2022/2023

AMFRESH Group UK

Climate Related Financial Disclosures- TCFD Report

INDEX

2022/2023 AMFRESH GROUP UK TCFD

1. Letter from the President

Dear partners and employees,

I am pleased to present to you the AMFRESH Group UK's Task Financial Climate Disclosure report (TCFD) for the financial year 2022 to 2023. This report is much more than a tally of numbers and metrics; it is a narrative that reflects our strategic vision and our commitment to excellence in all facets of our operation.

At AMFRESH, our mission is clear: to leverage innovation and technology to challenge the status quo and take fresh food to a new horizon of excellence. We pride ourselves on being drivers of innovation, always seeking new ways to improve and optimise our practices for the benefit of the communities in which we operate and the environment we share.

Our vision drives us to create the next frontier in fresh, natural and healthy food, using the most advanced practices that science and technology have to offer. We strive to produce the best fresh products and we are committed to doing so in a sustainable and responsible manner.

At the heart of our operation are our core values: the nurturing of consumers, communities, employees and the land we farm; the close collaboration we believe is essential to everyone's success; the trust we build with every action, large or small; the innovation that drives our daily work; and the commitment to the highest standards of environmental stewardship.

In addition, we do not lose sight of our responsibility to the world around us. At AMFRESH Group we are conscious of the serious threat posed by climate change, but we also recognize it offers opportunities for those companies that take decisive action in a competitive market. We are meeting this challenge by leading our company towards a sustainable future and transparently reporting our progress.

In short, this report reflects not only our performance, but also our passion, commitment and values as a company. As we continue to plan and seed the future, I invite you to join us on this journey towards excellence and sustainability.

Yours sincerely,

Alvaro Muñoz

CEO, AMFRESH Group

2. Introduction

AGRI-FOOD SECTOR AND CLIMATE CHANGE

The fight against climate change represents one of the most significant transformations in history, with important economic implications to which we all, including governments, regulators, businesses, consumers and society as a whole, must adapt immediately.

In this regard, the importance of the fight against climate change has risen considerably on the international agenda since the signing of the Paris Agreement. There is a growing regulatory framework that urges companies to reduce their emissions to align with the goals of limiting global temperature rise to 1.5°C or 2°C above pre-industrial levels.

The agri-food sector plays a crucial role in this transition, as its climate performance and ability to adapt to environmental challenges can have a significant impact on its operations.

Climate change is one of the most pressing challenges facing humanity today. Addressing this problem and moving towards a low-carbon economy is therefore a crucial task.

AMFRESH GROUP COMMITTED TO SUSTAINABILITY.

At AMFRESH Group, we have been dedicated to serving society for over 90 years, maintaining a strong commitment to sustainability, and taking a business approach that considers both the present and the future.

In line with the objectives of the Paris Agreement and the goal of limiting global temperature rise to below 2°C, we are committed to reducing our carbon footprint and providing transparent climate change reporting.

Sustainability is at the core of the Group, and it is a key component of our Strategy. "*Make Responsibility as a major differentiator*" is one of our Strategic Imperatives, and the completion of this mandate implies propelling Sustainability and Risk Management with a holistic approach.

In this regard, we have prepared this report detailing our company's actions in relation to climate change, following the guidelines established by the Task Force on Climate-related Financial Disclosures (TCFD) set up by the Financial Stability Board.

The report is structured into four pillars:

I. Governance: The organization's structure and relationship model of climate-related risks and opportunities.

II. Strategy: The actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning.

III. Risk management: The processes used by the organization to identify, assess, and manage climate-related risks.

IV.Metrics and targets: The key indicators and objectives used to assess and manage relevant climate-related risks and opportunities.

Through this proposed structure, AMFRESH Group presents information on the risks and opportunities associated with climate change and their integration into the company's operations and activities.

We recognize the importance of transparently communicating trends that will impact our business performance in the short, medium, and long term. This enables investors, customers, and other stakeholders to make informed decisions, promoting best business practice and contributing to progress towards a more sustainable and better world.

ABOUT AMFRESH GROUP

AMFRESH Group is a global fresh food company focused on spearheading genetics, agriscience and biotechnology, extensive farming and global commercialization of Fresh Fruits & Superfoods, Plant-Based Products, and Flowers at scale, present in over 60 countries with 6,300 employees operating as an end-to-end vertically integrated model to serve the top retailers worldwide.

AMFRESH Group is dedicated to innovation and sustainability in its global operations, taking a holistic approach to business that spans the entire value chain. The Group focuses on three main areas: innovative variety development, agricultural production, and retail services, offering a wide range of products including fresh fruits, superfoods, plant-based foods, and flowers.

ABOUT TCFD REPORT

This Climate related Financial Disclosures TCFD Report for the period ended 31st of August 2023 is referred to AMFRESH Group UK Limited (the "Company") and subsidiaries.

AMFRESH Group UK Limited is a holding company for the companies incorporated in the United Kingdom, the Americas and South Africa within the wider AMFRESH Group (the "Group") and a vehicle for certain other types of investments.

The various AMFRESH Group UK Limited subsidiaries companies operating by business line are:

Genetics:

In 2023, the SNFL Group, with the support of the EQT Partners, completed the acquisition of International Fruit Genetics LLC to form BLOOM FRESH International as a global company focused on the table grape and cherries varietal innovation.

Farming:

Back in 2022, AMFRESH Group UK incorporated Grape Farming Investments Limited, a holding company which acquired Spanish and Mexican companies. The purpose of this investment is to further enhance the sustainability and robustness of the supply chain within the Group, expand the supply of grapes within the US and further diversify stock sourcing.

Retail Service:

AMFRESH Group offers a wide range of retailer services for fresh produce, flowers and food and beverages. This ranges from marketing and trading to logistics, distribution, replenishment and category management.

During the year 2023, new AMFRESH UK packing facilities were developed and started operations in April 2023. With this state-of-art facilities, the Company believes that this investment will deliver growth and efficiencies allowing the Group to reach its sustainability targets.

The main AMFRESH Group UK subsidiaries operating in this business line are: AMT FRESH Partnership, AMK Fresh Service, AMFRESH UK, AMFRESH Food & Drink, Avalon FRESH, MM Flowers, AMFRESH Iberia, AMFRESH South Africa.

Policies, risk management and strategies are integrated across the AMFRESH Group as a whole, while the metrics and targets discussed in the report apply specifically to the operating companies within the AMFRESH Group UK sub-consolidation.

3. Governance

3.1. BOARD OF DIRECTORS

The Board of Directors is the body in charge of directing, managing and representing the Company and its subsidiaries, having full powers of representation, disposition and management.

The AMFRESH Group UK Board of Directors regularly approves sustainability-related statements.

The Board of Directors, as the primary governing body, plays a fundamental role in overseeing and making decisions related to sustainability. When approving these statements, the Board evaluates the company's progress towards its sustainability goals, identifies areas for improvement, and ensures alignment of business practices with the Company's sustainability values and commitments.

