

# SUSTAINABILITY

Report 2021



Introduction (P.03)		About us
<ul><li>A message from our CEO</li></ul>	(P.03)	<ul><li>Our History</li><li>Our Mission</li></ul>
<ul><li>Sustainability Committee</li></ul>	(P.04)	<ul><li>Processing Facilities</li></ul>
		• Growers
		• Our Products

# Certifications (P. 16)

(P. 07)

(P. 08)

(P. 09)

(P. 10)

- (P. 06) B Corporation (P. 17)
  - Certifications (P. 18)

#### Environment

(P. 19)

- Water Footprints (P. 20)
- Power (P. 22) Consumption
- Fossil Fuel (P. 23) Consumption
- Carbon Footprint (P. 24)
   and GHG
   Emissions

(P. 29)

Cardboard
 Recycling, Waste
 and By-product
 Management

#### People and Communities

(P. 30)

- People (P.31)
- Social Responsability (P.37)
- COVID-19 (P.38)

## A message from our CEO

We are pleased to introduce Pacific Nut's second sustainability report, focusing on the year 2021, where we are sharing with you the indicators that demonstrate the direction we are taking for improvement as a company.

To put this in context, this year we started with certain complexities as our business has not been immune to the global logistical problems and the effects of the Covid 19 pandemic. In parallel, we had an unexpected rainfall in the summer, just a few days before the plum and raisin harvests, which forced us to maximize our combined efforts in order to have a higher quality fruit, and finally achieved the expected results.

It is in this way Pacific Nut intends to differentiate through our products, by means of quality, which we achieve in good part through the coordination with our growers who work daily with a lot of dedication to meet the expected standards. We take responsibility and recognize that we have an environmental commitment, therefore, during this year we have been incorporating and transmitting our sustainable view of the business to our producers, inviting them to be part of this path, which will be very useful for them as well. Following on from this initiative, we have implemented annual meetings where we present technical and commercial issues, this time from a sustainability perspective, inviting experts in the

isector to participate, which has been relevant for the long-term commitment with each of them.

It is essential at this point to recognize and emphasize the work developed by our sustainability committee called Pacific + B, which with great willingness, enthusiasm and desire works daily on projects focused on making our operation more sustainable. All of them have been great ambassadors communicating and incorporating this culture in each of the collaborators that work in the company and encouraging social actions with the purpose of being a contribution to our local community, concerned always with the environmental impact over the economic benefits.

We still have a long path ahead of us and we must continue working to meet our carbon neutrality commitment by 2030. Nevertheless, I would like to highlight that this year we have made progress in the reduction of the carbon footprint of our products and water consumption, which is an achievement in this continuous improvement journey. We have achieved a vision of being efficient in our processes, and this is reflected in a better use of energy resources and water consumption, while always ensuring we deliver the product with the quality we are committed for.

On the other hand, we have made significant progress increasing the recycling of waste through internal campaigns and having recycling points for this purpose.

And finally, I would like to extend my gratitude to our collaborators for their daily commitment and hard work, which contributes in a very positive way to the Company and to the progress we have made. I remind you that it is essential to continue to take care of yourselves as you have done until now. I would also like to extend my appreciation to our customers for preferring our products and to our growers for the trust they have placed in us.

You are all invited to continue being part of this challenge and to build together this sustainable development path.

Cristián Infante CEO

## Sustainability Committee

Ever since Pacific voluntarily embraced the challenge to become a B Company, a sustainability committee was created, formed by a multidisciplinary team with the participation of representatives from different areas and positions to lead the "Pacific + B" action plan. This committee has had modifications as new volunteers have been incorporated year after year. This plan aims to satisfy principally environmental demands generated by our operation, community contribution and promote the cornerstones of sustainability as part of our internal culture.



