021, we dedicated about 3 hours per Associate to train them in human rights-related ethics, with an attendance rate of over **99.66% of Associates**.



We are certified under EFI standards (Equitable Food Initiative), which demonstrates our good labor practices, management of food production, and regulatory compliance. We are also backed up by FAIR TRADE's seal of approval, which certifies that our organization generates products that promote sustainable livelihoods for our Associates, protects the environment and improves our community's conditions. Additionally, our company has a code of conduct for both, our Associates and our suppliers, that establishes our policies related to conflict of interests, and protection of private information, regulatory compliance, and our values.



We want to expand our certified co-producers to include more so that others in the agriculture industry can experience our good working practices, incentives, and dedication to food safety. We have started a collaboration process with Oxfam International (focused on famine relief) for the evaluation of our work practices and the treatment of those who work in the agriculture industry.

FAIR WAGE *and benefits*



One of the most common situations in the agriculture industry is that the minimum standards established for agricultural workers are not met.

At NatureSweet, we are committed to providing our Associates a level of income and well-being that will allow them and their families to live a decent life and reflect the effort of their work. That's why all our Associates, full-time and temporary, receive a salary above the minimum wage established by law, along with a series of benefits. We offer not only livable wages, but access to transformational wages.

We calculate the salaries using the FAIR TRADE methodology. This means we consider studies that estimate a salary that allows the Associate and their family to access housing, health, education, food and other basic necessities. We also take into consideration the specific needs of Associates.

Based on this information, it is estimated that an average monthly livable wage for agricultural workers is:



12,519 Mexican pesos
625 USA dollars in 2021.

With improved performance, an Associate has the opportunity to increase his or her wage to a transformational one. A transformational salary includes all dimensions of a livable wage but also includes the possibility of an Associate attaining goals and dreams they never believed were possible. Examples of this are vacations, building homes, access to private education, and many other things. During 2021, the percentage of full-time agricultural workers who received a livable wage was:

FULL TIME WORKERS WHO RECEIVED A LIVABLE WAGE

92.49%

FULL TIME WORKERS WHO ACCESSED A LIVABLE WAGE AND TRANSFORMATIONAL WAGE

39.41%

Workers who are beginning their journey with NatureSweet will often start out as a "Temporary worker" for a period of three months or less. We train them so they have the skills required to succeed and have the best chance to reach a transformational wage.

79.66% of our temporary agricultural workers earned a livable wage and **16.14%** of them also accessed a transformational wage.

TEMPORARY WORKERS RECEIVED A LIVABLE WAGE

79.66%

TEMPORARY WORKERS WHO ACCESSED A LIVABLE WAGE AND TRANSFORMATIONAL WAGE

16.14%

In addition to the salary, **all of our Associates receive benefits**. All of our agricultural (includes temporary) workers receive benefits such as:



Disability coverage



Life insurance



Medical facilities
near the greenhouses



Paternity leave



Transportation



Performance bonuses
among others.

CLIENTS

Food safety of the product

As the groundbreaking leader of the fresh produce industry, NatureSweet works hard to make sure our products contain the maximum quality standards. For that reason, strict supervision is applied to every one of our production processes to ensure safety and quality.

During the entire production stage, our Associates follow safety evaluation processes. These processes require the notification of any event that might compromise food safety and establish a protocol to evaluate the produce and institute appropriate remedial and preventive actions. We also have a system to measure and validate the safety level of produce, developed from a program that allows us to understand the tendencies in microbiological findings and adherence to international safety regulations.

We also make sure our products are free from uncertified or unwanted pathogens and agrochemicals. We update our measurement and microbiological sampling methodologies to collect data more efficiently. Importantly, in order to maintain a production line and business model that is consistent with our aims and goals, we are careful to extend our requirements and verifications to our co-producers.

As a result, our 2021 food safety evaluation rating reached a grade of 96% for each of our production sites. We also managed to top every one of our goals regarding our food safety and quality standards. All of this has allowed us to obtain **the Safe Quality Food (SQF) excellence certification**, which we are very proud of.

Our goal is to improve, grow as a business, and positively impact the people we work with both inside and outside of our organization. That is why one of our challenges will be to strengthen the food safety culture among our Associates and to emphasize the importance of maintaining our production standards.



Consider our goal is to continuously improve, grow as a business, and positively impact the people we work with both inside and outside of our organization. That is why we will continue to emphasize the importance of maintaining our production standards and strengthen the food safety culture among our Associates.



Why is food safety so important to us?