Annually the AMFRESH Group UK Board of Directors assesses the major risks affecting the Company and develop mitigation strategies to reduce the likelihood of those risks crystallizing. In turn, these strategies form the basis for the Company financial budgets, resource planning and capital spend, setting the general direction for the Company.

3.1 POLICIES

In parallel, AMFRESH Group is immersed in the development of a series of corporate policies focused on environmental protection and combating climate change.

At AMFRESH Group, we are committed to formulating policies that not only comply with current regulations but also go beyond to promote sustainable practices and mitigate our impact on the natural environment.

These policies are designed to address various aspects, from reducing greenhouse gas emissions to responsibly managing natural resources and promoting biodiversity.

4. Strategy

4.1 SUSTAINABILITY AS PART OF AMFRESH'S STRATEGY

AMFRESH Group integrates all climate change risk considerations into the Company's strategy.

The Group reiterates its commitment to sustainability in all aspects of its operations, consolidating its position as an entity committed to social responsibility, environmental protection and the general welfare of society. It also focuses on managing the risks associated with climate change.

To this end, we work on climate change adaptation, both from a risk and opportunity perspective, implementing the necessary actions to become a low-carbon company, as well as contributing to and strengthening resilience and the capacity to adapt to the risks of climate change.

4.2. MAINSTREAMING SUSTAINABILITY AT THE EXECUTIVE LEVEL

AMFRESH Group integrates sustainability into its daily operations. The sustainability strategy is considered cross-cutting, and all areas of the company are responsible for gradually incorporating these aspects into their strategic agenda and work processes. This includes encouraging the development of sustainable solutions and identifying sustainability-related risks in processes.

4.3. AMFRESH STRATEGY AND SUSTAINABILITY STRATEGY

Sustainability is part of the Group's strategic imperatives: By seizing its responsibility as a key differentiator for sustainability and risk management and by focusing on Climate Change (carbon emissions, water, ...), labor, social, regulatory, political, reputational and industrial risks.

Aligned with our Group Strategy, AMFRESH has developed a Sustainability Strategy with ambitious targets, including: (i) Sustainable sourcing - aiming to source 100% of raw materials sustainably by 2030; (ii) Food Waste reduction – optimizing our entire Group operations; (iii) Packaging sustainability – targeting 100% of our plastic packaging will be reusable, recyclable or compostable; (iv) Climate change responsibility – improving efficiencies, using renewable energy across global business sites to become carbon neutral by 2030; and (v) Human Rights commitments – addressing and preventing all forms of forced labour in our own operations and supply chains

5. Risk Management

5.1. RISKS SEGMENTATION

Climate change risk refers to potential long-term alterations in average weather patterns.

The Group must address and manage the primary risks associated with climate change to ensure business continuity through mitigation and adaptation measures.

Climate change risks can be classified into two main categories: physical risks and transition risks.

Physical Risks

These arise from climate change and may be caused by more frequent and severe extreme weather events or long-term weather changes and may lead to physical damage to the company's assets, disruptions in the supply chain or an increase in the costs required to deal with them.

Physical risks are classified as acute or chronic hazards.

Acute physical risks

Acute physical risks refer to extreme and sudden weather-related events that can have an immediate and significant impact on the natural environment, human communities and economic activities. These events can include severe storms, flash floods, extreme droughts, intense heat waves, hurricanes, tornadoes, among others. Acute climate hazards are often unpredictable in their occurrence and can cause property damage, economic losses, population displacement, disruptions to infrastructure and services, as well as risks to people's health and safety.

Chronic physical risks

Chronic climate risks refer to the long-term and gradually progressive impacts associated with climate change, which can affect communities, ecosystems, and economies over an extended period. These risks can include phenomena such as gradual increases in temperatures, changes in precipitation patterns, sea level rise, ocean acidification and desertification. Unlike acute climate events, chronic climate hazards develop slowly over time and can have significant cumulative effects on human health, food security, water availability, biodiversity, infrastructure, and other socio-economic aspects.

Chronic physical risks force companies to manage their infrastructure and operations under extreme weather conditions, both in their operations and in the supply chain.

Transition Risks

Risks associated with the transition to a low-carbon economy in response to climate change, arising from changes in legislation, the market, consumers, etc. to mitigate and address the requirements of climate change.

The Risk and Opportunity segmentation is shown in the table below:

Table 01. Risk/Opportunity Segmentation

Risk/Opportunity	Type	Category	Associated Risks
Risk	Physical	Acute Risks	Greater impact from extreme weather events and natural hazards such as cyclones and floods.
		Chronic Risks	Change in precipitation patterns and extreme variability in climate patterns.
	Transition	Regulatory	Increase in regulatory pressure related to climate change.
		Technology	Technological requirements in a low carbon economy.
		Market	Change in market trends and consumer preferences towards more sustainable products.
			Sudden changes in raw materials.
			Supply assurance.
		Reputation	Climate change commitments.
Opportunity		Market	Product and services
		Resource efficiency	Energy and water
			Emissions
		Resilience	Resilience and adaptation to climate change plan.

5.2. RISKS AND OPPORTUNITIES CHARACTERIZATION

The risks arising from climate change identified by the AMFRESH Group, according to the above categories, are shown in the tables below:

Table 02. Physical Risks

Category	Associated Risks	Risk Description
Acute Risks	Greater impact from extreme weather events and natural hazards such as cyclones and floods.	Variability in yield production and/or supply of raw materials caused by extreme weather events.
		Incidence of extreme weather events such as rain, hail, wind or extreme variability in temperatures.
Chronic Risks	Change in precipitation patterns and extreme variability in climate patterns.	Water stress due to prolonged droughts, increase pest pressure and soil degradation.
		Variability in the supply of raw materials.

Table 03. Transition Risks

Category	Associated Risks	Risk Description
Regulatory	Increase in regulatory pressure related to climate change.	Non compliance with legal requirements and other demands (bribery, antitrust laws, use of phytosanitary products, product regulations, etc.) operating in multiple countries.
Technology	Technological requirements in a low carbon economy.	Availability of technological solutions to promote low carbon emissions activities.
Market	Change in market trends and consumer preferences towardsmore sustainable products.	Failure to ensure our products are responsibly sourced throught the supply chain.
	Sudden changes in raw materials.	Variability in availability and prices of raw materials and other supplies.
	Supply assurance.	Supplier viability due to inflation, higher interest rates and higher wages.
Reputation	Climate change commitments.	Failure to meet our climate change commitments.

Likewise, there is the possibility that these changes can be exploited and provide an opportunity for the company, as presented in the table below:

Table 04. Opportunities

Opportunity	Category	Description
Market	Product and services	Ability to keep pace with trends and customer behaviors given the increase in preferences for more sustainable products.
		Strengthening our long-term partnership with our business partners and stakeholders.
Resource efficiency	Energy and water	Implement more efficient processes that drive to efficiencies in energy and water consumption.
	Emissions	Low emissions energy sources.
Reputation	Resilience and adaptation to climate change plan.	Increase market valuation.

