



AM FRESH™
GROUP

FY20
Sustainability
Report

1st September 2019 - 31st August 2020



Contents

Foreword	3	Fairness in the workplace	28
About AM FRESH Group	4	Gender equality	30
Our Business Units	7	Worker engagement	31
Our Sustainability Strategy	8	Occupational health and safety	32
Our contribution to the SDGs	9	Enhance health and wellbeing	34
Reduce environmental impact	10	Hygiene & worker welfare	35
Sustainable Agriculture	11	Local communities	36
Food Waste and Surplus	17	Nutrition	37
Packaging	19	Health and wellbeing	38
Climate Change	21	Innovation	39
Efficient Operations	23	Partnerships & Memberships	41
Respect & empower people	25	About this report	42
Human Rights Risk	26		



Welcome to AM FRESH's first Sustainability Report



Alvaro Muñoz
Chief Executive Officer



Naomi Pendleton
Group Sustainability Director

Welcome to AM FRESH Group’s inaugural Sustainability Report. We are pleased to release our first update, which we will continue to publish annually to share our performance and progress.

AM FRESH has long acknowledged the importance of sustainability, and we have worked closely with our customers to establish strong due diligence processes relating to environmental and ethical compliance. Although we have been working on sustainability for many years, 2020 marked an important step up in the ambition and scale of our work programme.

This year we have been proud to launch our sustainability strategy, focused around three key goals to reduce environmental impact, respect and empower people and enhance health and wellbeing. In this report we outline more detail on our priorities and plans within each area, as well as sharing some of the progress made so far. At AM FRESH, we know that working together with our supply chain and customers is crucial to solve industry challenges – so we invite you to join us on this journey and we welcome opportunities to collaborate.





About AM FRESH Group


AM FRESH Group is a privately owned FRESH food business founded in 1931 in Murcia, Spain and now operates across the globe. AM FRESH is focused on leading innovation and varietal development through biotechnology and agricultural production. Headquartered in Madrid, we provide end to end supply chain management of citrus fruits, table grapes, tropical fruits, vegetables, fresh plant-based foods and juices.

 **+85 YEARS**
IN GLOBAL AGRIBUSINESS
& BESPOKE RETAIL
PARTNERSHIPS


 **€1 BN**
SALES REVENUE


 **~2.900**
WORLDWIDE EMPLOYEES

 **400 MILL kg**
ANNUAL CITRUS VOLUME

 **150 MILL kg**
ANNUAL TABLE GRAPE
VOLUME

 **5.000**
LICENSED CITRUS Ha

 **27.000**
PATENTED TABLE GRAPE
LICENSED Ha

 **100**
PROPRIETARY PATENTED
VARIETIES IN GRAPES,
CITRUS & OTHER FRUITS



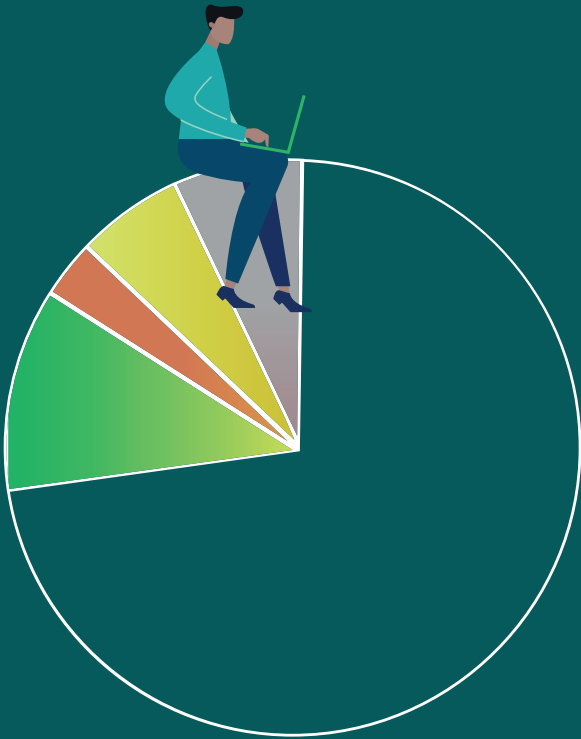


Our Global Footprint



Packhouses/ Factories Offices Sourcing Countries

Key Consumer Markets



UK
 Spain
 France
 Other Europe
 Other Global



Our Brands



Jaffa is the UK’s leading citrus brand providing TESCO shoppers with year-round supply of juicy and refreshing Jaffa oranges and easy peelers, as well as Jaffa Giant easy peelers and Jaffa Reds when in season.

Happy, healthy and honest are Jaffa’s core values striving to deliver zesty JaffaJoy to shoppers and partners, encouraging a healthy lifestyle and respect for our planet. Jaffa actively contributes to UK community initiatives and is an iconic heritage brand which consumers value for its high-quality standards.

Jaffa is an Israeli owned brand that AM FRESH Group have held the license to for over 20 years.



AMAZZING® is the ultimate destination of extraordinary taste delivering consistently high-quality fruit and enticing consumers to enjoy AMAZZING® healthy natural fruits. AMAZZING® is built on the brand purpose to inspire the new generations to eat fresh fruit; not because you have to, but because you want to thanks to its high-standard commitment to deliver the best varietal selections of citrus and table grapes.



LOCO™, a wildly disruptive and colourful brand invites consumers to transport your taste buds to a new dimension and choose your sweet escape. LOCO™ delivers exciting citrus and table grape varieties across Asian markets with guaranteed high-quality consistency to excite consumers all year long.



A natural hybrid of orange and mandarin citrus fruits, the delicious citrus fruit originated in Japan in 1972 and today is grown for the first time in the sun-drenched orchards of Spain. BANZZAI® requires the perfect orchestra of ideal climatic cultivation, specialized pruning, pampered harvesting and meticulous packing in order to guarantee its iconic taste profile and recognizable shape with a distinctive bulge at the top that provides an ideal peel point to unlock its iconic taste.

In 2020 BANZZAI® became the first citrus fruit ever to receive the Superior Taste Award from the International Taste Institute (Brussels) with an esteemed two-star recognition and distinction for exceptional taste.



Our Business Units

AM FRESH Group is made up of 12 business units, with each operating independently.



AM FRESH UK supplies fresh produce (primarily citrus, grapes and melons) into a number of UK retailers.



AMT FRESH PARTNERSHIP is a uniquely customised transparent supply chain that has been specifically designed to fulfil Tesco fresh produce requirements in citrus, melons, pineapples, grapes and ambient vegetables.



AMK FRESH is a new purpose built facility in Peterborough, UK serving as sister company to AMT FRESH providing sole solution to pack and supply fresh produce for Tesco.



AM FRESH Food & Drink produce natural and healthy plant-based soups, yoghurts, ice cream and juices for foodservice and retail customers.



AM FRESH Spain supplies fresh produce into our other business units, as well as serving retail customers across Europe and Asia. AM FRESH Spain also manages our own farming in Spain.



AM FRESH Iberia provides fresh produce for supermarkets in Spain.



AM FRESH North America supplies fresh produce primarily citrus and grapes to retailers in the USA and Canada.



AM FRESH South America primarily supplies grapes to North American markets.



AM FRESH South Africa is a dedicated sourcing hub, supplying fresh produce into our other business units, as well as serving domestic retail customers.



AM FRESH Asia supplies fresh produce, primarily citrus and grapes across Asian markets.



SNFL is the global leading platform in the development, licensing and commercialisation of patented Table Grape varieties; anchored on a best in class research and development innovation engine.



Genesis Innovation Group is an international group of highly specialized companies dealing with varietal breeding and management of protected cultivars worldwide. Its key platforms Citrus Genesis, Pom Genesis and Exotics.



Our Sustainability Strategy

In 2020 we launched our Group Sustainability Strategy, which will guide our efforts to enhance outcomes for people and planet. The strategy has been designed to address the most important sustainability topics for AM FRESH, where we can make a positive difference within our own operations and supply chain.

The strategy is focused around three key goals, each underpinned by 5 focus areas. It is intended to be comprehensive and ambitious. The strategy applies across the whole group, however some aspects will be more relevant to particular business units than others given their varied operations. We have formed a Group Sustainability Team whose role is to support each of our business units to deliver the parts of the strategy most relevant to them.





Our contribution to the SDGs

The Sustainable Development Goals (SDGs) provide a global agenda aiming to end poverty, protect the planet and ensure prosperity for all by 2030. Achieving the SDGs will require concerted effort by governments, businesses and individuals alike. AM FRESH Group is committed to playing our part in achieving a sustainable future.

Our strategy has been designed to contribute to achieving the SDGs. In particular, we have identified 8 goals and 11 specific targets where we have the greatest opportunity to make a difference. We have highlighted how we are contributing to the SDGs throughout this report.





REDUCE ENVIRONMENTAL IMPACT



Sustainable Agriculture



Food Waste



Packaging



Climate Change



Efficient Operations



Sustainable Agriculture

Rapid global population growth is increasing the demand for food and natural resources, presenting both immense pressure and opportunity for AM FRESH Group. Establishing sustainable food production systems and resilient agriculture is a top priority for AM FRESH.

Our approach to Sustainable Agriculture covers four key areas:



1. Biodiversity & Soil Health



2. Fertiliser Reduction



3. Water Stewardship



4. Sustainable Sourcing

“Our goal is to source 100% of our raw materials sustainably by 2030”



TARGET SDG 2.4

By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality

AM FRESH Contribution

We are committed to finding sustainable ways to produce our food more efficiently, reduce inputs, cut back on waste and conserve water. Our goal is to source 100% of our raw materials sustainably by 2030.