Sutil
Companies
Nicolás Sutil
Sustainability and
Communications
Manager



Sutil
Companies
Edmundo Ruiz
CEO



**CEO**Cristian Infante



Operations
Claudia Clavel
Administrative
worker



Operations
Camila Gallardo
Administrative
worker



Juan Widmer
Commercial
Assintant
Manager



**Quality**Mariangel
Gouveia
Microbiologist



**Quality**Romina Orellana
Certifications and
Sustainability
Responsible



Quality
Beatriz de la Jara
Head of Quality
Assurance and
Quality



**Finances**Elizabeth Neicuan
Account Executive



Agricultural
Pelayo Quesney
Central Zone
Agronomist



Human Resources María José González

González Head of HR & OD

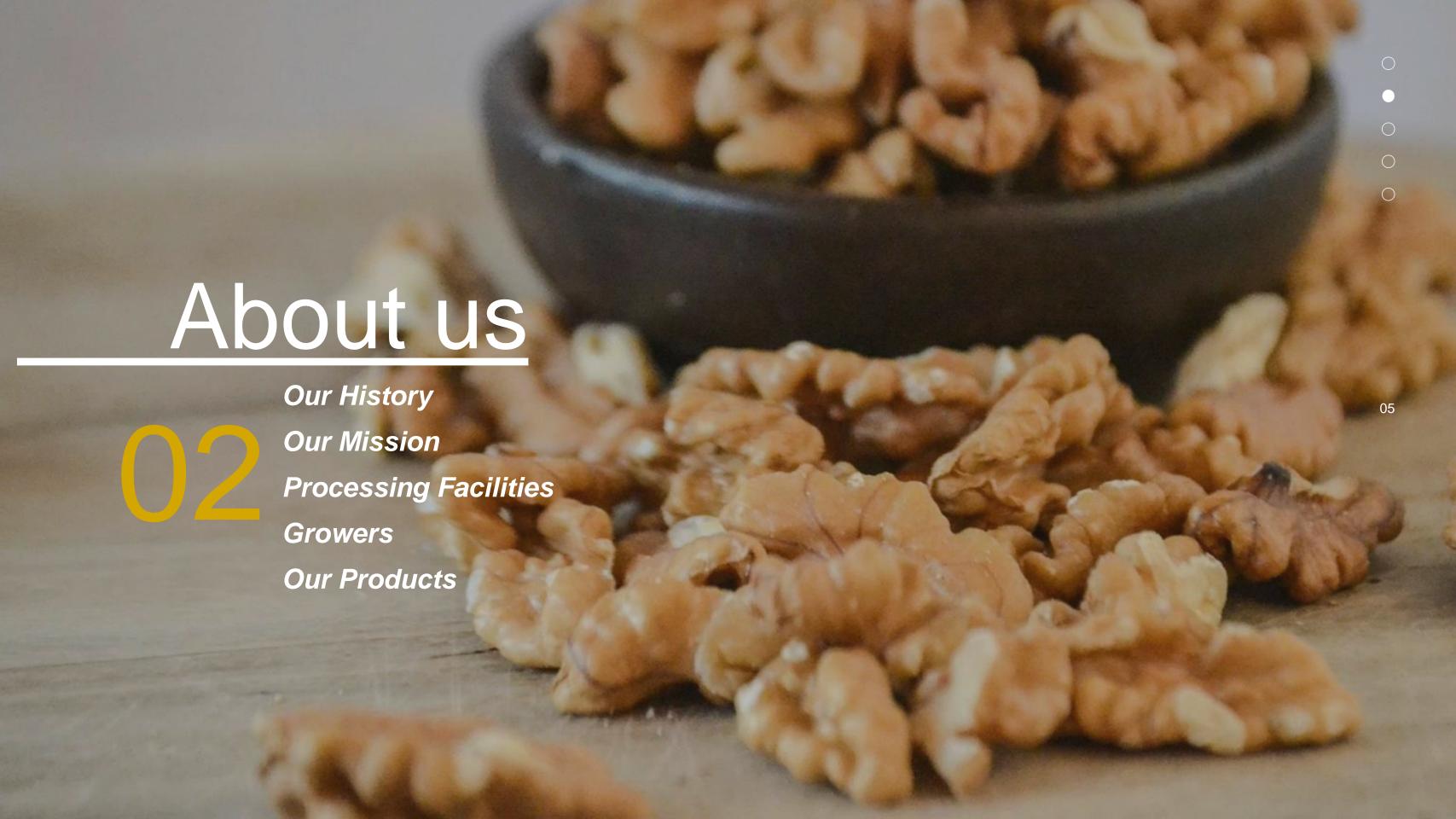


Resources
Cristina Valdovinos
Social Worker

Human



Safety
Iván Silva
Occupational
Safety and
Health Official



## **Our History**

Since our inception, we have been dedicated to the production and commercialization of dried and dehydrated fruits and nuts, bringing these from the field to customers across the world through the work of our collaborators.



1992

Pacific Nut was founded, initiating the processing of Inshell Nuts



#### 1994

The commercializatio n of shelled walnuts began.



#### 1996

The processing and commercializatio n of almonds began.



#### 1999

The San Bernardo facility for the processing of dehydrated plums was built.



2016

Kosher Certified



#### 2015

BRCGS certified in all processing plants and the raisin processing plant was incorporated



#### 2013

The San Francisco de Mostazal facility was built for the processing of walnuts



#### 2011

The commercializat ion of raisins began



#### 2018

Certified with Huella Chile and began the process of sun-drying raisins carried out by the company



#### 2019

Certified as Company B



#### 2020

Certified as Sedex Smeta



#### 2021

Halal Certified.

The Almond Plant was relocated from San
Bernardo to San Francisco de Mostazal.



### Our Mission

We connect nut and dried fruit producers with consumers around the world, delivering high value and quality products together with great service.

The quality of our products is reached as a result of working together with our growers and maintaining our processes, all of which are focused on environmental responsibility, while maintaining the integrity of the work performed by our collaborators.

In addition, through the delivery of our products, we aim to enhance the consumption of healthy food by our internal and external customers, contributing to our local community through various CSR actions.









07

#### Responsibility

At Pacific, they are accountable and deliver what they promise, each employee is accountable for their tasks, goals and results..

#### Excellency

Tasks are carried out correctly, being planned and executed from the beginning to the end of the process, carrying out good practices and high proactivity.

#### **Good Relations**

Long-term relationships are built based on integrity and trust. Always keeping all communication channels open.

#### Clarity

Our actions are oriented to the well-being of our company, beyond our own interests.



### Growers

Pacific Nut works with more than 200 growers from different farming areas of our country. Ninety percent of these growers work with our company during each season, generating stable, long-lasting and trusting relationships. With them we carry out programs of supply, reception, processing and commercialization of their fruit, with the purpose that they achieve the best productivity in their orchard, resulting in a higher profitability for their business.

To carry out all the above, the Company works with a technical and qualified Agricultural Team to support and constantly advise them throughout the year. Therefore, visits are made to the orchards during the different phenological stages of the crops along the season and at harvest time as a collaborative work with them and to support the growers in their agricultural management.

As outreach activities, we organize meetings as well as technical and commercial lectures about relevant topics of each season. During the last year, we have continued promoting a more efficient use of irrigation water in the fields along with food safety issues, which added to a good nutrition of the orchards, will allow growers have more sustainable fields over time by improving their agricultural practices.



Pacific Nut's Agricultural Team is conformed by technical professionals with expertise in the sector.

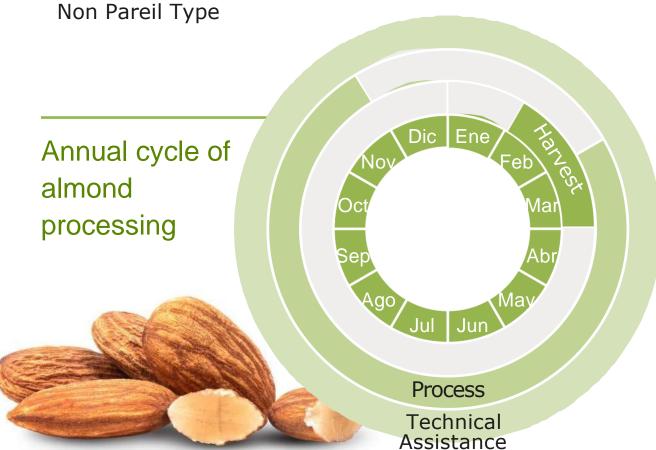
#### Our Products 0 . Almonds Market Segmentation 0 .#1 National Ranking . Variety: Non Pareil, Carmel. . 2020 Volume: 944 tons. . 2021 Volume: 1,337 tons. . Walnuts . #4 National Ranking Asia . Variety: Chandler, Serr. North . 2020 Volume: 6,330 tons. 10% **America** . 2021 Volume: 7,021 tons. 10% 10 Raisins The .#3 National Ranking . Variety: Flame, Thompson, Middle Crimson, Black, Golden. East Latin . 2020 Volume: 6,581 tons. Oceania and . 2021 Volume: 6,840 tons. **America Africa** 15% 8% . Prunes .#5 National Ranking Variety: European Plum. . 2020 Volume: 3,714 tons. . 2021 Volume: 2,889 tons.

### Almonds

The almonds processed at our facility come from our own fields and from growers with whom we work year after year, incorporating new growers each season. During processing, almonds are selected combining the latest digital detection technology and the expertise of highly qualified personnel, complying strictly with Pacific Nut's quality standards.