Food safety certification proves our work is reliable, quality, and safe for future consumption. Meeting these standards allows us to be present in even the most restrictive markets.

Food Safety Incidents 0

2021 CONSUMER'S SATISFACTION SURVEY RESULTS

Units sold	200 million
Total complaints	321
Consumer's complaints ratio (units per million)	1.61
NS boxes sold	15,746,673
Rejected boxes	58,249
Consumer rejection ratio (boxes per thousand)	3.70



SOCIO- ENVIRONMENTAL impacts of agricultural inputs in the supply chain



As a company, we want to focus our efforts on the safety/quality management system. For that reason, any company that would like to work with us must go through an evaluation process and meet certain requirements.

First, we review the profile of all applicant supplying companies; this includes: a thorough revision of the legal history of the supplying company, a review of ethics related issues concerning the company's partners and working conditions of its Associates. Our company cooperates with other supply companies, but our main focus is co-producers.

Co-production companies are those that supply us with products in order to meet demand. To work with us they must be aligned with NatureSweet's vision. This means that we verify that the organization's operations support Fair Trade, regulatory compliance and dignified work.

We have developed training programs for our suppliers. Our goal is to maintain as many local and regional suppliers as we can. It is our intention to reduce the volume of imports, while positively impacting the lives of those around us.

We are in the process of preparing a development plan specially designed to train coconut husk fiber suppliers from marginal areas.

As we acknowledge the positive aspects which characterize us as a company, we also know that there's always room for improvement. One of the initiatives we are working on is improving environmental evaluations for our suppliers. We have evaluations that verify management quality, the workers' well-being, pest control, and food safety, but we do not verify the environmental impact of our supplier's processes. For that reason, one of our next challenges will be to add environmental parameters to those evaluations.

NON-GMO MANAGEMENT



Regarding the genetic modification of our products, at NatureSweet, we have a 100% non-GMO certified policy. In 2021 we developed new varieties of tomatoes that have been properly certified.

The certification process of our products follows the guidelines of the NSF (program certifying house). This ensures the effectiveness of our work in developing and growing NatureSweet products. Additionally, non-GMO certification is conducted yearly.

Our non-GMO certification must fulfill a series of previous procedures for validation. Depending on the kind of place the work will be performed in, the seeds must be tested, approved, and a Hazard Analysis and Critical Control Points (HACCP) plan must be developed for the analysis and hazard control.

Once the analysis process is completed, documented, and has met all requirements, the non-GMO certification is accessible.

We will continue to work with sites that comply with Non-GMO certification requirements.

ENVIRONMENT Water conservation



Water is an essential element for our company's operations. The effects of climate change could have a great impact on us regarding availability of water resources. For that reason, our rule is to maintain conscious water resource management.

Most of the water we use in our operations comes from underground sources (wells) and stored in tanks. Then, the water is distributed among general services (dining areas and sanitary services), for preparation of mixtures, and crop irrigation.

Regarding irrigation, the process starts with a mixture of water and nutrients for the ideal development of our produce plants. We use a drip irrigation system, which allows us to automatize control of the volume and flux of the water extracted. We have a system that measures the amount of drained irrigation water and allows us to adjust the quantity of the water we use according to that drainage. We cultivate our plants in coconut husk fiber, and greatly benefit from the absorbing properties of this material. This allows our plants to absorb humidity and nutrients directly from the substrate, reaching a water waste reduction of up to 30%.

The benefits of this kind of water management compared to agriculture without drip irrigation are:



More efficient water consumption (up to 58% less use of the resource).



Exact dosing of the needed amount of nutrients and reduction of agrochemical release to the ground and atmosphere



Minimal exposure to our Associates of agrochemical products used in the closed irrigation system.



Irrigation water not absorbed by our plants and wastewater from sanitary systems and dining areas are treated. We use biobeds, where water is mixed with nutrients. This process separates the water from the salts and allows us to retrieve them from the bottom of the biobeds.

After that, an analysis of solutes concentration in the water is performed, and the information is corroborated with the help of a certified laboratory, and a portion of the water is used to irrigate roads while the rest evaporates. We plan to install ultra-violet (UV) disinfection equipment to recycle the water we use in our processes. This will reduce the number of agrochemicals consumed when the solution with nutrients returns to the plant.



We project our water consumption considering the previous year's consumption volume. With that information, we can communicate to our main clients the amount of cubic meters of water used in every harvested pound and the water volume used by hectare. We are fully aware of the shortage of water in the region; therefore, we are constantly working towards distributing the water volumes in the most equitable way without exceeding the amount permitted by the regulators.