AM FRESH Farms

As part of our vertically integrated supply chain, our ambition is to continue to expand our agricultural footprint whilst reducing our impact. Within sustainable agriculture, we are initially focusing on our own farms, with the intention to then share learnings with our partner suppliers. The first step has been to establish measurement across biodiversity, fertiliser and water use.

This year we have rolled out measurement tools to all AM FRESH owned farming. We’ve measured back to the 2015 season and we are now in a position to make some robust choices about how we are able to farm more sustainably and undertake trials where we believe we can improve efficiencies.

We will be taking a landscape approach to build individual farm plans by region with the creation of science-based targets in 2021 to continuously monitor and evaluate the outcomes to drive informed practice for the future.

Biodiversity and soil health

Biodiversity plays an important role in sustaining soil health, food and habitat for important pollinators and natural pest predators that are vital to agricultural production. Protecting and enhancing soil health is essential in meeting growing demand for food production, as well as for it’s potential to sequester carbon.

AM FRESH Group have been working with the Cool Farm Alliance (CFA) to develop a Biodiversity Tool for Mediterranean and Semi-Arid Biomes.

“This year we have rolled out measurement tools to all AM FRESH owned farming”.





Developing a Biodiversity Tool



Our supply chains across the world include some of the globe's most rapidly expanding agricultural areas. They have also recently been identified as having biodiversity that is disproportionately sensitive to land-use and climate change. Developing tools to maximise the biodiversity that can be supported by agricultural systems in Mediterranean and tropical biomes is therefore a top priority for AM FRESH.

Early in 2019 AMT FRESH, recognising this as an emerging issue, started work on the Mediterranean and Semi-Arid (MedSA) farm biodiversity metric in collaboration with academia and the CFA. A list of farm management practices and biodiversity targets (groups of species, or taxa) which will be scored in the Cool Farm Tool (CFT) were identified in a workshop held at AM FRESH Spain's Carcer office in June last year. This was attended by growers and wildlife experts working in Mediterranean and semi-arid systems around the world.

The tool has now launched (Nov 2020) and is available for our Mediterranean growers to start measuring their impact on biodiversity on farm.

A project has also now been initiated to look at Tropical Biomes, which will extend the reach of measurement capabilities for our group Melon, Pineapple and Lime suppliers in the Americas.

15
LIFE
ON LAND

TARGET SDG 15.5

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species

AM FRESH Contribution

We are developing tools to support the promotion of biodiversity across agricultural production.





Fertiliser reduction and greenhouse gas emissions

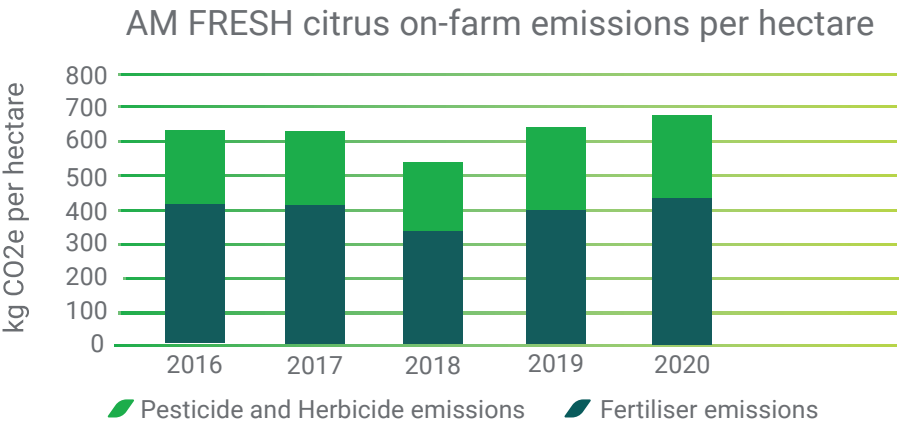
Reducing fertiliser use is a key focus because 85% of the carbon footprint of our citrus comes from the use of agrochemicals. Fertilisers will continue to be important to global food production systems - yet proper use is imperative. AM FRESH Group is striving to increase efficiency in fertiliser use across our own farms and supply chains.

AMT FRESH have been using the Cool Farm Tool (CFT) to measure fertiliser use and associated emissions from pesticide and herbicide use in our citrus supply chains in Spain, South Africa and Peru. Using 2015 as our base year, we are now undertaking benchmarking and analysis to identify inefficient use and share best practice with suppliers.

Within our own farming operations in Spain, the overall results have been consistent throughout the past 5 years, despite alternate bearing, young

crop profiles in some of our farms and diverse weather patterns. We have now collected enough data and insight through our benchmarking process to be able to move forward with some informed changes to our approach which should yield positive impact.

“Reducing fertiliser use is a key focus because 85% of the carbon footprint of our citrus comes from the use of agrochemicals.”



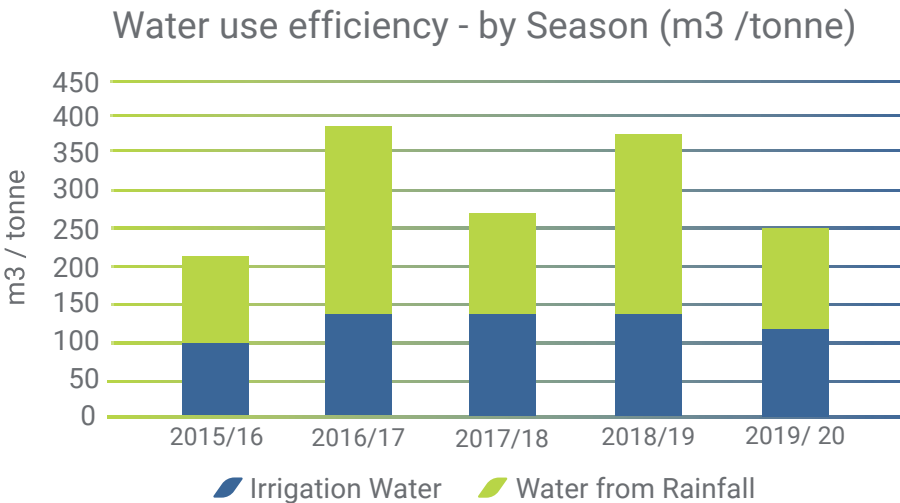


Water stewardship

Responsible use of water is important for AM FRESH because most of our products are sourced from water scarce regions across the globe. To address this challenge, we have developed our own Water Monitoring Tool to measure water use on-farm. The tool provides reporting and benchmarking to retailers, exporters and growers to encourage efficient use.

Looking in particular at AM FRESH Spain citrus production over the last 5 years, water efficiency, measured by cubic meter per tonne of fruit produced, has remained fairly static whilst below the average. It is interesting to see that even in seasons where there is a high level of precipitation, irrigated water use remains constant. Our next steps will be review methods to reduce water runoff and soil erosion, such as increased ground cover in the field. Improving weed cover and natural vegetation between trees to attract beneficial insects will be a key action to prioritise both efficient use of water and fertiliser while decreasing reliance on pesticides and

herbicides and of course improving our biodiversity provision on farm.



“Our products are sourced from water scarce regions across the globe”

6 CLEAN WATER AND SANITATION



TARGET SDG 6.4

By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.

AM FRESH Contribution

We are committed to reducing absolute water use on farms in regions where water is most scarce. We have developed our own Water Monitoring Tool to measure water use in citrus supply chains, and we are sharing this with others in the industry to drive improvement. This year, our WMT has been integrated within SIZA platform’s environmental standard.



Sustainable sourcing

The integration of social, ethical and environmental performance factors into the process of selecting suppliers is a key part of imbedding our strategy within our supply chains. Working with growers and packers to improve sustainability performance will help to build strong, long-term supply relationships.

At AM FRESH, we aim to source 100% of our raw materials sustainably and help producers to adopt better practises by 2030.

We will integrate social, ethical and environmental performance factors when selecting suppliers, using independent certification schemes e.g. Global GAP, Soil Association, Rainforest Alliance, Fairtrade, FSC, SAI, ISO14001, RSPO and create a strong methodology around awarding performance.

We are in the process of developing procurement team best practise guidelines and a group sustainable procurement policy, which will provide all business

units with guiding principles in minimum requirements for our suppliers.

We will track our performance using these criteria as we move towards our 2030 target.

“Social, ethical and environmental performance will be key drivers in our procurement strategy”





Food Waste and Surplus

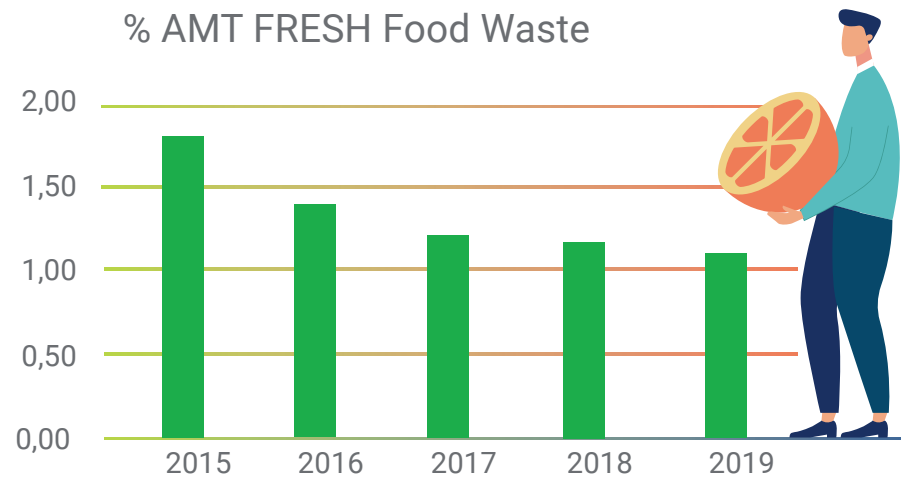
Around a third of all food produced for human consumption is lost or wasted from the farm to the fork. This is also a significant issue because food waste contributes to greenhouse gas emissions.