#### Varieties:

Non Pareil, Carmel,



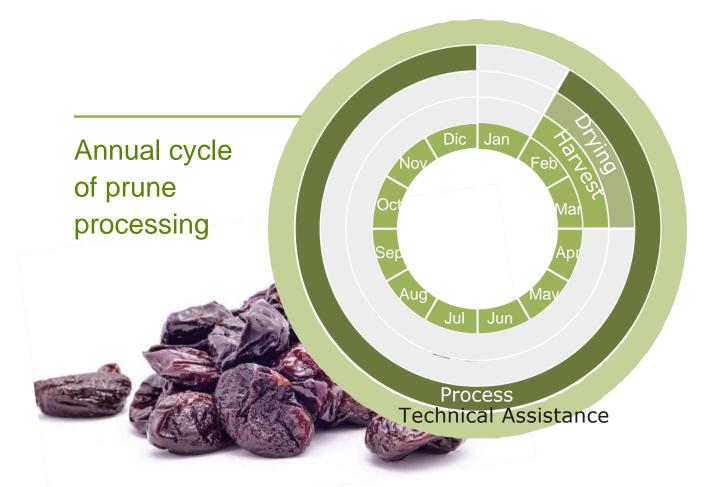


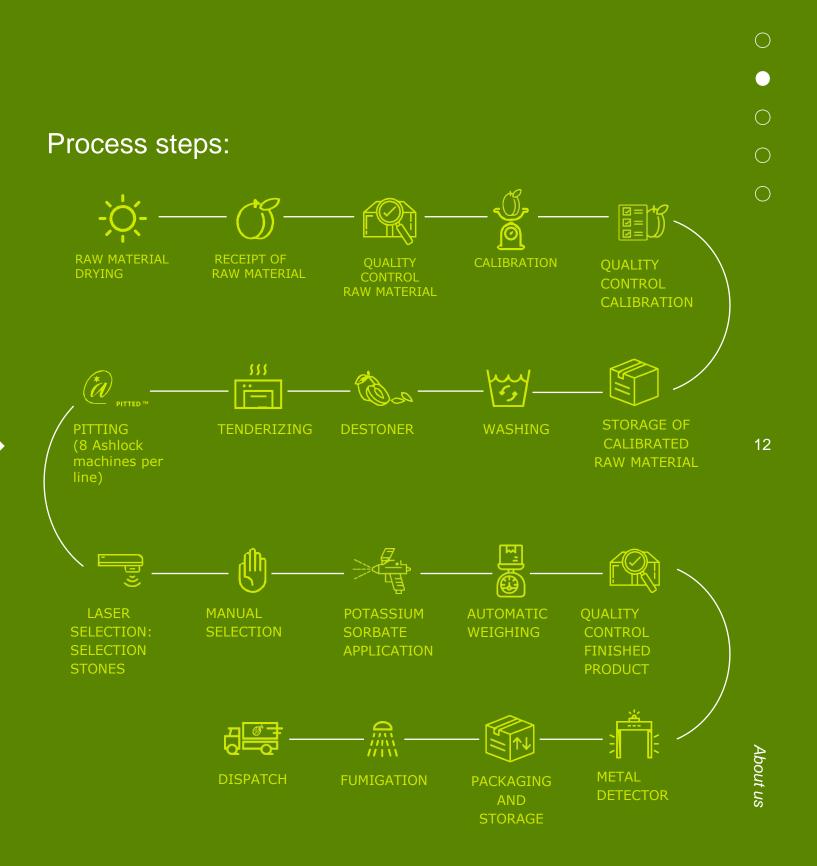
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### Prunes

We process European prunes supplied by our orchards or by growers complying with our high quality requirements. At our facility, the dehydrated prunes are calibrated, tenderized and pitted with state-of-the-art equipment. Prunes are offered in natural condition, unpitted or pitted with Ashlock or Elliot machines.

#### Varieties: European Plum

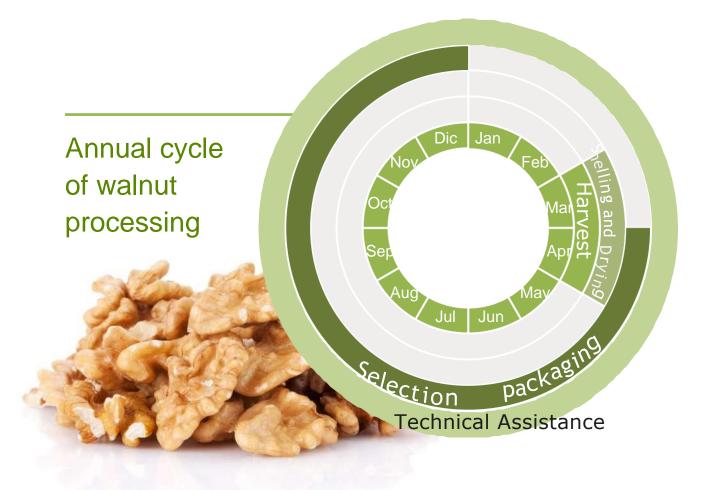




### **Shelled Walnuts**

Chilean walnuts from our own fields and from growers that meet our high quality requirements. They are carefully cleaned and dried before entering the mechanical cracking and laser selection process with the highest technology, allowing our company to offer a premium quality product.

The following colors are available: Extra Light; Extra Light/Light; Light and Light Amber.





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### Inshell Walnuts

Chilean walnuts from our own fields and from growers that meet our high quality requirements. They are carefully cleaned and dried before entering the mechanical cracking and laser selection process with the highest technology, allowing our company to offer a premium quality product.

Varieties: Serr and Howard



### $\bigcirc$ Process steps: $\bigcirc$ CALIBRATION STORAGE **ELECTRONIC** SELECTION PACKAGING QUALITY 14 SELECTION **ANALYSIS FUMIGATION** STORAGE DISPATCH

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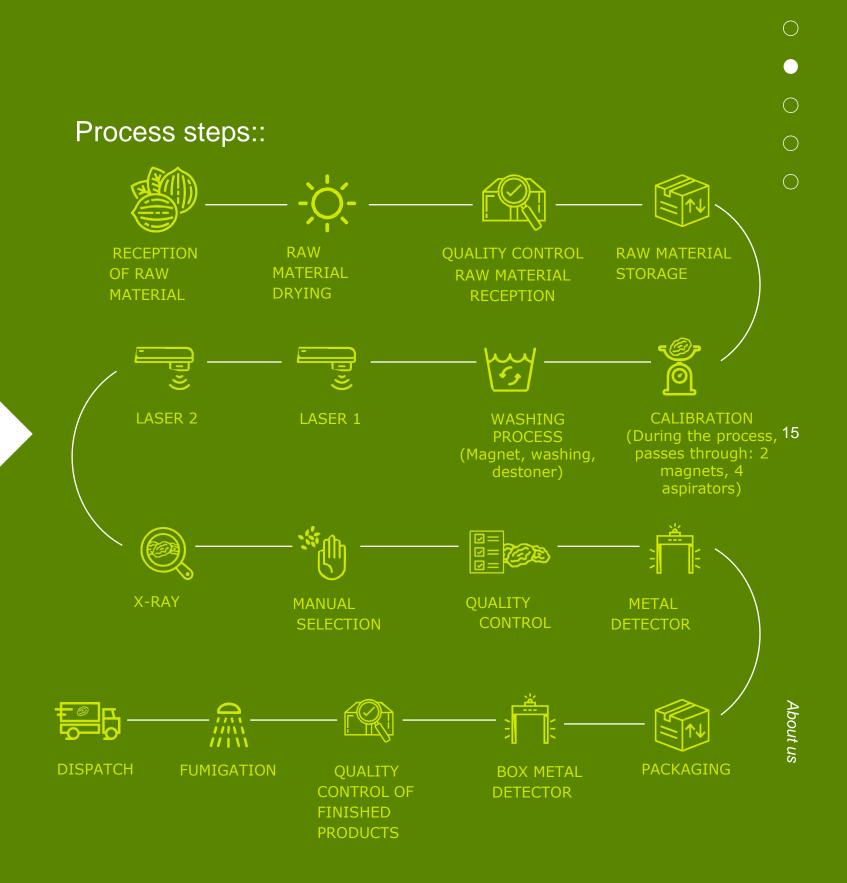
### Raisins