We have treatment plants for waste water management of water from the general services. After that, in the final stage comes the chlorination process and the water is then poured into the absorption wells or septic tanks. At least twice a year, we monitor the physical and chemical parameters of the discharged treated wastewater, in order to guarantee our compliance with national water quality standards from the country in which we operate (NOM-001-SEMARNAT-1996). In our discharged treated water analysis, we prioritize quantifying the total amount of suspended solids and the biological oxygen, nitrogen and phosphorus demand. Our company keeps a record of the discharge analysis results and analyzes each result in accordance with the official Mexican regulation NOM-001-SEMARNAT-1996. The discharge analysis is performed by an external laboratory and certified by the Mexican Accreditation Entity.



2021 WATER USE

Use and extraction of water

Use and extraction of water

Colima	286,670 m ³
San Isidro	1,462,977 m ³
Tuxcacuesco	2,291,903 m ³
Zapotlán	1,852,887 m ³
Nayarit	616,082 m ³
Total water consumption (m³)	6,510,519 m³

* Consumption information was drawn from meters located in every well of our facilities. This data was digitally registered daily and added monthly. After that, an environmental indicators report was generated which was sent to the Department of Environmental Protection.

As a company, we have mitigation plans to accomplish the recirculation of water sources, an optimum greenhouse design and the constant review and update of our irrigation systems. We hope to be able to save up to two million cubic meters of water a year by 2030.

We hope to be able to save up to two million cubic meters of water a year by **2030**



ENERGY



Reduction in the energy consumption*
During 2021 we achieved our goal of

reducing by **5%** *our energy consumption*

per active hectare, **achieving a 7.78% reduction** (that means we reduced 4,540 kwh/ha) at the end of the year. Tuxcacuesco and Zapotlan's facilities were the ones with the highest reduction level out of the five plants.

*The calculation was done using each plant's monthly and annual energy consumption per active hectare in 2020 as baseline to estimate the reduction achieved. We analyzed consumption using the NS-FR-IPR-012, 2021 Indicators follow-up format in which data of used electrical energy is monthly gathered and compared to 2020's consumption data. The data comes from the monthly environmental indicators report presented to the environmental protection department.

2021 POWER CONSUMPTION

MJ / Gasoline

4'965,746.16

MJ / LP Gas

13'851,791.89

MJ / Diesel

10'419,928.43

kWh / Electricity

16'578,061

2021 Energy intensity ratio*

0.87326 kWh/lb
of fruit harvested

*The ratio includes only the energy consumption within the organization.



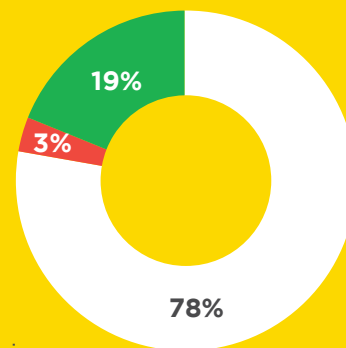
CLIMATE CHANGE and GHG emissions ¹

In an effort to lessen our impact on climate change, in 2021 we began an initiative to improve energy efficiency by utilizing more effective equipment.

2021 Corporate Carbon Footprint results

216.870
t CO₂eq

- Scope 1: 78%
- Scope 2: 3%
- Scope 3: 19%



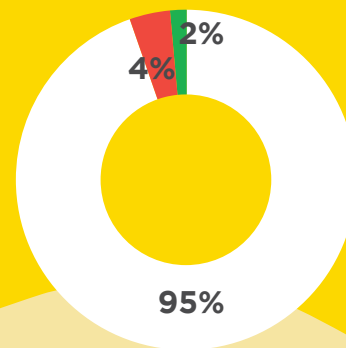
Total Direct GHG emissions produced by NatureSweet in 2021.

Resulting Carbon Footprint by plant

TUXCACUESCO

- Scope 1
- Scope 2
- Scope 3

52.394
tCO₂eq



Scope 1: Direct emissions from company-owned and controlled resources

Scope 2: Indirect emissions from the generation of purchased energy.