At AM FRESH, we have a responsibility to our growers, their local communities, our manufacturing sites and service providers in the UK, and indeed our customers, to reduce food waste. By supporting Champions 12.3 and committing to target, measure and act on reducing food waste, we are committing to the development of new ways of managing fruit and vegetables in our operations and supply chains.

Since 2015, AMT FRESH have led this agenda and have been publicly reporting on food waste and surplus in their dedicated UK operations for Tesco and have made significant progress towards the SDG 12.3. Through a variety of efficiency measures, which include distribution and transport regimes, reduced

de-greening and residency times of citrus, increased the harvest yield for Class I packing and carefully selecting the best quality of fruit at point of picking, AMT FRESH have already delivered a 35.4% reduction in food waste.

“Our goal is to halve food waste in our own operations by 2030”



TARGET SDG 12.3

By 2030, 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

AM FRESH Contribution

Our goal is to halve food waste in our own operations by 2030, and achieve zero food waste by 2025 in our UK operations.



This year AM FRESH Spain packing sites have also committed to reporting their food waste and surplus and have started to introduce farm waste reporting too. They start in an enviable position of having zero food waste in their packing operations and any surplus is given to animal feed.

By 2021, we will report food waste and surplus from all our global packing operations and in May this year became [Friends of Champions 12.3](#).

One relationship that we are particularly proud of is our charitable partnership with [FareShare](#). Over the last 4 years, we have become one of their largest net contributors of fresh surplus products, providing over 1 million meals to those in need. [FareShare](#) redistributes this surplus fruit to frontline charities and community groups across the UK that support vulnerable people, providing a vital source of nutrition to people who would otherwise struggle to access fresh produce. This has never been more important than throughout this very difficult COVID pandemic.





Packaging

Packaging provides important functions such as protecting food from damage and extending shelf life, however packaging waste that ends up in our environment is a significant problem. As a large user of packaging, this is an important topic for us to address.

Taking the lead from WRAP’s UK Plastics Pact, we are committed to ensuring all our plastic packaging is reusable, recyclable or compostable by 2025. Our first step has been to work on improving and streamlining our packaging reporting capabilities. This year we have been working with our IT department to create a system that will give us visibility of the amount and weight of packaging used by material, and allow us to track the recyclability status of each piece of packaging we use. This will then allow us to target our efforts to ensure all our packaging is not only recyclable in theory, but can be processed by recycling centres in practice.

“We are committed to ensuring all our plastic packaging is reusable, recyclable or compostable by 2025”



TARGET SDG 12.5

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

AM FRESH Contribution

We are committed to reducing the amount of packaging on our products where feasible, and ensuring that all plastic packaging we do use is reusable, recyclable or compostable by 2025. We are also working to eliminate problematic or unnecessary plastic packaging by 2025, and to increase the amount of recycled content in our packaging to 30% by 2025.

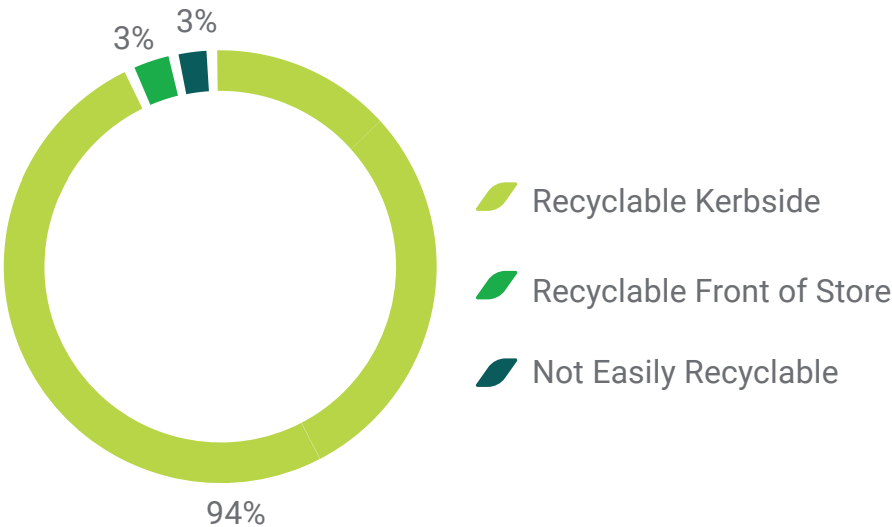


The graphs show primary and secondary packaging use within our AM FRESH UK business unit during FY20. 94% is currently recyclable within kerbside collections. We are continuing to work on improving packaging reporting across all our sites.

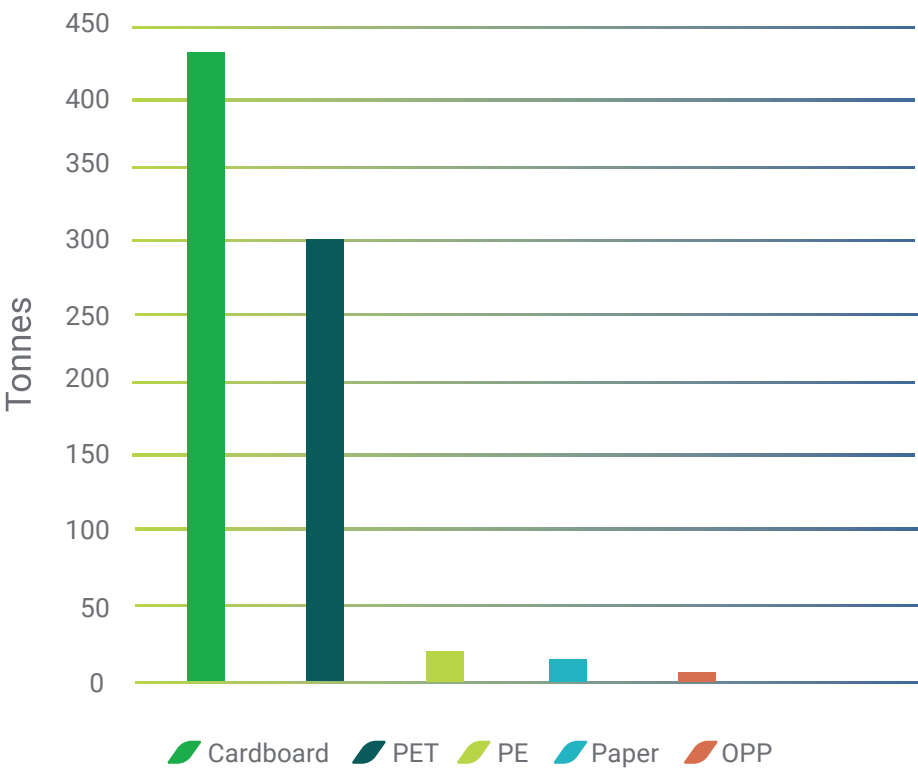
We are also working to minimise packaging and reduce the amount of plastic we use. For the upcoming citrus season, AM FRESH Spain are switching to new GIRO nets which have 20% less plastic. This change will reduce plastic use by 21 tonnes per year.

“We are also working to eliminate problematic or unnecessary plastic packaging by 2025, and to increase the amount of recycled content in our packaging to 30% by 2025.”

AM FRESH UK packaging recyclability



AM FRESH UK packaging use





Climate Change

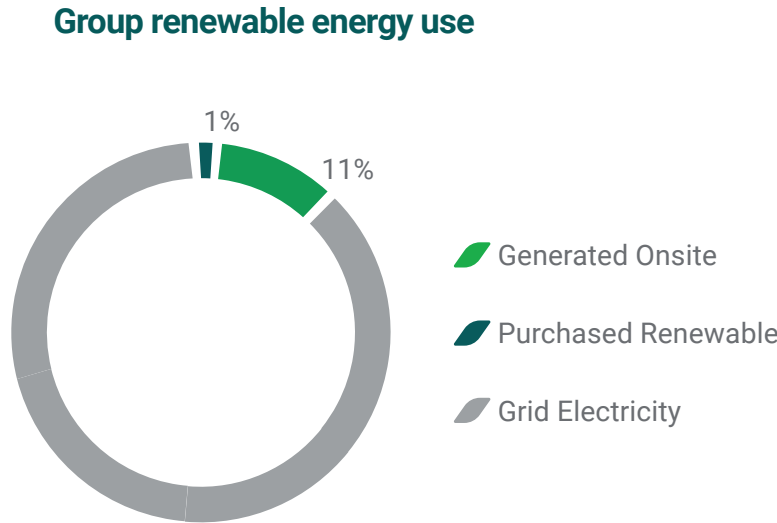
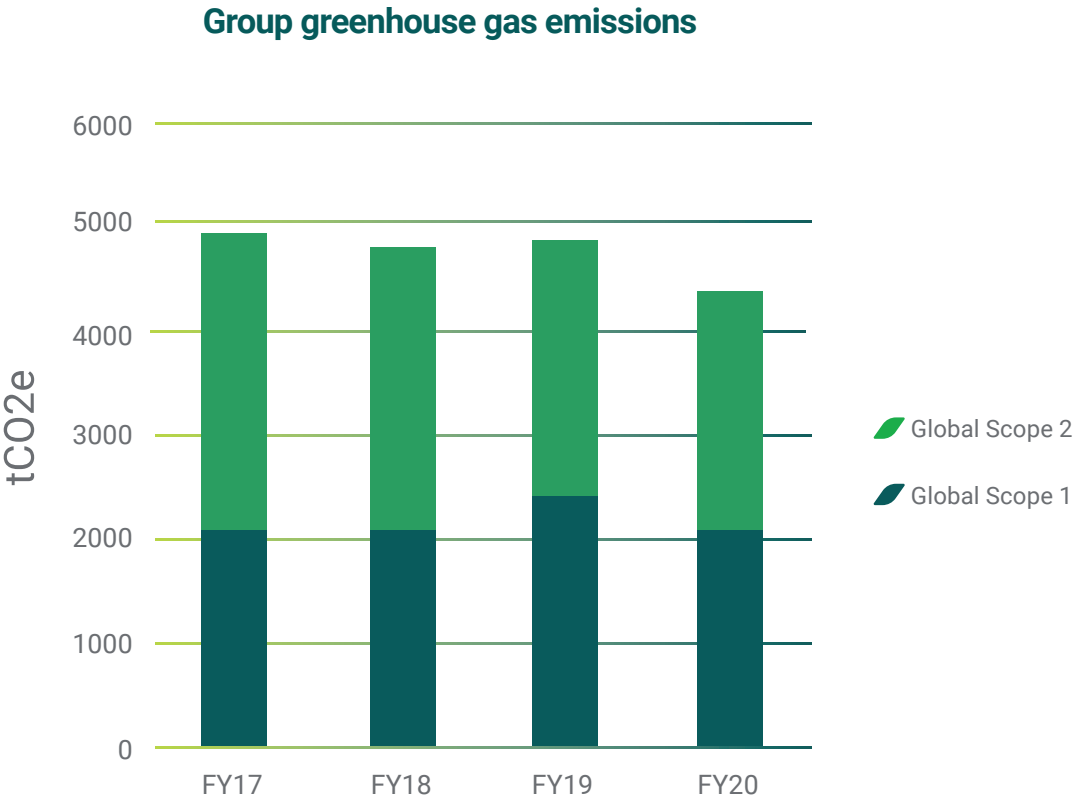
Climate change is arguably the largest challenge facing humanity today, and it is also a significant threat to global agricultural production. At AM FRESH Group, we are committed to playing our part in tackling climate change and reducing greenhouse gas emissions from our own operations.