From the heart of the Chilean countryside, and with the quality that identifies us, we are proud to offer the three main varieties of seedless raisins produced in our country: Thompson Seedless, Flame Seedless, Golden Seedless, Crimson Seedless, among others, which are processed and packaged in our facilities located in the north of Santiago.

#### Varieties:

Thompson Seedless, Flame Seedless, Golden Seedless, Crimson Seedless, among others.







### **B** Corporation

#### Pacific Nut is part of the B Movement!

At Pacific, in response to new requirements, decided to incorporate a new approach to our business model. Nowadays, it is not enough to be profitable; it is also crucial that we generate a positive social and environmental impact to be sustainable in the long term. Being a B company, makes us responsible for our



Economic impact



Social impact



Environmental impact

To become a "B company", it is necessary to obtain a certification that guarantees the compliance with the standards established. At Pacific Nut we have been certified since 2019 and from that period, we have developed improvement actions to be recertified during 2022.



The certification is provided by B Lab: https://www.sistemag.org/ser-b/





SEDEX is a conaborative platform focused on sharing information regarding ethics, social practices, safety and environment along the entire supply chain.

Certified since 2020.

Huella Chile is the national program for the management of greenhouse gas (GHG) emissions in small, medium and large organizations. Certified since 2018.

"Food Safety
Certification that has 4
pillars: Safety, Integrity,
Legality and Product
Quality, together with
the operational controls
for these criteria in the
manufacturing,
processing and
packaging industry of
food and food
ingredients."1. Certified
since 2015. AA grade
obtained in all our
facilities.

Kosher Certification is the Kosher seal of approval from a Rabbinical Authority that validates the ingredients of the products, the processing facility and the actual production to guarantee that all ingredients, derivatives, tools and equipment are trace-free of non-kosher substances. Certified since 2014.

Certification that guarantees all the manufacturing processes of a product fulfill the different religious principles concerning lawful and unlawful for a Muslim. Certified since 2021.

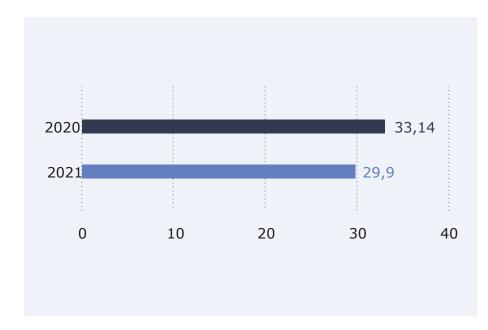


Water footprints
Power consumption
Fossil fuel consumption
Carbon footprint and GHG
emissions
Cardboard recycling, waste and byproduct management

### Water Footprints

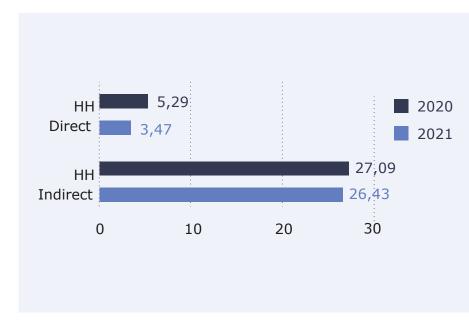
Water footprint is an environmental indicator that measures the volume of fresh water used along the production chain. Indicators to be monitored include: Measurement of Riles (liquid industrial waste) and Water consumption. This is part of the company's plan to reduce water consumption per ton processed with the goal to make the processes more sustainable.

#### Water Footprint/Production (m3/mT)



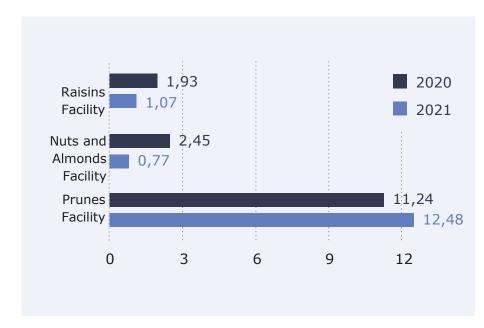
Pacific Nut has been working on a daily basis to reduce its footprint due to energy consumption, resulting in the reduction of its water footprint in 2020 vs. 2021.

# Direct and indirect Footprint per Production (m3/mT)



After identifying and comparing the direct and indirect water footprints for the years 2020 and 2021, a reduction of 34.40% in the direct footprint and 2.44% in the indirect footprint was achieved, thereby reducing the Company's total water footprint.

#### Water Consumption per Plant (m3/mT)



It is observed that there was a decrease in water consumption in the case of the raisin, walnut and almond plants, because of the improvements in the efficiency of process consumption; nonetheless, the increase in the year 2021 in the prune facility was due to the higher number of workers returning to their workplaces, increased water consumption in the process and the fact that the fruit required more water to increase its moisture content. In the walnut plant, for the peeling process, which is the most water demanding stage, the fruit washing system was modified with pressurized sprayers to ensure that the fruit will be well washed and with less water used, obtaining the expected result.

### Water Footprints

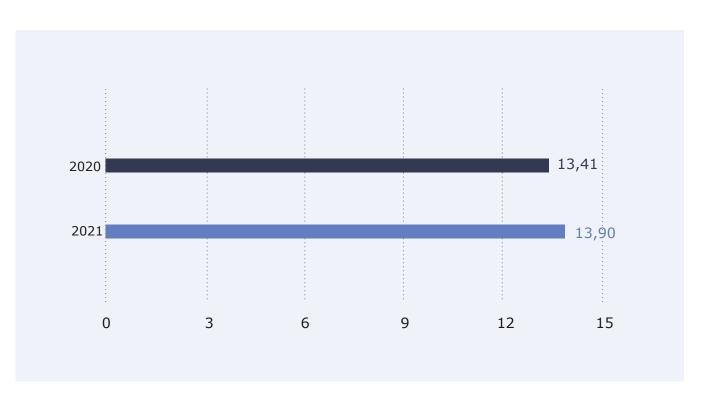
Liquid industrial wastes (LIW) include the wastewater resulting from industrial processes, activities or services, which must be treated physically, chemically and biologically to reduce their content of pollutants.