5.3. RISK AND OPPORTUNITIES' MANAGEMENT

Risk Impact Evaluation

AMFRESH's approach to its end-to-end business model and strategy exemplifies how the company addresses global sustainability challenges, manages environmental, social and governance (ESG) risks and drives innovation in the development of products and solutions for the benefit of its customers and the community.

Managing climate change-related risks plays a crucial role in strategic decision-making, including product innovation and reputation management, which are key to gaining the trust of our stakeholders.

Risks associated with climate change with a significant potential impact include an increase in natural disasters and extreme weather events. As AMFRESH Group operates in countries prone to such events in both its agricultural operations and supply chain, special attention to these risks is required.

At AMFRESH Group we have conducted a Risk Impact Evaluation, where potential impacts for the Group have been identified. They are shown in the tables below:

AMFRESH GROUP

Table 05. Risk Impact

Type/Category	Associated Risks	Risk Description	Potential impact	Business
Physical Acute	**Greater impact from extreme weather events and natural hazards such as cyclones and floods.**	Variability in yield production and/or supply of raw materials caused by extreme weather events.	Loss of revenue due to decrease in our farms yield production and/or associated growers yield production.	Genetics Farming
			Increase supply costs and loss of revenue due to supply disruption.	Retail service
		Incidence of extreme weather events such as rain, hail, wind or extreme variability in temperatures.	Loss of revenue due to decrease in yield production.	Farming
Physical Chronic	**Change in precipitation patterns and extreme variability in climate patterns.**	Water stress due to prolonged droughts, increase pest pressure and soil degradation.	Loss of revenue due to: - Decrease in our farms yield production and/or associated growers yield production. - Lower quality yield production (in our farms and associated growers). - Reduction in cultivable number of hectares in our farms and associated growers.	Genetics Farming
		Variability in the supply of raw materials.	Increase supply costs and loss of revenue due to supply disruption.	Retail service
Transition Regulatory	**Increase in regulatory pressure related to climate change.**	Non compliance with legal requirements and other demands (bribery, antitrust laws, use of phytosanitary products, product regulations, etc.) operating in multiple countries.	Adverse financial, legal and reputational consequences due to fines and litigation.	Group
Transition Technology	**Technological requirements in a low carbon economy.**	Availability of technological solutions to promote low carbon emissions activities.	Increase in costs and capital expenditure required to meet the demands of low carbon business model.	Group
Transition Market	**Change in market trends and consumer preferences towards more sustainable products.**	Failure to ensure our products are responsibly sourced throught the supply chain.	Loss of revenue due to failure in meeting supply chain standards.	Farming
			Reduction in profitability and liquidity due to supply chain disruption and reputational deterioration.	Retail service
	Sudden changes in raw materials.	Variability in availability and prices of raw materials and other supplies.	Reduction in profitability and liquidity due to increased raw materials and energy costs.	Farming Retail service
	Sudden changes in raw materials.	Supplier viability due to inflation, higher interest rates and higher wages.	Reduction in profitability and liquidity due to the decrease in the number of suppliers and(or associated growers.	Genetics Retail service
Transition Reputation	**Climate change commitments.**	Failure to meet our climate change commitments.	Reputational impact that may result in loss of revenue and increase customer retention costs.	Group

Table 06. Opportunities impact

Opportunity	Category	Description	Impact	Business
Market	Product and services	Ability to keep pace with trends and customer behaviors given the increase in preferences for more sustainable products.	Opportunity to increase revenue due to development of new more resilient varieties and incorporating new more resilient products in our portfolio.	Group
		Strengthening our long-term partnership with our business partners and stakeholders.	Support to achieve our climate goals.	Group
Resource efficiency	Energy and water	Implement more efficient processes that drive to efficiencies in energy and water consumption.	Energy and water efficiencies.	Farming Retail service
	Emissions	Low emissions energy sources.	Opportunity to reduce dependence on the electrical grid in favor of internal renewable energy generation.	Farming Retail service
Resilience	Resilience and adaptation to climate change plan.	Increase market valuation.	Opportunity to anticipate and mitigate adverse impacts due to climate change improving our reputation and increasing market valuation.	Group

Risk Management Procedure

AMFRESH Group establishes a procedure for mitigating and adapting to the risks arising from climate change. This procedure consists of processes for identifying and assessing these risks.

Identifying climate risks

AMFRESH Group conducts an ongoing analysis of the elements that, if realized, could affect the business. In this analysis, environmental, social and corporate governance (ESG) factors are assessed, as they provide additional information on social trends, stakeholder expectations and market conditions that influence the organization.

Analyses are then carried out according to the relevance for the company's stakeholders and the impact on AMFRESH. This analysis process allows the identification of potential risks and the establishment of appropriate prevention and mitigation measures.

Assessing climate risks

In the agri-food sector, the assessment of risks associated with climate change is considered of utmost importance. The aim is to improve the understanding of these risks and their potential impact on the company.

AMFRESH analyses and calculates the environmental, social, and corporate governance impact of its activities, considering both the nature of its operations and the national environment in which it operates. We identify mitigating actions that we implement, shown in the tables below:

AMFRESH GROUP

Table 07. Physical Risks Mitigating Actions

Category	Risk Description	Potential impact	Business	Mitigating action
Acute Risks	Variability in yield production and/or supply of raw materials caused by extreme weather events.	Loss of revenue due to decrease in our farms yield production and/or associated growers yield production.	Genetics	Expansion to new countries.
				Development of new more resilient varieties.
			Farming	Selection of new more resilient varieties.
		Increase supply costs and loss of revenue due to supply disruption.	Retail	Raw material from different regions.
				Strategic suppliers with strong resilience and continuity plans.
	Incidence of extreme weather events such as rain, hail, wind or extreme variability in temperatures.	Loss of revenue due to decrease in yield production.	Farming	Insurance coverage.
				Sustainable agricultural practices aimed at increasing resilience and adaptation to climate change.
Chronic Risks	Water stress due to prolonged droughts, increase pest pressure and soil degradation.	Loss of revenue due to: - Decrease in our farms yield production and/or associated growers yield production. - Lower quality yield production (in our farms and associated growers). - Reduction in cultivable number of hectares in our farms and associated growers.	Genetics	Expansion to new countries
				Development of new more resilient varieties.
				Collaboration with associated growers advisory and monitoring crop crop management, promoting agricultural practices aimed at increasing resilience and adaptation to climate change.
			Farming	Selection of new more resilient varieties.
				Sustainable agricultural practices aimed at increasing resilience and adaptation to climate change, such as drip irrigation, moisture probes and increasing level of organic matter in soil.
	Variability in the supply of raw materials.	Increase supply costs and loss of revenue due to supply disruption.	Retail service	Collaboration with associated growers advisory and monitoring crop crop management, promoting agricultural practices aimed at increasing resilience and adaptation to climate change.