In FY20, our global scope 1 emissions were 2109 tonnes of CO2e and our scope 2 emissions were 2265 tonnes of CO2e. We have reduced our greenhouse gas emissions by 12% since our base year of FY17 (01 Sep 2016 – 31 Aug 2017). This overall reduction has been achieved despite two new sites opening since then. The decrease in the last year has been driven by switching to renewable electricity and a reduction in refrigeration top-ups in the UK.

Currently 12% of the electricity we use in our packhouses, factories and farming operations is renewable. We aim to increase this percentage each

year and our goal is to reach 100% renewable electricity by 2030.

“We have reduced our greenhouse gas emissions by 12% since our base year of FY17”

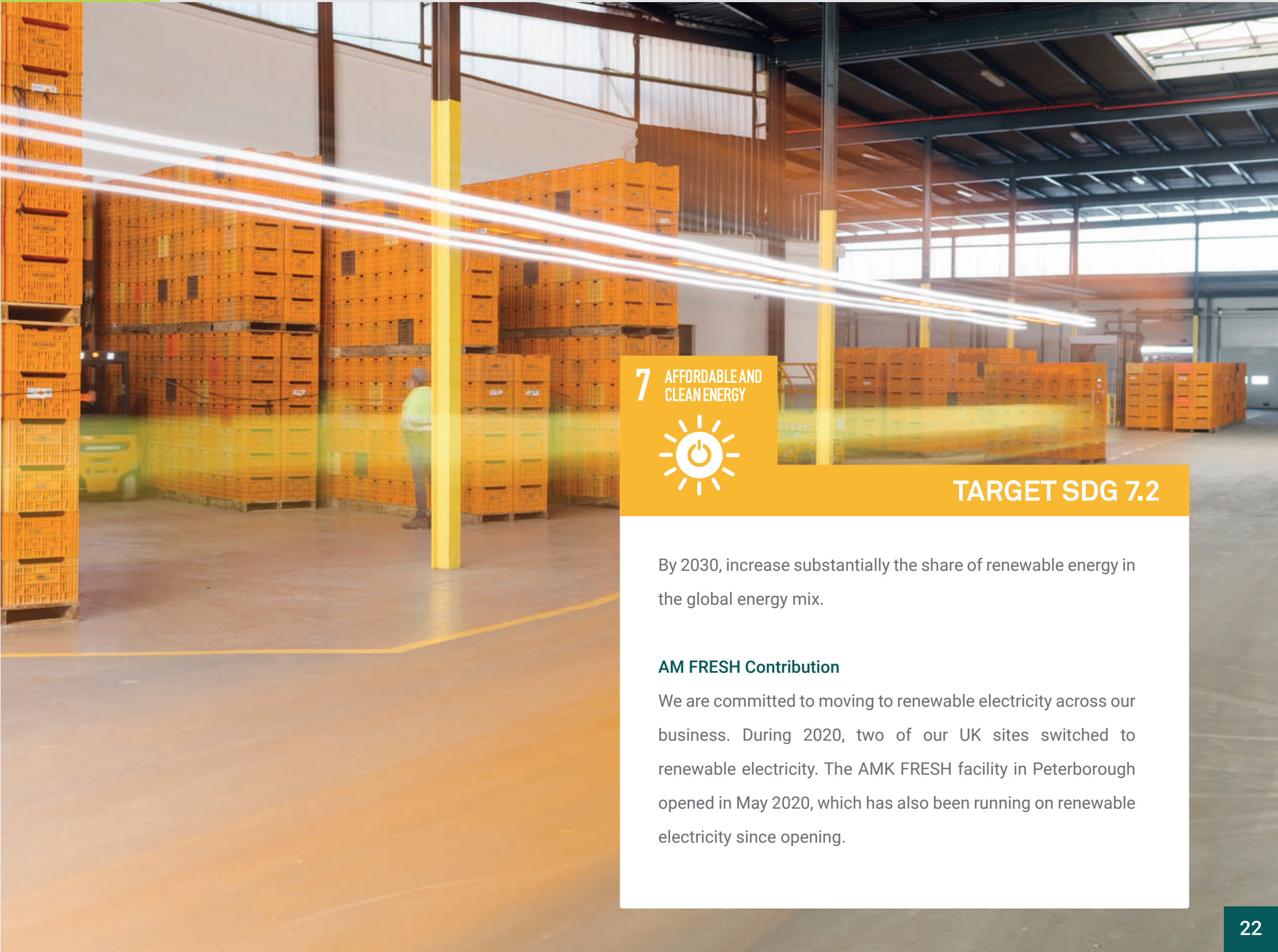




AM FRESH Spain have consistently reduced their greenhouse gas emissions year-on-year since FY17. One of the key energy efficiency actions has been switching to LED lighting when bulbs need replacing. This has been happening progressively since 2015, with all lighting at our Pobra Llarga packhouse now switched, and 75% completed at our Carcer packhouse.

Both packhouses in Spain are also switching their electric forklifts to more efficient Lithium batteries. 50% of the forklifts have moved to Lithium ion technology already, with the goal of 100% for next season. The new batteries use half as much electricity and have resulted in an estimated greenhouse gas reduction of ~34,000 kg CO2e this year.

“Both packhouses in Spain are also switching their electric forklifts to more efficient Lithium batteries”



7 AFFORDABLE AND CLEAN ENERGY

TARGET SDG 7.2

By 2030, increase substantially the share of renewable energy in the global energy mix.

AM FRESH Contribution

We are committed to moving to renewable electricity across our business. During 2020, two of our UK sites switched to renewable electricity. The AMK FRESH facility in Peterborough opened in May 2020, which has also been running on renewable electricity since opening.