# Measurement wastewater per ton of finished product (m3/mT)



Wastewater generation is directly proportional to water use in the production process. As explained in the previous charts, water use in the prune process will depend on fruit quality. Because of the rains during the harvest, it was necessary to use a greater amount of water to wash the fruit, generating a higher quantity of wastewater. On the other hand, in the walnut process, less wastewater was generated because of improvements for more efficient water use.

# wastewater generation per year (m3/mT)



The measurement of wastewater is directly proportional to water consumption, nevertheless we carry out continuous monitoring, in accordance with environmental legislation.

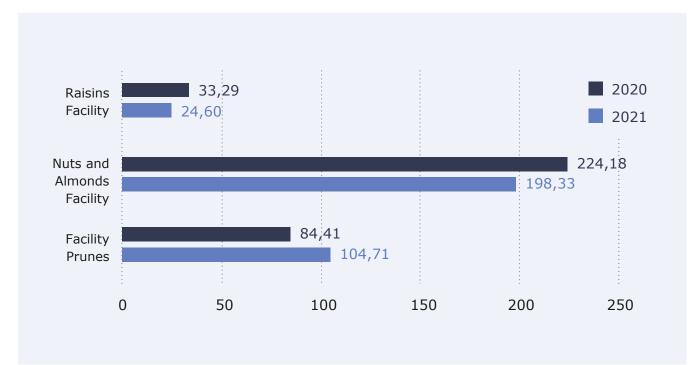
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### Power Consumption

In the Food Industry sector, electricity and fuels are used as sources of energy for the execution of the production process. At Pacific Nut, electricity consumption has been decreasing as processes have become more efficient.

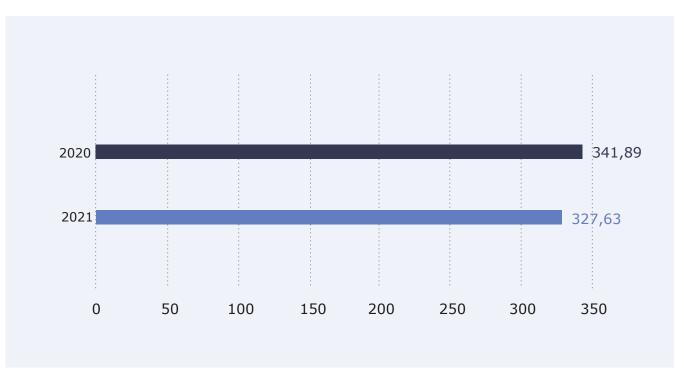
#### Electricity (Kwh/mT) by Facility



Pacific Nut is constantly searching ways to reduce energy consumption and as part of this we are making our processes more efficient in terms of total electricity consumption. The purpose is to make the processes more efficient and friendly and to reduce our carbon footprint.

The increase in electricity consumption in the prune facility was due to weather conditions that affected the quality of the fruit, resulting in the incorporation of an additional selection to the calibration stage, this reduced the flow of the fruit, increasing the seasonal use of equipment to achieve optimum quality and meet the requirements of our customers.

#### Electricity (Kwh/mT) per year



The chart represents the increase in electricity consumption compared to 2021, as a result of the relocation of the Almond Process to the Nuts and Almonds Facility, along with

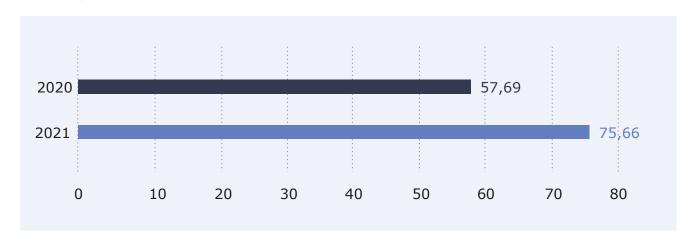
the increase of dried fruit during the season, decreasing drying times and increasing electricity consumption.

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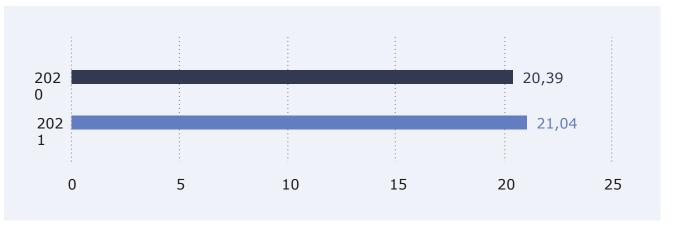
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The fuels used by Pacific Nut for its production processes include oil, liquefied gas, natural gas and firewood. These are mainly used as fuel for the drying process for walnuts and almonds, to increase the temperature of the moisture water and steam, and for the use of forklifts.

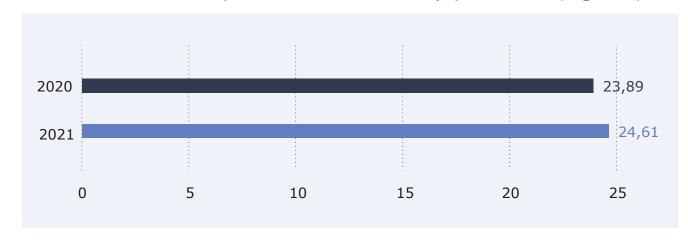
# Natural Gas Consumption Nuts and Almonds Facility per Year (m3/mT)



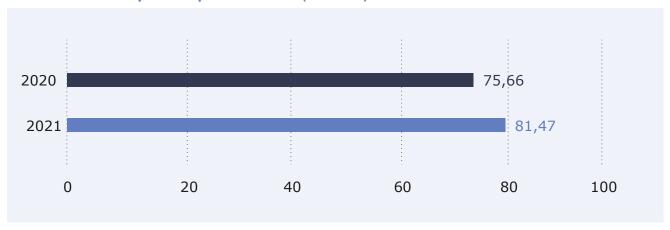
#### Liquefied Gas Consumption per year (L/mT) per year (m3/mT)