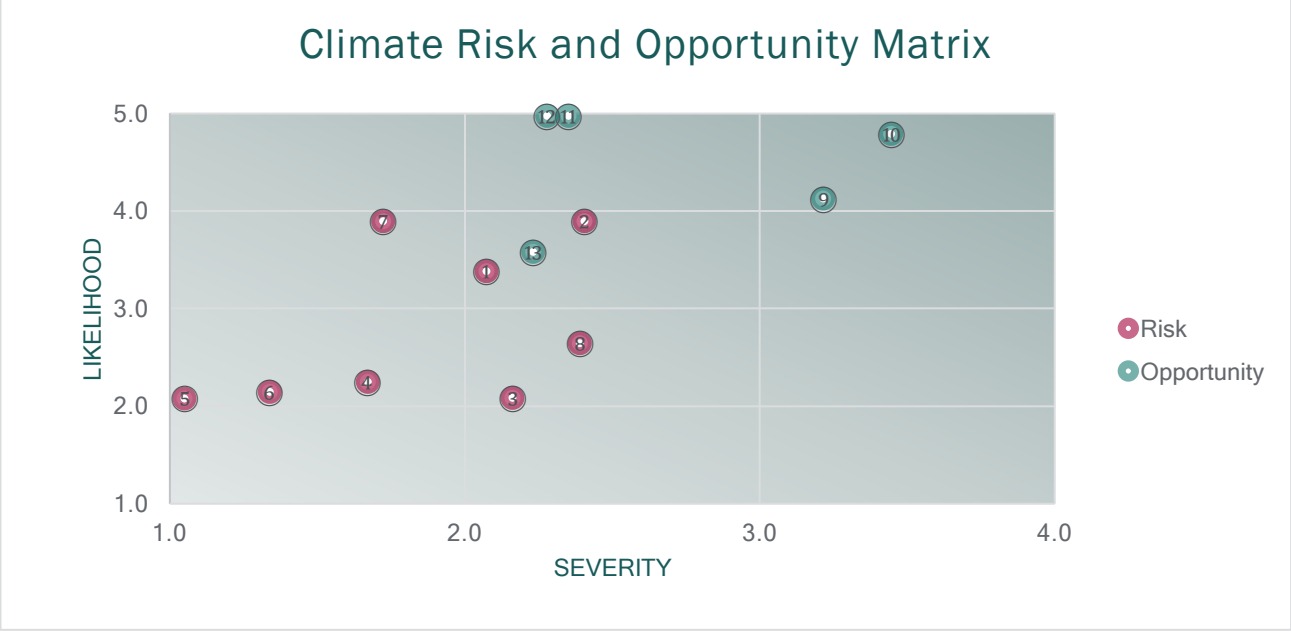
Table 08. Transition Risks Mitigating Actions

Category	Risk Description	Potential impact	Business	Mitigating action
Regulatory	Non compliance with legal requirements and other demands (bribery, antitrust laws, use of phytosanitary products, product regulations, etc.) operating in multiple countries.	Adverse financial, legal and reputational consequences due to fines and litigation.	Group	In all our operations, we ensure to integrate regulatory changes to our policies and strategies thanks to our compliance programs.
Technology	Availability of technological solutions to promote low carbon emissions activities.	Increase in costs and capital expenditure required to meet the demands of low carbon business model.	Group	Incorporation of ESG criteria in investment decisions.
				Assessment of investment needs.
Market	Failure to ensure our products are responsibly sourced throught the supply chain.	Loss of revenue due to failure in meeting supply chain standards.	Farming	Compliance with laws and regulations in the countries where we operate and with retailers' requirements related to standards on human rights, safe working conditions and fair wages.
		Reduction in profitability and liquidity due to supply chain disruption and reputational deterioration.	Retail service	Compliance with laws and regulations in the countries where we operate.
				Monitoring compliance of our suppliers with our standards on human rights, safe working conditions and fair wages.
				Responsible Sourcing Code of Conduct.
	Variability in availability and prices of raw materials and other supplies.	Reduction in profitability and liquidity due to increased raw materials and energy costs.	Farming Retail service	Energy efficiency in our operations e.g. installation of solar panels in our facilities and renewable sources electricity purchase.
				Raw materials supply from different regions.
				Cost mitigation investing in automatation and digitilisation.
	Supplier viability due to inflation, higher interest rates and higher wages.	Reduction in profitability and liquidity due to the decrease in the number of suppliers and/or associated growers.	Genetics Retail service	Strategic long term relationships with suppliers investing in automatisation and digitilisation.
Reputation	Failure to meet our climate change commitments.	Reputational impact that may result in loss of revenue and increase customer retention costs.	Group	Establishment of metrics with appropiate oversight and governance mechanisms that allow us to assess and track progress.
				Working with strategic customers to align climate aspirations.

Table 09. Opportunities Mitigating Actions

Opportunity	Description	Impact	Business	Mitigating action
Market	Ability to keep pace with trends and customer behaviors given the increase in preferences for more sustainable products.	Opportunity to increase revenue due to development of new more resilient varieties and incorporating new more resilient products in our portfolio.	Group	Selection of new more resilient/ sustainable varieties and products. Expansion into new product lines.
	Strengthening our long-term partnership with our business partners and stakeholders.	Support to achieve our climate goals.	Group	Strategic long term partnerships with our customers and suppliers.
Resource efficiency	Implement more efficient processes that drive to efficiencies in energy and water consumption.	Energy and water efficiencies.	Farming Retail service	Energy efficiency in our operations, (eg. Installation of solar panels in our facilities and renewable sources electricity purchase).
	Low emissions energy sources.	Opportunity to reduce dependence on the electrical grid in favor of internal renewable energy generation.	Farming Retail service	Energy efficiency in our operations, (eg. Installation of solar panels in our facilities and renewable sources electricity purchase). Embedding ESG in investment decisions.
Resilience	Increase market valuation.	Opportunity to anticipate and mitigate adverse impacts due to climate change improving our reputation and increasing market valuation.	Group	Opportunity under assessment.

And finally, at AMFRESH Group we evaluate likelihood and consequences (financial impact) of the identified risks and opportunities, shown in the graph below.



Climate Risks		
Category	**Subcategory**	**Descripción**
Phisycal	Acute	Variability in yield production and/or supply of raw materials caused by extreme weather events.
	Chronic	Variability in the supply of raw materials duo to change in precipitation patterns and/or extreme variability of climate patterns.
Transition	Market	Failure to ensure our products are responsibly sourced / produced throught the supply chain.
		Variability in availability and prices of raw materials and other supplies.
		Supplier viability duo to inflation interest rates, and higher wages.
	Regulatory	Non compliance with legal requirements and other demand in the multiple countries where we operate.
	Technology	Availability of technological solutions to promote low carbon emissions activities.
	Reputational	Failure to meet our climate change commitments.
Climate Oportunities		
Opportunity	Market	Ability to keep pace with trends and customer behaviours given the increase in preferences for more sustainable products.
		Strenghtening our long-term partnershipwith business partners and stakeholders.
	Resource efficiency	Implement more efficient processes that drive to efficiencies in energy and water consumption.
		Low emissions energy sources.
	Resilience	Increase market valuation.