Efficient Operations

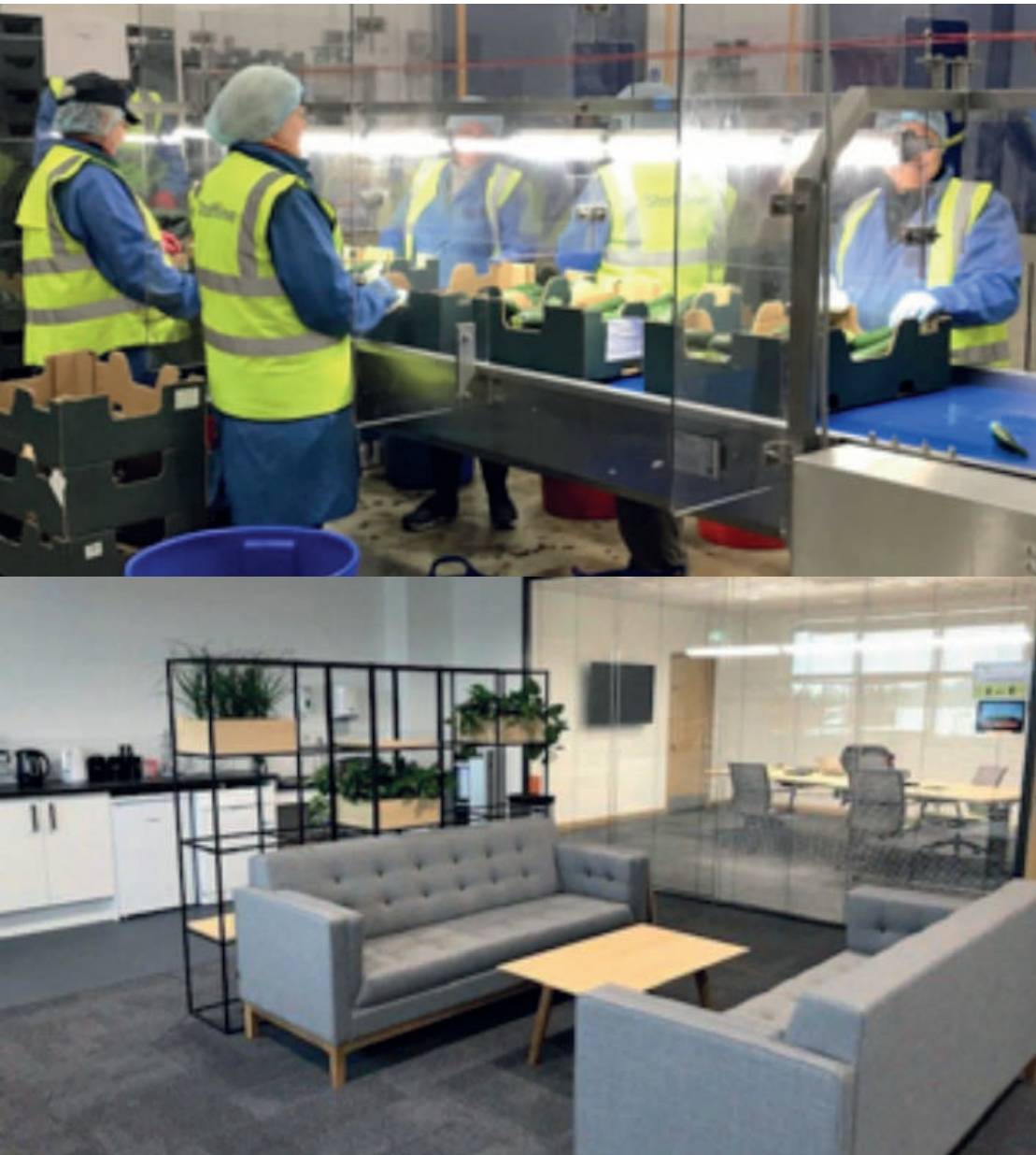
AM FRESH Group is committed to reducing our environmental impact across our packhouses and manufacturing operations. In addition to reducing energy use and emissions, we also have plans to improve efficiency of water use, operational and office waste, transport and freight, and refrigeration.

This year, the sustainable build of our new Peterborough site has been a significant achievement. In May 2020, AMK FRESH Services was inaugurated to manage the packing, warehousing and distribution of Tesco fresh fruit and vegetable products throughout the UK, operating from the new purpose-built state-of-the-art facility in Peterborough.

The packhouse and warehouse facilities were designed as industry leading, for freshness and efficiency, whilst respecting a very robust sustainability agenda.



Using BREEAM, the world’s leading sustainability assessment method for master planning projects, infrastructure and buildings, the new site recognises and reflects the value in higher performing assets across the built environment lifecycle and achieved a “very good” rating on completion.





Highlights include:

- Renewably sourced grid electricity
- Refrigeration best in class – emission free and 25% saving on indirect emissions through efficiencies
- Compressed Air is inverter driven which allows it to change to suit the demands of the building making it more efficient. (Compressed Air invertors ramp the power down to suit actual use as opposed to running at full power). The air handling units also have invertors fitted.
- Brise Soleil and tinted glass to reduce solar gain.
- Variable Refrigerant Flow (VRF) heating to the offices and workshops – more efficient.
- The compressors convert 1 KWh of electricity into 4 KWh of heating.
- QuadCore wall and roof insulation panels – highest performance rating for fire, thermal, environment and longevity
- Presence detection lighting for the warehouse, offices and staff facilities.
- Rain water harvesting (toilet facilities).
- Sanitaryware is water saving (50%), Sensor taps.
- Carbon neutral flooring from Interface. Sustainable furniture, manufactured in the UK
- 6,524m2 of PV array, generating 1,112,730kwh per annum (1/3 of AMK FRESH’s annual consumption), offsetting 578t CO2 planned for 2021.





RESPECT
AND EMPOWER
PEOPLE



Human
Rights Risk



Fairness in
the workplace



Gender
Equality



Worker
Engagement



Occupational
health and safety



Human Rights Risk

AM FRESH Group is committed to upholding and advancing human rights both within our own operations and our supply chain. We recognise that labour rights violations can be inherent and systemic. Often hidden and difficult to identify, they require us to work closely with our supply partners, industry experts, trade bodies, NGOs, customers and trade unions.



8

DECENT WORK AND ECONOMIC GROWTH

TARGET SDG 8.7

Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms

AM FRESH Contribution

We are committed to working to ensure that no forced labour or child labour occurs within our own operations or supply chains. In line with the UK Modern Slavery Act, we publish annual Modern Slavery statements and we are implementing action plans across our sites.





This year we have focused on improving human rights policies and processes within our own operations. We created a Modern Slavery steering group which is looking at strengthening existing procedures, using Stronger Together guidance to inform improvement actions. This has included updating the information shared with our agency labour provider on Modern Slavery awareness. This group is currently focusing on our Alconbury site, with improvements to be rolled out across the business.

Human rights training has also been a priority. The Modern Slavery steering group are all attending Stronger Together training, and we have plans to provide more regular training for supervisors and line leaders. We have also run internal workshops on human rights due diligence for commercial, technical and procurement colleagues. As a result, cross-department working groups have been set up to focus on formalising processes and creating a risk assessment framework. To improve awareness of human rights risks in our supply chain, we have also

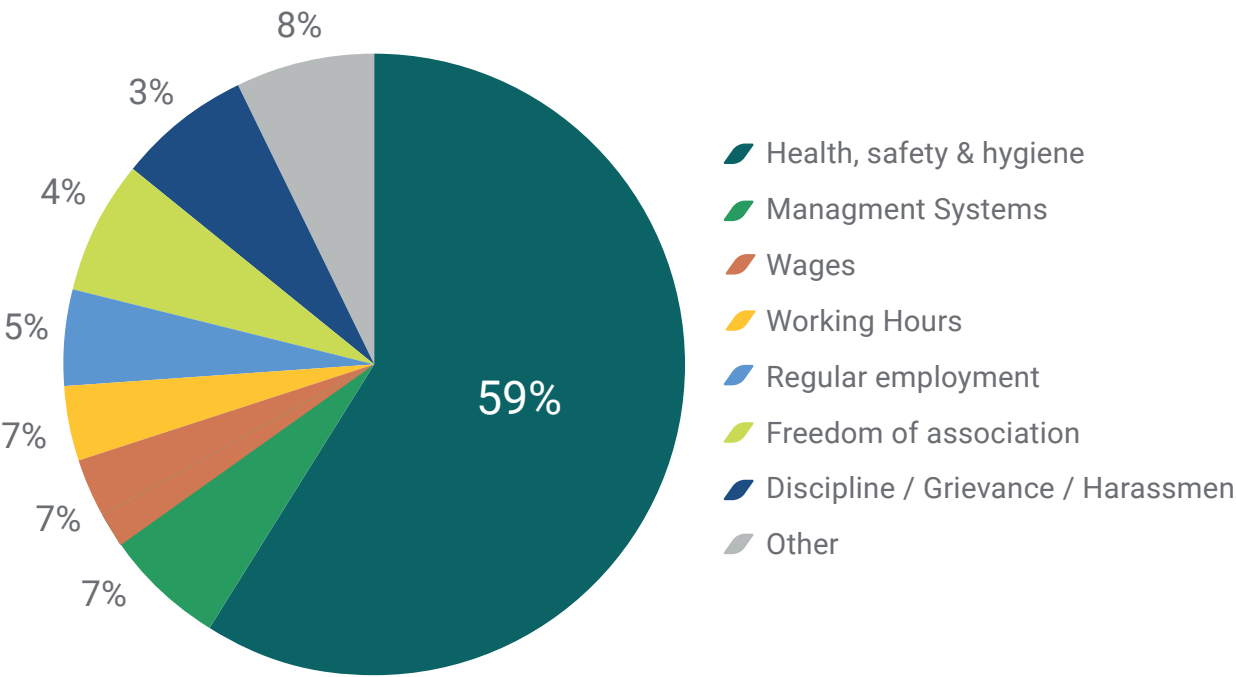
created a country risk report as an internal resource on inherent risks in our supply countries.

We are AB members of SEDEX and in FY20 there were 501 audits that took place across our supply base. The most common type of non-compliances or observations made were those relating to health, safety and hygiene. The majority of non-conformances (NCs) and observations occurred in South Africa, Peru and Brazil – however, they are also the countries where the most audits took place.