#### Firewood Consumption Raisins Facility per Year (Kg/mT)



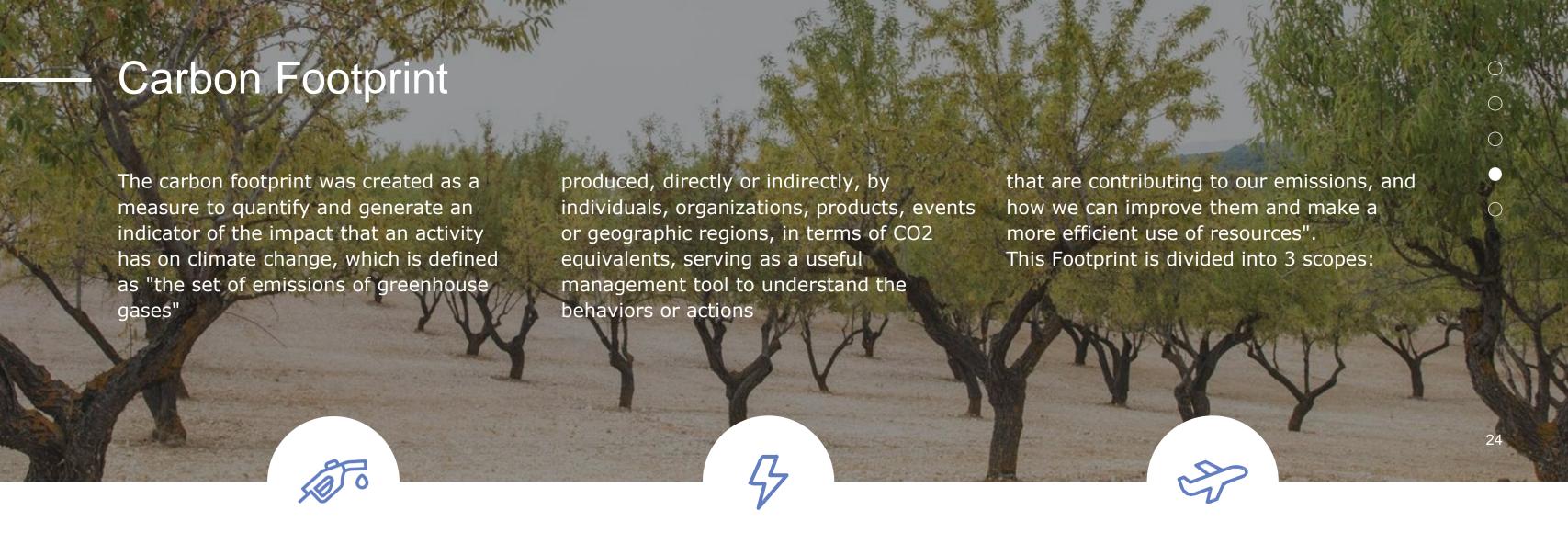
#### Oil Consumption per Year (L/mT)



Fuel consumptions have increased for prunes and raisins because of the quality of the fruit needing to process the fruit slower to get the product that customers request.

23

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#### Scope 1

Direct emissions from company-owned or company-ources used in production.

#### Scope 2

Indirect emissions from energy purchased by the company (e.g. electricity) used in production.

### Scope 3

Indirect emissions from sources not owned or controlled by the company.

## Organizational GHG Emissions

The **Carbon Footprint** is an indicator that allows us to estimate the greenhouse gas (GHG) emissions released to the atmosphere by the direct and indirect consumption of materials and energy, translated into equivalent CO<sub>2</sub> missions. At Pacific we have been working to reduce our carbon footprint with the objective of becoming carbon neutral by 2030.

#### Carbon Footprint (tons CO2e/mT)

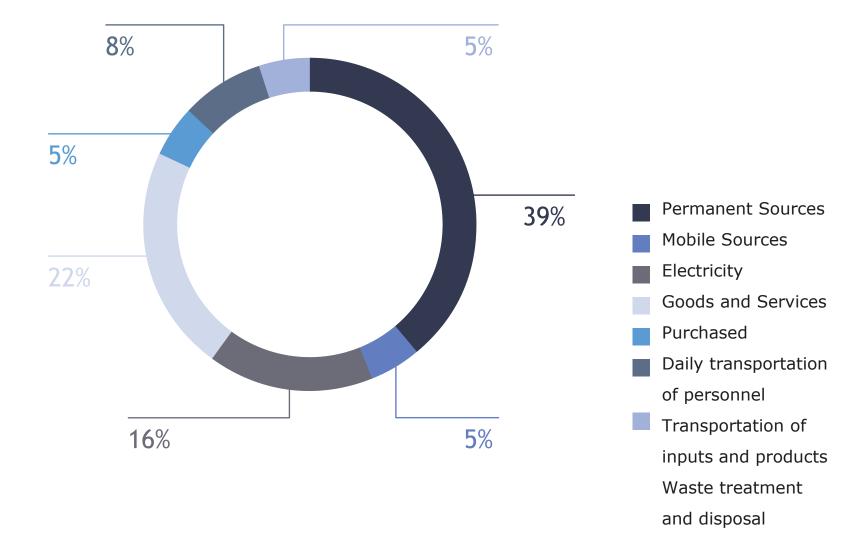


After comparing emissions in 2020 vs. 2021, there has been a decrease of 4.55%, this was achieved by optimizing the transportation of raw materials, increasing recycling, revaluation of waste, among others.



# Carbon Footprint contribution by category 2021

Direct and indirect GHG emissions by scope and emission comparisons



The highest percentage of GHG emissions distribution is based on "Permanent sources", since the production processes use this energy for cleaning, washing, drying and selection of raw materials, to produce the finished products that later will be delivered to our customers. The sale of our products is mainly CFR, in other words, to the port of destination, so the carbon footprint generated by the transportation of our products contributes to the second highest percentage of "Goods and Services".

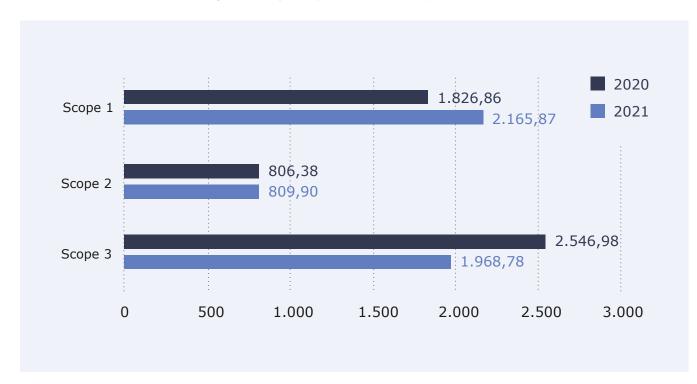
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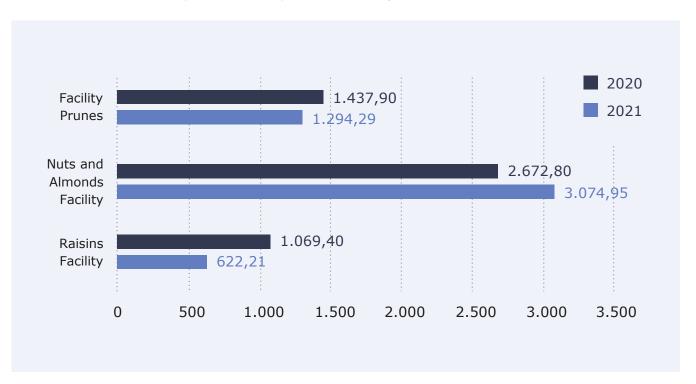
### Carbon footprint by scope

#### GHG Emissions by Scope (ton CO2e)



The increase in Scope 1 in 2021 was mainly a consequence of the number of tons produced, causing higher energy consumption. The decrease in Scope 3, on the other hand, corresponds to the expansion of growers in the central part of the country, and the efficiency in the transportation of raw materials, which increases the size of the trucks used for transportation.