Integrating climate risks into risk management

The integration of ESG risks with conventional risks is carried out organically in the company's management and monitoring procedures.

6. Metrics and targets

AMFRESH Group recognizes its responsibility to mitigate and adapt to climate change and therefore implements measures throughout its business operations.

The company is committed to combating climate change and working to limit the temperature increase to 1.5°C.

This commitment is underpinned by the following strategic objectives and metrics in the table below:

Table 10. Metrics

Objective	Metric
Innovation	New varieties: Number of new varieties developed
Energy efficiency and emissions	Energy consumption: Energy consumption: breakdown by source of energy % electricity from renewable sources
	Emissions: Scope 1&2 emissions: Tns CO2e Intensity emissions per volume
Efficient management of scarce resources	Water consumption Water consumption breakdown by source of origin % water consumption from high stressed areas
Transition to a circular economy	Waste Waste generated:breakdown by type of waste % waste diverted from disposal
Sustainable sourcing	Suppliers assessed: % suppliers assessed % suppliers complying with standards

6.1. GENETICS

At AMFRESH Group, we are firmly convinced that innovation is the driving force behind sustainable solutions.

BLOOM FRESH delves into 2 pivotal impact areas to drive innovation: improving access to healthier choices for customers and enhancing natural breeding.

Improving access to healthier choices for customers

Contributing to healthier sustainable diets by supplying fresh and nutritious foods to meet the needs of our growing global population is our priority.

Our goal is to take table grape breeding to the next level. Our program is not about producing yet more of the same. Every new variety that the team releases will have novel features and consumer attributes that

will create interest. We are working on increased antioxidant content to improve the already great health benefits of grapes, and of course the development of new flavor profiles.

Natural Breeding

Agriculture's key challenge is reducing greenhouse gas emissions and use of water, as well as promoting healthy, ecosystem and soil's biodiversity. In that context, table grapes production has potential for improvement on the use of phytosanitary products, water and emissions of greenhouse gases.

BLOOM FRESH natural breeding program is continuously incorporating responsible tolerant genes into the hybrids to ensure solid and sustainable tolerant traits.

6.2. ENERGY EFFICIENCY

Energy efficiency is a cornerstone in the fight against climate change and the promotion of sustainable development. It refers to the ability to obtain maximum performance and benefit using the least possible amount of energy.

In the business sector, energy efficiency translates into the optimization of processes and the implementation of technologies that reduce energy consumption, such as the modernization of industrial equipment, smart energy management and the implementation of conservation practices in supply chains. This not only improves companies' competitiveness by reducing operating costs, but also strengthens their resilience to fluctuations in energy prices and environmental regulations.

AMFRESH, as a company committed to sustainability and environmental responsibility, has implemented two fundamental actions to promote energy efficiency in its operations.

Electricity from renewable energy

AMFRESH has chosen to purchase electricity from renewable sources in those UK business units where possible. This involves purchasing power generated from natural resources such as solar, wind, hydro or geothermal energy.

We track and report on our electricity usage towards our goal of 100% renewable electricity by 2025 in the UK subsidiaries (AMFRESH UK, AMK Peterborough Services and AMFRESH Food & Drink). There, we have seen good progress from only 1% renewable electricity in FY19 to 41% in FY23.

Installation of photovoltaic panels

AMFRESH Group has installed solar panels on part of its facilities to generate renewable energy on site. By generating its own renewable energy, AMFRESH Group reduces its dependence on the traditional electricity grid and can meet part of its energy needs with renewable resources.

In 2023, we initiated the installation of large solar arrays in the UK subsidiaries, AMFRESH UK, AMK Peterborough Services. Custom Solar were engaged to design and build solar arrays on our two main manufacturing sites in the UK, Peterborough and Alconbury. Via an app, we are able to see how much energy is sourced and used hour by hour. The UK subsidiary AMFRESH Food & Drink has a smaller array already in place.

The target in these UK subsidiaries is to source 50% of our annual energy requirements for electricity use from the arrays.

This initiative, together with renewable electricity purchase, allowed these subsidiaries to reach 100% renewable energy by the end of 2022.

In addition, the UK subsidiaries, AMFRESH UK, AMK Peterborough Services and AMFRESH Food & Drink have Climate Change Agreements.

GHG Emissions

By prioritising these renewable sources, AMFRESH reduces its carbon footprint and contributes to climate change mitigation by avoiding the emission of greenhouse gases associated with fossil fuel power generation.

At AMFRESH Group, we are committed to playing our part in tackling climate change and reducing greenhouse gas emissions from our own operations.

Reducing the requirement on grid electricity by installation of solar panels and moving to renewable energy purchase agreements will help reduce these emissions. In addition, new sites in Alconbury and Peterborough has been built with low or no GWP refrigerants.

We measure and report on our carbon footprint to track progress.

We have been measuring our supply chain hot spots since 2016 (fertilizer and pesticide use) for citrus in our key sourcing countries – Spain, RSA and Peru. In 2010 we did a full Life Cycle Assessment (LCA) of citrus, with the Jaffa Brand, with The Carbon Trust and in fact, we were the first Fresh Produce company to use their logo on pack in Europe.

In 2021 we rolled this out to grape, melon, pineapple and in 2023 to top fruit. For all the latter categories, we have picked producers that are also supplying into AMFRESH UK, so that we have good coverage across all the retailers.

Over the last 18 months, we have been collecting full Scope 3 emissions for our subsidiary AMT FRESH Partnership. This work is currently sitting.

At MM Flowers subsidiary, we have been working to conduct a product Carbon Lifecycle Assessment (LCA) footprint as well as corporate footprint over the past two years. This assessment is helping in designing a decarbonization strategy to achieve our SBT aligned targets.

6.3. EFFICIENT MANAGEMENT OF SCARCE RESOURCES

Sustainable agriculture

Sustainable agriculture is a fundamental practice for ensuring long-term food security, preserving natural resources, and mitigating climate change.

Sustainable agriculture has become a global priority in response to the environmental and social challenges we face.

AMFRESH, as a leader in the agricultural industry, fully recognizes its responsibility in promoting sustainable farming practices. Aware of the significant impact that agriculture has on the environment,

we are strongly committed to adopting measures, both in our operations and in our value chain, that contribute to the preservation of natural resources and to the well-being of future generations.

To achieve this goal, we have implemented a set of initiatives and programs that encourage sustainable farming practices throughout our table grape farming operations at Uvasdoce FRESH and Terramara FRESH.

Our main areas of focus are the responsible management of soil, water, and pesticides.

Soil management

Healthy soil is not only essential for growing crops, but also acts as a carbon sink, helping to mitigate climate change by capturing and storing atmospheric carbon.

We promote practices such as reduced tillage, as well as the use of implements that do not damage the lower layers of soil and only act on the soil that supports the crop, with the aim of reducing soil erosion.