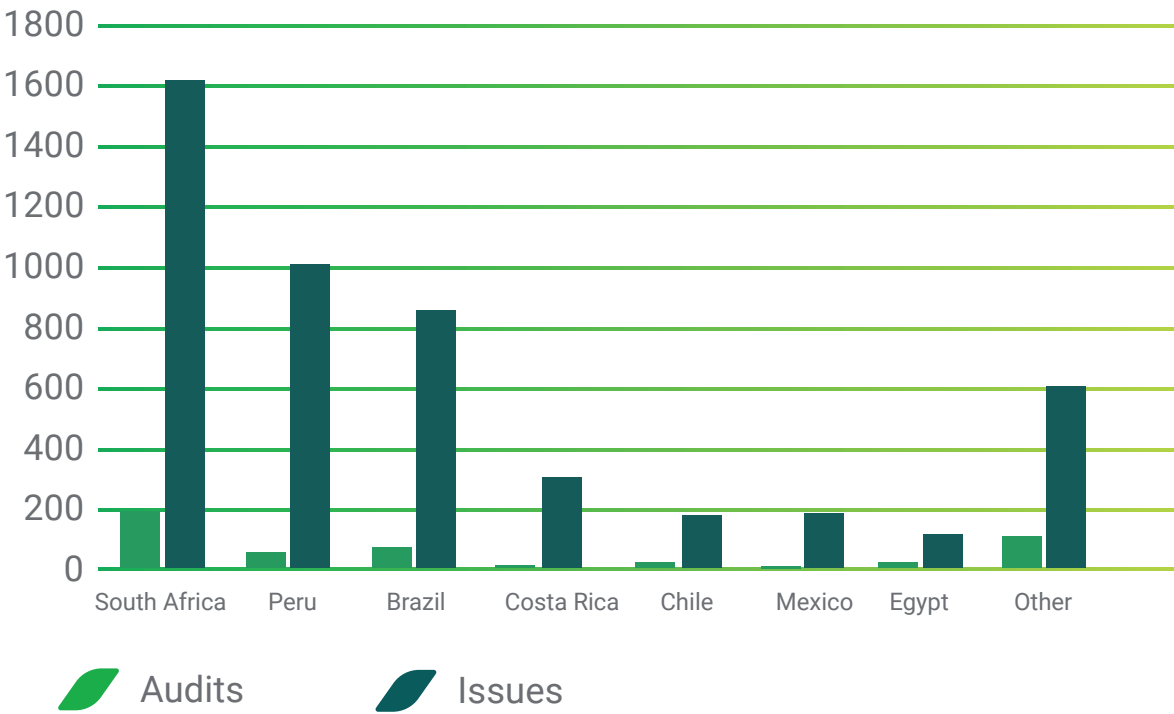
When non-conformances are found, our technical teams work with our suppliers to rectify issues and verify and close them. 88% of non-conformances were closed during FY20. Of those remaining, the majority have either made progress or are awaiting auditor review.



Issue types found in supplier audits



Audits and issues by country





Fairness in the workplace

At AM FRESH we are committed to ensuring all employees are treated with respect and are provided with equal opportunities. We strive to create a fair, welcoming and non-discriminatory workplace for all. We will not tolerate discrimination or harassment of any form. Our Dignity at Work policy outlines our expectations and processes in terms of non-discrimination, harassment and bullying.

The majority of our employees are based in the UK and Spain, supported by operations in South Africa, Canada and the USA. During FY20, we directly employed 2872 people globally. 99% of our employees are full time, and 31% are on permanent contracts. Due to the nature of our business, we have a significant degree of variability in labour demands throughout the year. In addition to our direct employees, we also utilise agency labour during peak periods within our packhouses and warehousing operations. Agency labour is also used within our farms during harvest.

Outside of peak periods, temporary labour accounts for between 20-40% of the total workforce. This increases significantly during acute trading periods.



10 REDUCED INEQUALITIES

TARGET SDG 8.7

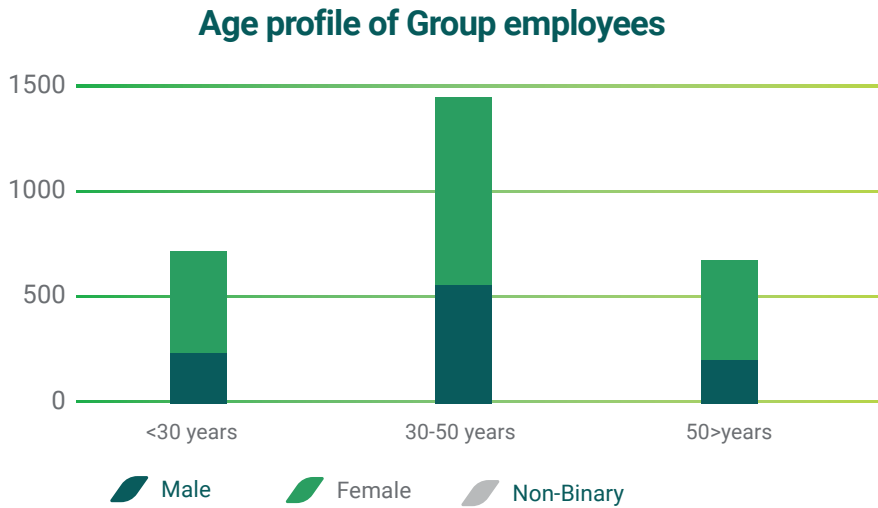
By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

AM FRESH Contribution

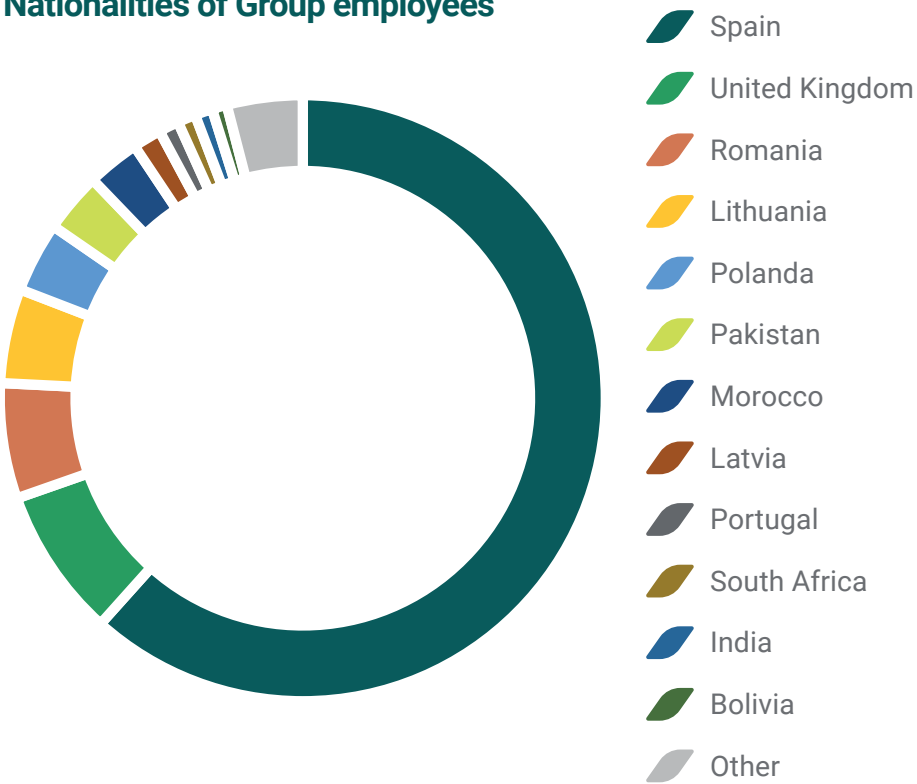
We are committed to ensuring that all our employees have equal opportunity to succeed and do not face any form of discrimination within our business. We will aim to achieve diversity in our business that reflects the demographics of the communities around our operations.



We have a range of ages within our organisation, and 1.4% of our employees have a self-reported disability. We are pleased to have high diversity in the nationalities of people employed across our business. However, we acknowledge this diversity decreases in the higher levels of management within our businesses, so we are committed to working towards improving this. We plan to provide unconscious bias training for all managers in our business, to ensure there is no unintentional discrimination in the way people are recruited, hired or treated within our business.



Nationalities of Group employees





Gender equality

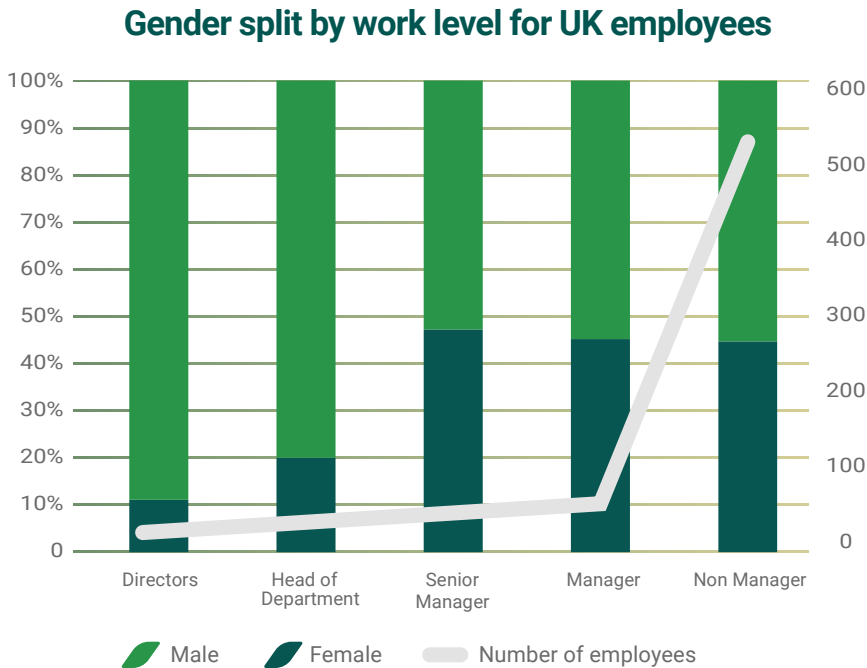
AM FRESH Group is committed to striving for gender equality. In line with the Gender Pay Gap legislation in the UK, we publish our UK gender pay gap annually. In our most recent report (for 2019), women’s median hourly wage was 11.8% less than men’s in the UK.

The shape of our workforce contributes to our pay gap, with 80% of roles being non-manager positions. 82% of all women we employee are in non-manager positions, which tend to be lower paying than the higher levels of seniority. As demonstrated in the graph, we have close to equal representation of women and men between non-manager to senior manager levels in the UK, however the number of women in higher paying Head of Department and Director roles is lower. This current imbalance in gender at senior levels is a contributing factor to the pay gap.