#### Tons of CO2 Equivalent per Facility 2020 and 2021



# Results - Reduction and compensation success story

The byproducts generated from the production processes are used in other external processes in order to reduce the generation of waste, thereby reducing Pacific's carbon footprint:

Reduction	Ton CO2e
By-products of prunes (stone) destined for juice production	18,0868
Almond by-products destined for animal feed	650,2960
Raisin waste for animal feed	157,4083
Total emissions saved	825,7911

Pacific Nut uses Renewable Energy for its Walnut and Almond production processes, this use compensates the emissions associated with the consumption of imported electricity.

Market Methodology Ton CO2e

NCRE Compensation 671.67



Through these efforts during the year 2021, the company will apply to Huella Chile, an accredited entity that quantifies the Carbon Footprint measurement, for the reduction seal.

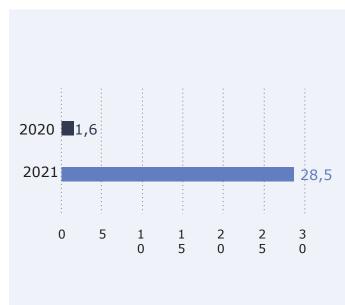
28

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# Cardboard Recycling and Waste and Byproduct Management



# Cardboard Recycling per year (Kg)



The company's waste reduction efforts have included a recycling campaign, including an increase in cardboard recycling, which reduces the amount of waste sent to landfills.

# Waste destined for landfill (tons)



Wastes destined to landfills are directly related to the increase or decrease of the raw material volume purchased. For Pacific its priority to decrease the amount of waste generated destined to landfills, consequently, during 2021 and 2022 a recycling program has been generated to enhance this reduction. As in the Raisin Facility, there has been a decrease in the tons of waste destined to landfill due to the change of destination to animal feed.

# Organic waste and by-products (tons)



Organic wastes are directly related to the increase or decrease in the volume of raw material acquired; however, organic wastes are used for composting, animal feed and other productive processes. 29

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### People

At Pacific we are committed with the creation of actions oriented towards improving the lives of our collaborators. We aim to form long-term relationships encouraging the professional development of each one of them, looking after their wellbeing and their surroundings at the same time. We are constantly detecting needs in order to help

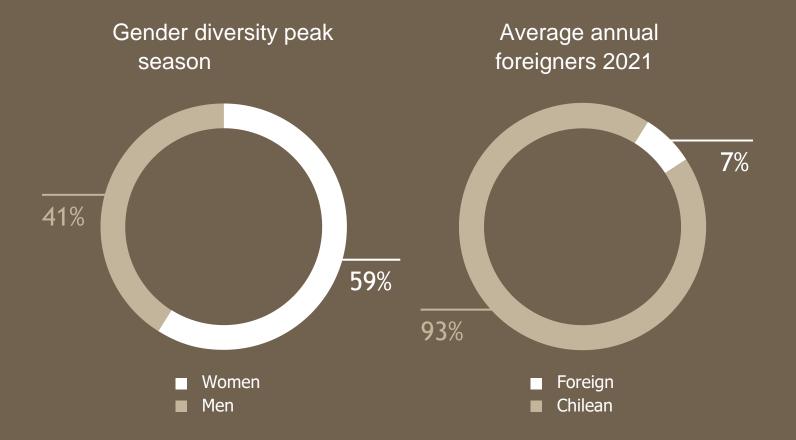
with personal and professional development and growth through training, health operations, benefits oriented to quality of life, social assistance, performance evaluations (aimed at improving the organization's effectiveness through performance management), and recognition instances,

elaboration of policies and procedures, among others. Through these actions, Pacific Nut aims to enhance its commitment to the organization and to be highly relevant in the agroindustrial sector.



#### Staffing and diversity

- ✓ Peak staffing (May): 400 people, of which 83 employees have permanent contracts.
- ✓ Predominant age range: 30 to 39 years old.Pacific is committed to equal opportunities, that is why we promote gender equity in all areas and reinforce the incorporation of women to our workforce.
- ✓ In addition, we have collaborators of a variety of nationalities and cultures (always complying with the law).





The important thing is that from our role as leaders we are able to adapt and take advantage of the capabilities that each collaborator has, beyond the differences that may exist.

Bring out the best in each person and learn from them.

32

eople & Community

Pacific Nut is always looking for new ideas and opportunities to innovate and to interact. To accomplish this, the following communication channels are used to follow up



#### Mailbox per facility

Each facility has a physical mailbox where all collaborators and growers can make their contributions (problem statement, complaint or gratefulness) that they consider important with respect to safety, integrity, quality, legality or human resources issues.



#### Welfare Committee

In our constant concern to improve the quality of life of each of our employees, the company has created a welfare committee to provide support in the areas that may be required. It is made up of a Social Worker, the Head of Human Resources & Organizational Development, and the Head of Compensation.



# " Connected" (every two months)

Meetings via Google meet led by the CEO where mainly business and sustainability issues are discussed. The objective is to make the company's results transparent in the areas already mentioned and to involve collaborators in these goals.



# Whistle-blowing channel holding

Empresas Sutil provides any collaborator or external person related to the Company with a confidential whistle-blowing channel platform.



#### Administrative Committee (every three months)

Focused on raising administrative personnel needs, with the participation of one collaborator per area.



# Newsletter (every three months)

Key information shared via email on COVID measures, sustainability, human resources and business.



# Work environment survey

Participation of 100% of our collaborators. Survey of needs and opportunities for improvement, accompanied by a specific action plan for each area.