Soil conservation techniques are also applied to improve soil structure and fertility, including the following:

- Soil organic matter inputs: Soil organic matter inputs offer a wide range of benefits to the soil, including improved soil structure, increased water and nutrient retention (especially beneficial in regions with periods of drought), stimulation of soil biological activity, and reduction of soil erosion and compaction.

- Incorporation of pruning residues into the soil: Pruning residues, such as branches, leaves and other plant residues, are an important source of organic matter for the soil, releasing essential nutrients such as nitrogen, phosphorus and potassium. This supply of organic matter improves soil structure, increases its water and nutrient holding capacity, and promotes beneficial biological activity, thus contributing to soil fertility and health.

- Soil monitoring through regular soil analysis allows us to manage agricultural resources sustainably and efficiently by providing accurate information on soil nutrients, improve soil health by providing information on key soil health indicators such as pH and cation exchange capacity, and prevent soil erosion by identifying areas with low vegetation cover, low organic matter or poor soil structure.

Water stewardship

We strive to use water efficiently in our agricultural processes, implementing efficient irrigation systems and water conservation technologies that minimize waste and preserve this vital resource. Among the main actions we highlight:

- Drip irrigation: highly efficient and sustainable irrigation technique that offers a number of key benefits in terms of efficient water use, energy savings, improved soil quality, increased crop productivity and quality, and reduced operating costs.

- Moisture probes and weather stations: The use of soil moisture probes and weather stations in agriculture offers several benefits that contribute to improved efficiency, resilience and sustainability. These technologies provide us with information that allows us to make informed decisions and adapt effectively to changing climate conditions, thus contributing to the mitigation of climate change impacts.

- Water storage systems such as ponds and dams: Water storage systems represent an effective and adaptable solution to meet the challenges of climate change, especially in contexts of continuing droughts.

Uvasdoce FRESH: water storage

Pesticides management

At AMFRESH, varietal innovation is a fundamental pillar that drives our mission to provide quality and sustainable solutions in agriculture. An essential part of our innovative approach focuses on the development of plant varieties with high disease resistance.

From our genetics business line with BLOOM FRESH we work in our research and development programs to identify and select genetic traits that strengthen plant resistance to pathogens and diseases in different varieties of table grapes and cherries.

We firmly believe that by providing farmers with more resilient varieties that are less susceptible to disease, we not only improve the productivity and profitability of their crops, but also reduce reliance on chemical pesticides.

In addition to varietal innovation, we implement agricultural practices aimed at reducing pest and disease pressure.

Some of them are the following implemented in Uvasdoce FRESH:

- Trapping bands against the green mosquito pest: adhesive-impregnated trapping bands attract and capture the insects when they land on the band.

Uvasdoce FRESH: trapping bands

- Plastic cover: The company Uvasdoce FRESH is developing better plastic cover techniques for trellising systems, applying this cover from the beginning of the crop. In this way, the impact of rain, hail and morning dew is avoided. By reducing the incidence of morning dew, we reduce the incidence of mildew and botrytis, which means we can treat with less persistent phytosanitary products.

  In addition, the central opening (shown in the picture below) facilitates the extraction of moisture.

Uvasdoce FRESH: plastic cover

We promote the integration of all these sustainable agricultural practices throughout our value chain, through tracking, monitoring and support from our business partners.

Water stewardship

In our operational sites

The fruit manufacturing sites in the UK are dry sites. Mains water is used only for sanitation purposes - washing hands and cleaning equipment and floors. For the purposes of flushing toilets, we capture water from the roof, which in turn is stored in tanks underground. In Peterborough, we installed a 5 cubic meter.

Within the value chain

For agricultural risks, in the fresh fruit UK subsidiaries we use our own Water Monitoring Tool, which was launched in 2017 for all citrus growers to use. This tool measures water use and efficiency each year and can benchmark growers against each other and give trend analysis and risks up until 2040. We look at more generic risks globally via the WWF Water Filter Tool and an analysis tool by UC Davies in California. Temperature and rainfall data is taken from several sources.

Our water data is shared with our retail customers, exporters, and growers to enable them to take decisions about how water catchment/extraction is quantified and mitigated. Grower data by crop type/variety/root stock/soil type is benchmarked, to enable growers to identify best practice and employ solutions to make improvements.

We participate in the Spanish Ethical Trade Forum's Sustainability Group as well as working on a 3 year project with WWF and WRAP in South Africa on water stewardship in the Western Cape (area impacted by drought) and working with IHG in Holland on a 3 year Water Stewardship Project in Ica, Peru where we source both citrus and grapes (Ica is a desert area and water is scarce, particularly for local communities).

MMFlowers business unit is working to identify hotspots for water & biodiversity using the WWF's water and biodiversity risk filter which allows us to plot and assess the inherent risk to our suppliers based on their GPS coordinates. The risk tool is providing a great level of insight on top level risk however does not consider individual suppliers mitigation plans. We are working with our top strategic suppliers to assess their actual risks, considering mitigation plans.

6.4. TRANSITION TO A CIRCULAR ECONOMY

The transition towards a circular economy is a fundamental process to address current sustainability challenges and resource management. Companies play a crucial role in this transition by adopting more sustainable production practices and closing material loops in their operations. This may involve implementing more efficient manufacturing processes, optimizing waste and byproduct management, and collaborating with suppliers and customers to maximize the value of resources throughout the entire supply chain.

At AMFRESH we are proud of the fact that fruit and fresh produce is sustainable by nature with fruit sourced from sustainably managed farms and able to be consumed with no additional processing.

Aware of the importance of maximizing resource value and minimizing the environmental impact of its operations, AMFRESH implements initiatives that promote reuse, recycling, and waste reduction throughout its value chain.

Packaging:

At UK subsidiaries, we measure packing use by weight, materials used and their reuse/recyclability (curbside) as well as volume of packaging used with less than 30% recycled content quarterly for the UK Plastics Tax.

Within the fresh fruit retail service business, we sell loose fruit (no PLUs), packaged (using PE nets and labels with a metal clip) for citrus. We have also introduced a fully recycled paper bag with a bamboo net

front, which can be collected curbside for recycling. Currently our citrus netting is not able to be made with recycled plastics. Whist PE cannot be recycled curbside, our packaging is able to be recycled if taken to front of store recycling points once the metal clip has been removed).

Our grapes are packed into plastic punnets which have more than 70% recycled content and can be recycled widely.

The paper "earth bag" for citrus is being rolled out more widely but it cannot be taken up for all lines we produce as it is more expensive and therefore cannot reach the price point needed for some of the target consumers.

In 2020-2021 AMFRESH UK became associate members of The UK Plastics Pact, run by WRAP, and supported by the Ellen MacArthur Foundation. The Pact is a collaborative initiative that brings together organizations from across the entire plastics value chain to drive circularity of plastic packaging. We are pleased to be able to access expert advice from the WRAP team to support us in working towards these goals.