To address this gender pay gap, we are dedicated to increasing the number of women in our senior leadership positions and we are developing talent management programmes to identify and develop

high potential females for progression into senior roles. We continue to promote gender equality in our business, through enhanced flexible working policies and family friendly policies. We continue to harmonise pay and benefits in comparable roles through internal benchmarking and audits by industry bodies against customer codes of practise.

“We are striving to close the Gender Pay gap within our own organisation, and to increase the representation of women in senior leadership positions.”



5 GENDER EQUALITY



TARGET SDG 5.5

Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.

AM FRESH Contribution

We are striving to close the Gender Pay gap within our own organisation, and to increase the representation of women in senior leadership positions.



Worker Engagement

Worker engagement is important to ensure that workers can effectively raise concerns and issues, with feedback loops and remediation processes in place. We are planning to review and strengthen our grievance and remediation processes. We are committed to non-retaliation and providing our workers with the remedy required. We want to ensure workers across the business feel supported and empowered to raise an issue knowing it will be addressed constructively.

Within our supply chains, we realise that worker voice is of key importance to highlight any human rights issues at source. As part of our strategy, we are looking to improve communications with workers in both packhouses and at farm level. This year we have participated in a project with Partner Africa and &Wider to identify the impacts of the COVID-19 pandemic on suppliers and workers operating across

the African continent. &Wider provides insight on working conditions and worker wellbeing by gathering feedback directly and anonymously from workers using automated phone calls. We contacted two suppliers to participate in the project, and the final report on findings will be publicly available.

“We are committed to protecting labour rights and providing effective channels for feedback and issues to be raised and addressed.”



8 DECENT WORK AND ECONOMIC GROWTH

TARGET SDG 8.7

Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

AM FRESH Contribution

We are committed to protecting labour rights and providing effective channels for feedback and issues to be raised and addressed.





Occupational health and safety

At AM FRESH Group, the health, safety and welfare of our people is our highest priority. We recognise our responsibility to protect our workforce, and we have suitable health and safety management systems in place to help us identify hazards and avoid workplace accidents, injuries and illnesses. Our systems are based upon the ISO 45001 standard and within the scope are all operational and clerical activities undertaken by employees, workers employed via employment agencies, contractors and visitors within each operation.

We have Health & Safety professionals within operational sites or formal access to competent advice, and we measure and report performance at all management levels. The table covers all employees and workers within our operations, and the rates are calculated per 200,000 hours worked.

With regards to accidents in Spain, approximately 85% happened during harvesting where we have a workforce of about 1000 workers. The remaining 15%

occurred within the packhouses. The most prevalent work-related injuries have included slips, trips and falls, being struck by objects and muscular-skeletal injuries. There was a single high consequence injury within the reporting year in relation to contact with machinery. A thorough review of safety guards and emergency stops installed on machinery was undertaken and remedial actions take to remove hazards where identified to try and prevent re-occurrence.

Our hazard analysis process involves identifying hazards associated with work activities, locations or processes and undertaking a risk assessment. Where a significant risk is identified, control measures are introduced with the intention of reducing the risk so far as is reasonably practicable, following the hierarchy of control. Risk assessments are performed by trained personnel and the risk analysis process is overseen by a competent Health and Safety practitioner.

All employees and workers are encouraged to report work related hazards. Employees and workers can report issues through direct dialogue with a supervisor or manager, via their representatives of employee safety or via the incident reporting process. There is a formal process for the reporting and investigation of work-related incidents which is transparent and robust in identifying root causes of incidents, and not seeking to apportion blame. Corrective actions identified as part of the investigation are seen through to completion via a monitoring process with a suitable escalation process in place.

	Fatalities		High-consequence work-related injuries		Recordable work-related injuries	
	Number	Rate	Number	Rate	Number	Rate
UK	0	0	1	0.09	81	7.11
Spain	0	0	0	0	68	7.04
USA	0	0	0	0	0	0
Canada	0	0	0	0	0	0
South Africa	0	0	0	0	0	0



All workers receive training as part of their induction covering legal duties, findings from risk assessments, how to report incidents, on-site hazards, first aid and site rules. Additional training is determined based upon the roles or activities people perform. IOSH Managing Safely training is delivered to operational managers (UK only).

COVID-19 Response

This year the ongoing COVID-19 pandemic has posed a significant challenge. As a supplier of fresh produce and an essential business we needed to continue operations throughout various lockdowns globally. This required an urgent response to ensure our sites were ‘COVID secure’, to protect the health of our people and keep up with rapidly evolving government guidance. We have implemented extensive preventative measures including enhanced hygiene practices, physical distancing, working from home where possible, one-way systems, perspex screens and face coverings in our operations. We have also

hired specific COVID responders to ensure processes and physical distancing are being adhered to at all times. We have been proud to keep our sites open and maintain a high level of service to our customers throughout this crisis.

In the UK, another key part of our response was developing our own track and trace process so we could swiftly react to any cases found within our workforce. When cases were identified at our Alconbury site in June-July 2020 we worked closely with Public Health England and local authorities to trace the source of infections. As a precaution at one of our sites we also organised to have all employees at the site tested for COVID-19 following an increase in cases. Less than 1% of those tested returned a positive result and all were asymptomatic cases. Through prompt action and isolation of cases via the track and trace system, the outbreak was contained and resolved without further risk to our employees or our customers.

In Spain, during the pandemic peak between March – May 2020, the health and safety department of AM FRESH Spain developed contingency plans and communicated closely with the unions and workforce committees of both packhouses. AM FRESH Spain has also been carrying out rapid tests with contacts to ensure any positive cases are quickly identified and contained.

Extensive PPE at our packhouse in Canada





ENHANCE
HEALTH AND
WELLBEING



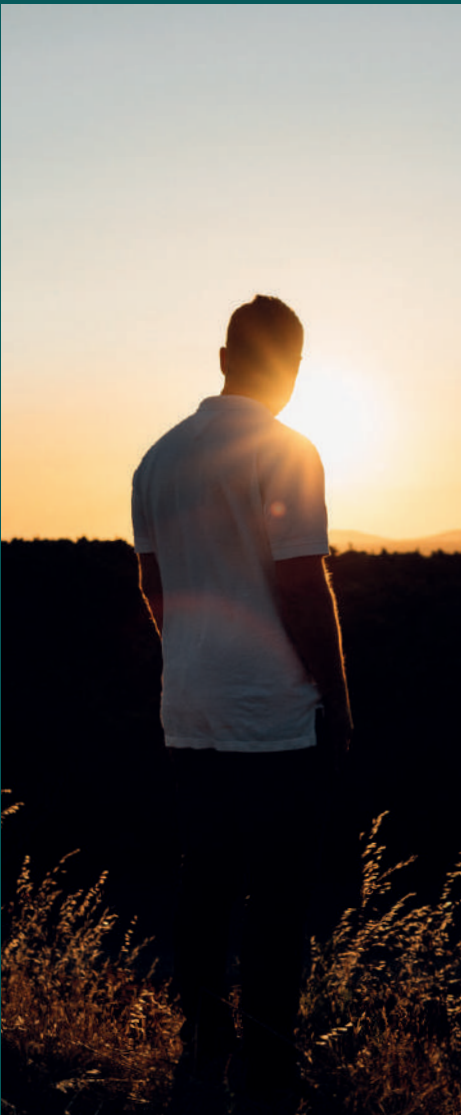
Hygiene and
worker welfare



Local
Communities



Nutrition



Health and
Wellbeing



Innovation

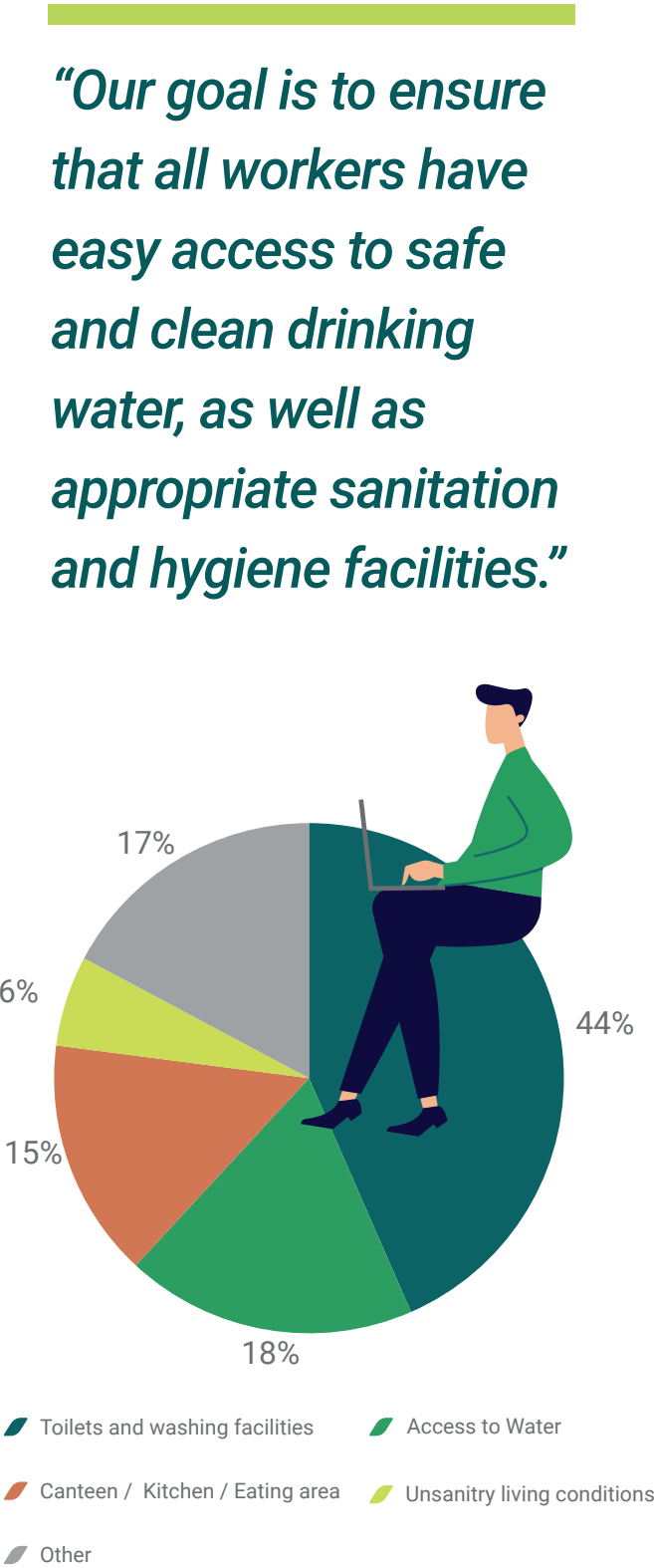


Hygiene & worker welfare

Poor sanitation, hygiene and sub-standard/limited access to clean drinking water can be an issue for workers on farms in our supply chains. AM FRESH Group is committed to working with our suppliers to ensure all workers have free access to clean drinking water and appropriate sanitation and washing facilities.