Scope 3: Indirect emissions from the Supply Chain (upstream and downstream)

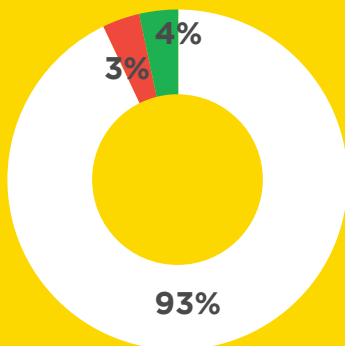
¹ To know the detail of the methodology used to calculate our corporate carbon footprint and other emissions you may contact us at fsuarez@naturesweet.com

• Scope 1
• Scope 2
• Scope 3

• Scope 1
• Scope 2
• Scope 3

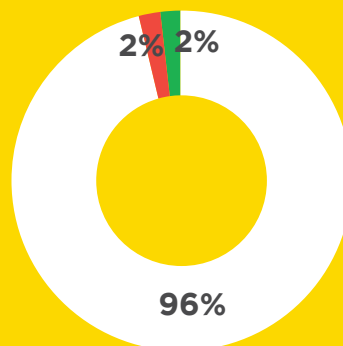
SAN ISIDRO

35.867
tCO₂eq



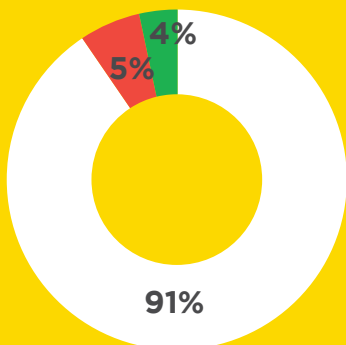
COLIMA

14.317
tCO₂eq



ZAPOTLÁN

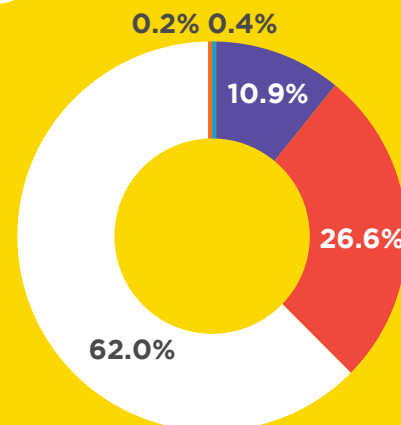
49.047
tCO₂eq



RESULTING GENERAL *carbon footprint*

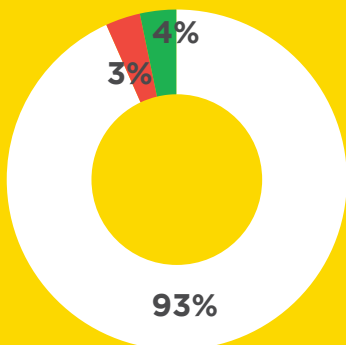
40.063
tCO₂eq

- Fertilizer application
- Purchase of supplies
- Transportation of finished products
- Transportation
- Business trips



NAYARIT

25.181
tCO₂eq



Other emissions*

Nitrogen oxide 34.48 ppm
(within normal parameters)

Carbon monoxide 43.81 ppm
(within normal parameters)

*Measurement methodology was elaborated in accordance with NOM-085-SEMARNAT-2011 and the analysis was carried out by a laboratory certified by the Mexican Certification Entity (EMA). To determine the maximum permissible limits according to the legislation we must use the "rest of the county's" numbers.

OTHER ENVIRONMENTAL *actions*



Biodiversity protection

NatureSweet's operations take place in large rural areas located in Mexico, which is why it's important for us to maintain an equilibrium between our activities and the ecosystem. Part of NatureSweet's mission is to secure the habitat of pollinator species inside our facilities. We are also committed to the protection of local biodiversity, flora and fauna.

Because of its biological and ecological value for the local system's equilibrium, during 2021, our company carried out an analysis of 35 hectares located in our Tuxcauesco, Jalisco plant's surroundings that belong to a nature reserve. This allowed us to get to know the area's animal and plant species and also gave us information about the geological and topographic characteristics of the reserve. This land is also an important part of an area of great relevance to the regional aquifer recharge.

Our next goal concerning biodiversity protection will be to introduce a register of the area's animal and plant species in order to determine subsequent actions for its protection and recovery.

We aim to limit the impact of our activities in the area's hydric resources and also to prevent toxic emissions that could be detrimental to the general ecosystem and to our Associates.



WASTE REDUCTION



In relation to waste reduction, we are in the process of changing from virgin PET packaging components to ones made mostly from recycled plastic;

**Our goal is to reach
70% of our packaging
material volume from
recycled plastic by 2023.**



We are also in constant communication with our suppliers to encourage waste reduction in our facilities and in their production centers. Lastly, in the future we expect to implement a methodology that allows us to measure and report effectively the sustainable measures implemented, allowing us to quantify our progress in relation to our carbon footprint.





2021

SUSTAINABILITY REPORT

NatureSweet
www.naturesweet.com