A key focus is also improving our reporting capability so that we can target our efforts to ensure 100% of our packaging is recyclable. We have undertaken a full review of packaging used within our AMT FRESH & AMK FRESH businesses. Through collaboration between packaging, commercial, sustainability, technical and quality teams, several opportunities to improve our packaging were identified.

With the Plastic Packaging Tax, another priority is increasing the recycled content of our packaging. AMFRESH continues to support new legislation that aims to effectively drive change towards a circular packaging system where packaging waste does not end up in the environment. We are working towards ensuring recycled content is utilized in all situations where it is available.

At Food & Drink business units, we bottle our juices in recycled content PET bottles that are widely recyclable.

At MMFlowers business unit has an internal packaging steering group has been set up to drive innovating and packaging reductions. It consists of representatives from different departments including ESG, commercial, NPD, buying and technical and meets monthly. We are mapping the granular, technical details of our packaging, and are finalizing a reduction strategy with corresponding KPIs and targets.

Responsible waste removal and reutilization

AMFRESH promotes its proactive approach to waste management, starting with the responsible removal of waste through collaboration with authorized waste managers who comply with current regulations and standards in their business units.

In our farming units, an authorized waste manager is responsible for the removal of phytosanitary product containers. This allows us to minimize the environmental impact associated with these chemical products and contribute to the reduction of plastic waste.

In addition, pruning residues are shredded and reintegrated into the soil as organic matter, improving soil fertility and structure, reducing erosion, and promoting water retention. Additionally, they can be used as composting material to produce organic fertilizer, thus closing the nutrient cycle in our agricultural operations and reducing our dependence on chemical fertilizers.

In our UK retail service business, waste is allocated either to recycling, composting or anaerobic digesters plants.

These anaerobic digesters break down organic matter in the absence of oxygen, producing biogas that can be used as a renewable energy source. In addition to generating energy, this process also reduces the amount of waste going to landfills, avoiding the release of greenhouse gases and soil and water pollution.

In the UK fresh fruit subsidiaries, we generate 5,000 tons of food waste each year. This only represents approximately 1.9% of our total fruit handled across the sites and is largely driven by citrus waste. We are exploring new opportunities to use our food waste for recovery operations.

Each year we complete WRAP's Food Loss and Waste data sheet for submission to Champions 12.3, with whom we are signatories. In the fresh fruit UK subsidiaries, we aim to be 0% food waste by 2025.

AMFRESH Group in UK has continued a great work behind the scenes with surplus donations to local food charities worldwide and FareShare in the UK. During 2022, we donated 110 tons of fresh produce to much needed food charities across the UK. This figure represents over 750,000 meal occasions which is something we are all proud to be part of.

6.5. SUSTAINABLE SOURCING

At AMFRESH we are committed to sustainable sourcing as an integral part of its business strategy. We recognize the importance of ensuring that our products come from responsible and environmentally friendly sources, both in social and environmental terms.

Collaboration with our business partner

We are committed to working continuously and collaboratively with our suppliers and partners to promote responsible sourcing practices.

We work closely with our suppliers to ensure that they meet the highest standards of sustainability in their operations. This includes verifying fair labor practices, compliance with rigorous environmental standards, and respect for human rights throughout the supply chain.

We are constantly exploring new collaboration opportunities with local and regional suppliers who share our values of sustainability and quality.

One of the examples is that we are members of the Cool Farm Alliance, a unique community of organizations working together to develop and promote a harmonized set of metrics for agricultural sustainability.

We use the Cool Farm Tool and Biodiversity modules to measure performance within our supply chain, and we participate in their working groups for the development and ongoing enhancement of the tools.

We have rolled out the Mediterranean and Semi-Arid Biome Biodiversity module on the Cool Farm Tool to all our participating growers in Spain, South Africa and Peru. The Cool Farm Tool's biodiversity module for Mediterranean and Semi-arid biomes was launched in November 2020 and rolled out across our farms in the same year. Working with monocropping systems, gives us plenty of scope for improvement and we are well underway with action plans to address improving biodiversity across our farming operations.

To corroborate the results from the Cool Farm Tool, we engaged with Agrisound, a biotechnology business, who use acoustic technology to measure pollinator population in the field.

Roll out of the Cool Farm Tool has gone well in FY21/22 with the introduction of other internationally sourced products – grapes, pineapples, and melons. In 2023, we will be rolling out to top fruit.

7. Our contribution to SDGs

The Sustainable Development Goals (SDGs) represent a global agenda to eradicate poverty, preserve the environment and promote prosperity by 2030. Our work contributes to the achievement of the targets set by the United Nations in the SDGs, and we actively support the Paris Agreement. AMFRESH plays a direct role in achieving the following environmental goals set out in the UN SDGs:

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Table 11. Our Contribution to SDG

SDG Goals	AMFRESH Contribution
6 CLEAN WATER AND SANITATION	**SDG6:** Clean Water and Sanitation **6.4.** Increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity.	**Efficient management of scarce resources** Water stewardship.
7 AFFORDABLE AND CLEAN ENERGY	**SDG7:** Affordable and clean energy **7.2.** Increase substantially the share of renewable energy in the global energy mix.	**Energy efficiency** Electricity from renewable energy. Installation of photovoltaic panels.
9 INDUSTRY, INNOVATION AND INFRAESTRUCTURE	**ODS9:** Industry, innovation and infraestructure **9.5.** Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, encouraging innovation.	**Genetics** Improving acces to healthier choices for customers.
12 PRODUCCIÓN Y CONSUMO RESPONSABLES	**ODS12:** Responsible consumption and production **12.2.** Achieve the sustainable management and efficient use of natural resources.	**Efficient management of scarce resources** Water stewardship. Soil management. Pesticides management.
	12.3 Halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.	**Circular Economy** Responsible waste removal and reutilization. Packaging.
	12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse.	**Sustainable Sourcing** Collaboration with our business partners.
13 ACCIÓN POR EL CLIMA	**ODS13:** Climate action **13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters.	**Risk management** Climate risk and opportunities assessment.
	13.2 Integrate climate change measures into policies, strategies and planning.	**Energy efficiency** GHG Emissions

8. Annex

1. ENERGY MANAGEMENT

Table 12. Energy Management

Energy Consumption	Unit	2022	2023
Energy consumption	MWh	27 933	33 537
Electricity energy consumption	MWh	19 323	23 184
Fuel consumption	MWh	8 610	10 353
Grid electricity	%	68 %	62 %
Renewable electricity	%	32 %	37 %

2. EMISSIONS

Table 13. GHG Emissions

Emissions	Unit	2022	2023
Scope 1&2	Tns CO2	6 293	7 602
Scope 1	Tns CO2	2 019	2 765
Scope 2	Tns CO2	4 274	4 837
Emissions intensity	Tns CO2 / Tn	0,02	0,02

Note:

Increase in Scope 1 emissions due to fugitive emissions (one-off) 396 Tns CO2e and increase in fertilisers consumption (grape farming activity) due to increase in number of cultivable hectares.