Third-party ethical audits are an important tool for highlighting issues in this area. During FY20, there were 244 non-conformances or observations relating to hygiene (out of 4862 total). As shown on the graph, issues around minimum requirements for toilets and washing facilities were the most common problem, and concerning, issues relating to access to clean water are also prevalent.

To help reduce the number of non-conformances, we plan to create guidance on expectations for access to clean drinking water, sanitation and hygiene facilities for workers in our supply chain. Where issues are found, we will continue to support our suppliers to rectify the situation.



6

CLEAN WATER AND SANITATION

TARGET SDG 6.1

By 2030, achieve universal and equitable access to safe and affordable drinking water for all

AM FRESH Contribution

Our goal is to ensure that all workers have easy access to safe and clean drinking water, as well as appropriate sanitation and hygiene facilities.



Local Communities

At AM FRESH Group, we are committed to having a positive impact on the communities around our operations. Engagement with communities is important to ensure we understand and respond to community needs and support causes that matter to our local communities. Over the next year, we intend to have community engagement plans in place for all our significant facilities and locations.

The COVID-19 pandemic has obviously had a profound impact on our ability to engage with communities face-to-face, and unfortunately this means some plans had to be put on-hold. However, we were proud to respond quickly with donations of fresh produce for our local communities during the lockdowns.

AM FRESH Spain coordinated with Food4Heroes, World Central Kitchen and the Unidad Militar de Emergencia (Army Emergency Unit) to organise

donations of our vitamin-packed easy peelers for hospitals, retirement homes, homeless shelters, and for vulnerable children across Spain. In total, we donated 13.4 tonnes of product (that’s approximately 178,000 mandarins)!

“We are committed to having a positive impact on the communities around our operations”





Nutrition

Feeding a global population expected to reach nearly 10 billion people by 2050 will require a substantial shift to sustainable and healthy diets. As part of this, it is projected that global consumption of fruits, vegetables, nuts and legumes will need to double. At AM FRESH Group we are proud to be supplying fresh and healthy food that will help meet the nutritional needs of a growing global population.

Our AM FRESH Food & Drink division has a strong focus on providing healthy and natural foods. Our Whitemoss site in the UK specialises in delicious plant-based soups and meal solutions. Packed full of vegetables, herbs and plant protein (and not so much water), our skilled team know just how to extract the most flavour and create delicious, nourishing, and healthy meal solutions. Transforming bespoke vegetable, herb, and spice blends into base ‘stocks’ allows us to add natural seasoning to our products without additional salt. Then, vegetables and herbs are added at different points

throughout the process to further develop textures and ensure that ingredients have retained their vibrant natural flavours, but, as important, are still as nutrient dense.

As part of driving the plant based and healthy eating ethos of our soups we have actively reduced the salt in newly developed soups by 2% over the last year, alongside utilisation of ingredients that are rich in folates which have been shown to contribute towards a healthy immune system.

“Supplying fresh and healthy food will help meet the nutritional needs of a growing global population.”





Health and Wellbeing

At AM FRESH Group, we recognise the success of our business depends on our people. Ensuring our employees are happy and healthy is a key priority and we aim to support the physical, social and mental wellbeing of our employees so they can thrive both at work and at home.

This year, AM FRESH UK launched a wellbeing programme for all employees. This included specific training on mental health awareness, as well as mindset and resilience training with a focus on stress reduction and management. The programme included a range of sessions, including 15 minute private health check-ups, back care training and chair yoga – aimed at those working from home during the pandemic. Sessions were held both in-person and online, and were scheduled for a variety of dates and times to ensure the programme was accessible for all employees, including those on night shifts.

“Success of our business depends on our people”





Innovation

At AM FRESH Group innovation is at the core of our operations and our varietal development and innovation platforms span across multiple categories including table grapes, citrus and exotics. Our global leading varietal innovation programs, SNFL and Genesis Innovation Group deliver exciting new varieties, which provide consumers with exceptional quality and taste attributes.



Genesis Innovation Group

Genesis Innovation Group is an international group of highly specialized companies dealing with varietal breeding and the management of protected cultivars at worldwide level. Its core principle is to bring together the best breeders and the best growers so that customers can enjoy a wider range of new and exciting varieties.

Genesis Innovation’s international team consists of an enthusiastic group of scientific, technical, commercial, marketing, administrative and legal experts who are passionate about successfully developing and managing new fruit intellectual property, from seed to shelf, for the benefit of breeders, growers, marketers and consumers.

Genesis Innovation works closely with top international breeders and firmly believes that investing in the development of new varieties benefits all stakeholders in the supply chain: breeders, growers, marketers and consumers.

Through its own Innovation Centres and the external breeding programs which Genesis Innovation supports, a huge pipeline of new varieties is created from Citrus, Pomegranates, and Exotics.

Agronomical evaluations, selection and development of growing protocols take place at Genesis Innovation experimental farms. Nurseries provide high quality certified plant material to its licensed growers and its legal experts ensure the enforcement of Plant Breeders Rights at global level.



SNFL Special New Fruit Licensing Ltd.

SNFL is a global leader in the development, licensing and commercialization of premium table grape protected varieties and a powerhouse of varietal innovation. Founded in 1992 and built on a long-term belief and investment behind innovation which has fueled SNFL’s growth with highly differentiated products and unprecedented opportunities.

SNFL Group is one of the world’s leading table grape R&D companies. For over 20 years SNFL has been breeding and developing new table grape varieties and licensing their production around the world. SNFL’s Innovation Centre is state of the art, and its multi-disciplinary team is made up of geneticists, molecular biologists, agronomists and technologists of the highest calibre. SNFL varieties are highly demanded among growers for their optimal performance and available in retailers across the globe.

The SNFL team is present in 18 countries around the world covering all the major table grape production regions. Every year its innovation team selects the best new hybrids from its distinguished Grape Genesis breeding programs that are sent to 10 trial sites around the world for detailed evaluation of their agronomic characteristics and commercial potential. In each of these regions, the SNFL agronomists and technicians develop locally adapted production protocols that licensed growers apply to get the very best results from SNFL’s new varieties. The SNFL IP varieties are grown across the globe and highly esteemed among retailers for consumers to enjoy worldwide.





Partnerships & Memberships

At AM FRESH Group we recognise **collaboration is crucial** to solve industry challenges. Below are examples of our participation in industry initiatives and memberships.



We are members of the Cool Farm Alliance, a unique community of organisations working together to develop and promote a harmonised 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.



AM FRESH Group are Friends of Champions 12.3 - a coalition of executives from governments, businesses, international organisations, research institutions, farmer groups, and civil society dedicated to inspiring ambition, mobilising action, and accelerating progress toward achieving SDG Target 12.3 by 2030.



AM FRESH Group has been an AB member of the Supplier Ethical Data Exchange (Sedex) since 2005. A not-for-profit organisation that aims to improve ethical and responsible business practices in global supply chains. The largest collaborative platform for managing ethical supply chain data with over 30,000 customers and supplier sites worldwide.



FareShare is the UK’s longest running food redistribution charity, established in 1994 to redistribute food industry surplus, which would otherwise go to waste, to the people who need it most.



AM FRESH Group is a signatory to Business for Nature’s Call to Action, calling on governments to adopt policies now to reverse nature loss in this decade.



The Cambridge Creative Circular Plastics Centre (CirPlas) acts as a nucleus for a global network of partners and coordinates a range of research projects, workshops and forums to tackle contemporary challenges from the manufacturing of more sustainable materials to driving innovations in plastic recycling. AM FRESH Group have actively participated in several CirPlas forums.



AgriGrub is an innovative company creating sustainable solutions for food waste using black soldier fly larvae. The larvae are sold into the animal feed industry and their by-product (frass) can be used as a soil conditioner and biopesticide. We are working with AgriGrub to meet our 2025 ambition to be zero food waste in the UK. Currently we are providing up to a tonne of our waste each week for processing, and by 2021 we hope to grow this volume to 3500 tonnes per year.



About this report

This report relates to the activity of AM FRESH Group and our main business units, as outlined on page 7. The reporting period is our latest financial year: 01 September 2019 – 31 August 2020.

For compiling our greenhouse gas data, we have applied the operational control approach to all subsidiaries under the AM FRESH Group. Please note that MM Flowers, a sister company, is excluded from the scope of this report for that reason. Our reporting has been prepared in accordance with the GHG Protocol.

For any questions about this report, please contact groupsustainability@amfresh.com