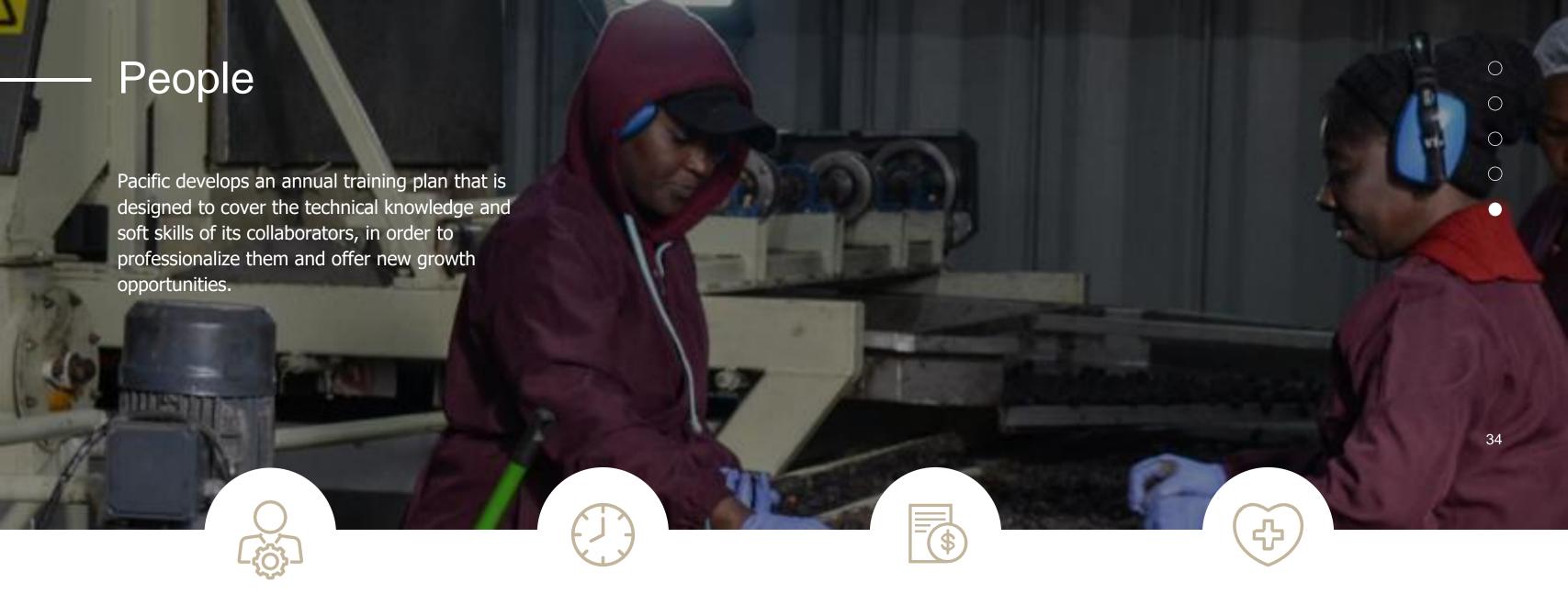


#### Social Media

Pacific accounts activation in Instagram and Linkedin where collaborators and external people have access.

33

People & Community



98%

of trained personnel 4.438

total hours of training

Use of 100%

Sence 2021 franchise budget.

The 100%

of the temporary staff is trained annually on hygiene, health, safety and wellness issues.

## People

At Pacific we are constantly looking for ways to improve the quality of life of our collaborators and their families. From the welfare area, all actions are oriented to achieve this through the delivery of the following benefits:



Preventive health 4 per year.



Monthly delivery of boxes of merchandise to process collaborators according to attendance indicators.



Academic Excellence Scholarship: 2 awards per level.



COVID: delivery of a
Happiness Bag 2.0 to
each collaborator.
Includes workshop on
emotional regulation in
times of crisis. Focused
on enhancing the wellbeing of each employee
and their families.



Delivery of a box of goods to employees in complex situations (to be evaluated with the Social Worker).



Support for the vaccination process.



# People

During the year 2021, 37% of the temporary staffing corresponds to collaborators who worked in 2020.

#### Number of accidents per year



Comparative historical number of accidents per year of the company. A downward trend is observed since 2017.

#### Average monthly accident rate



Company's average monthly accident rate. A downward trend is observed since 2017.

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## Social responsibility

Pacific is committed to the local community and this year contributed through the following donations:

# Garden Angel Gabriel, commune of San Bernardo:

- Delivery of healthy snacks made with our nuts to 128 families.
- Donation of influenza vaccines to employees of the garden.
- Donation of 10 native trees to enhance green areas in the garden.
- Economic contribution: \$9.993.732

# Cesfam Joan Alsina and Cecof Rivera de Maipo, commune of San Bernardo:

 Donation of 120 healthy snacks of dried fruits and nuts to 250 health care employees belonging to institutions where our plants are located.

#### Cesfam San Esteban:

 Donation of 60 healthy snacks of dried fruit to health officials.

# San Jose special school, commune of San Bernardo:

 Emotional regulation/happiness bag 2.0 workshop for 13 education officials who support children with intellectual disabilities.

# Maria Alicia Ponce Special School, commune of Mostazal:

 Emotional regulation/happiness bag 2.0 workshop for 27 education employees who support 137 children with disabilities on a daily basis.

#### OMIL San Francisco de Mostazal:

 Donation of 20 kg of nuts for Teleton fundraising event.

#### Mano Amiga Foundation:

 Donation of 40 kg of dried fruits.



Leadership reinforcement.

Furthermore, we have an internal committee composed of the leaders of each area. This ensures operational continuity.

Elaboration, dissemination and follow-up of preventive measures.



Constant contact with mutual health and safety company.

Internal actions aimed at promoting the wellbeing and self-care of employees and their families, e.g.: happiness bag, vaccination process

awareness, among others.

Communication and

reinforcement of key

messages to our

employees.

Delivery of a box of merchandise to collaborators with family members in condition.

Creation of action

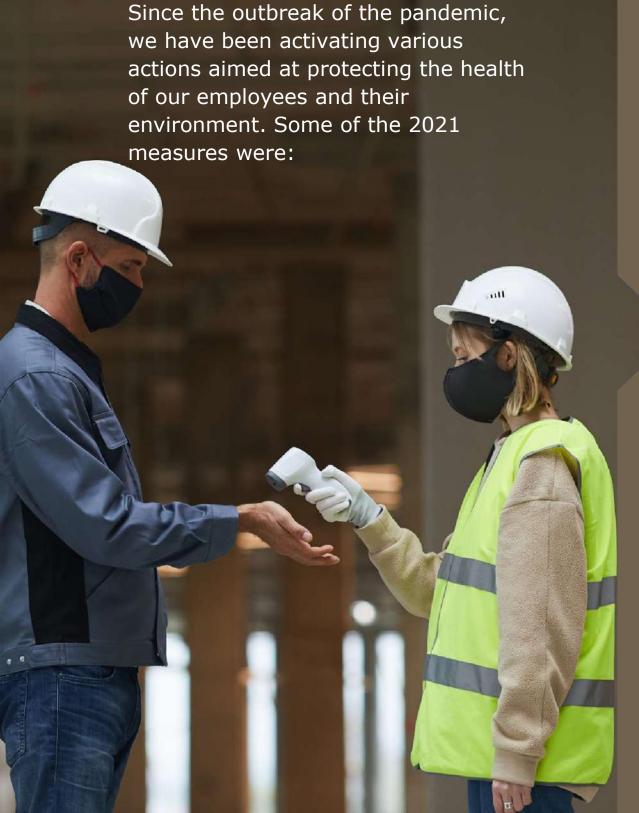
Health and Safety

protocol.



Remote work in positions that allow it.

Legal advice if required.



Covid 19