Increase in Scope 2 emissions due to non-renewable electricity purchase in UK retail operations sites and change to new operational sites in Alconbury that will drive efficiencies in the future as new operational sites purchase renewable electricity.

3. WATER

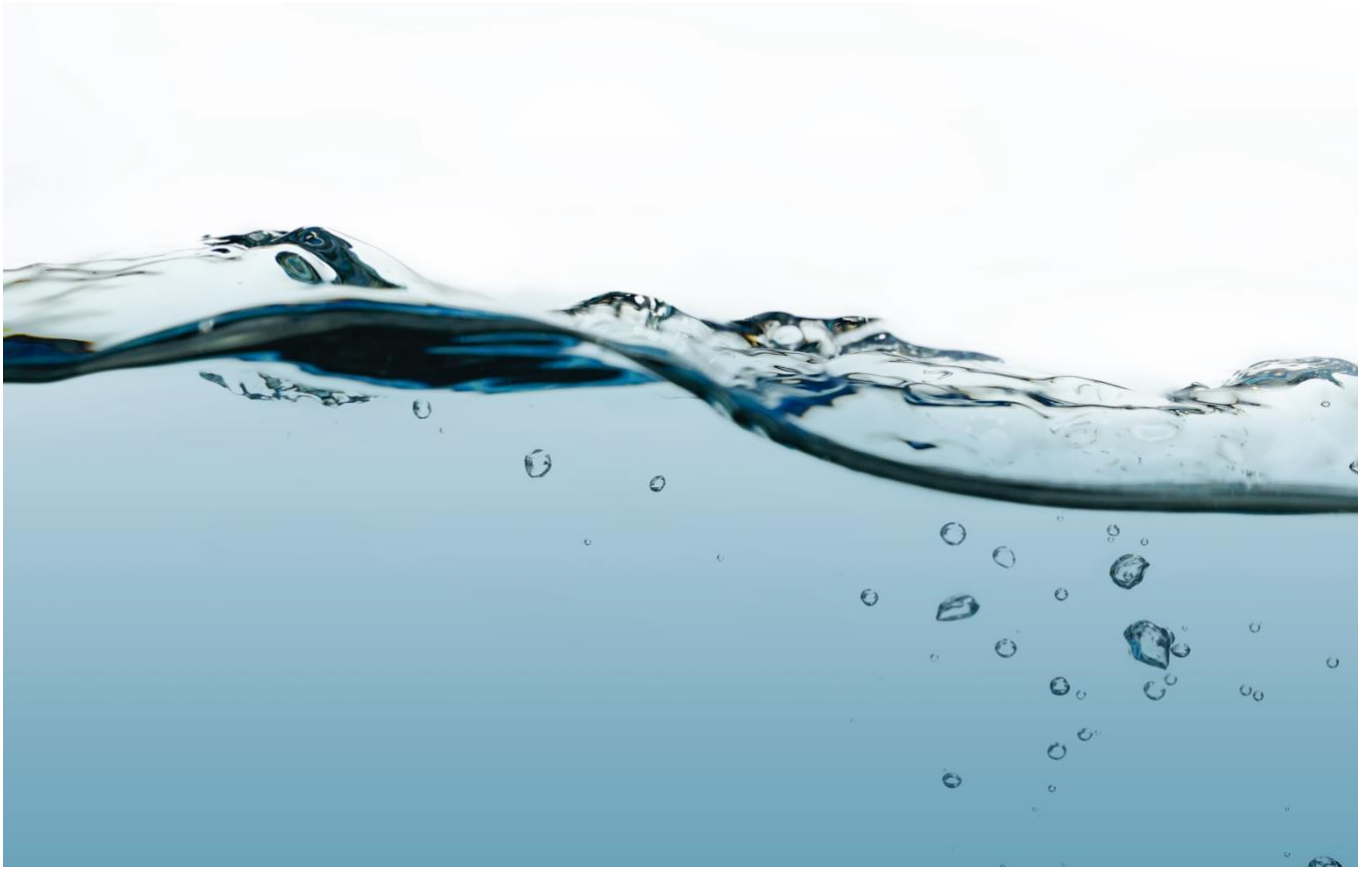

Table 14. Water Consumption

Water consumption	Unit	2022	2023
Water consumption	m3	6 034 444	6 558 856
Groundwater	m3	5 425 747	5 885 297
Surface water	m3	608 697	673 559
Water consumption in high or extremely high stressed regions	%	99%	99%

4. WASTE

Table 15. Waste generated

Waste generated	Unit	2022	2023
Food Waste	Tns	7 102	8 839
Paper/Cardboard	Tns	9 149	9 892
Plastic	Tns	145	156
Wood	Tns	6 100	7 162
Organic Waste	Tns	1 663	1 710
Metal	Tns	5	11
Other non hazardous waste	Tns	3 732	4150
Hazardous waste	Tns	2	3
Waste generated	**Tns**	**27 898**	**31 923**
Hazardous waste generated	**Tns**	**2**	**3**
Non-Hazardous waste generated	**Tns**	**27 896**	**31 920**
Waste diverted from disposal	**Tns**	**26 076**	**30 028**
Waste directed to disposal	**Tns**	**1 822**	**1894**
Waste diverted from disposal	**Tns**	**93%**	**94%**
Waste directed to disposal	**Tns**	**7%**	**6%**
Waste generated per volume	**Waste Tns/ Tn**	**0.07**	**0.07**

Note: Estimated data on food waste and wood from pruning in Farming activity.

9. Table of contents TCFD

AMFRESH GROUP

Table 16. Contents TCFD

TCFD Pillar	TCFD Recommendation	Reference
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	Board of Directors page 7
	b) Describe management's role in assesing and managing climate related risks and opportunities.	Policies: page 8
Strategy	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	Strategy: pages 8-9
	b) Describe the impact of climate related risks and opportunities in the organisation's businessess, strategy, and financial planning.	Strategy: pages 8-9
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate related scenarios, including a 2ºC or lower scenario.	
Risk Management	a) Describe the organisation's process for identifying and assessing climate risk.	Risk management : page 9-19
	b) Describe the organisations processes for managing climate-related risks.	Risk management : page 9-19
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Risk management : page 9-19
Metrics and targets	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Metrics and targets: page 19
	b) Disclosure scope 1, 2 and, if appropriate scope 3 greenhouse gas emissions and the related risks.	Annex: page 31
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Metrics and targets: pages 20-28

10. Table of contents SASB

Table 17. Contents SASB

Topic	Description	Code	Reference
Energy management	Operational energy consumed Percetage grid electricity Percentage renewable	FB-AG-130a.1	Annex page 31
GHG emissions	Gross global scope 1 emissions	FB-AG-110a.1	Annex page 31
	Fleet, fuel consumed, percentage renewable	FB-AG-110a.3	Annex page 32
Water management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress		Sustainable agriculture pages 22-23
	Description of water management risks and discussion of strategies and practices to mitigate those risks.	FB-AG-140a.2	Water stewardship page 23