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letter from the CEO

Our five core values—Quality, Innovation, Respect,
Drive and Stewardship—remind us that sustainability
must be integrated into everything we do.

I am pleased to present Calavo's fourth annual sustainability report, covering our performance in 2021 on environmental, social and governance (ESG) topics. Over the last few years, teams across Calavo have worked overtime to launch, improve and align sustainability activities to meet evolving customer, investor, and internal expectations. It is gratifying to see the progress we have made, and to know that more is yet to come.

2021 Highlights

We continue to find opportunities to reduce and optimize our energy use, including the electrification of our forklift fleet, ongoing LED lighting upgrades and participation by several of our facilities in local energy demand response programs. By reducing our energy use, especially during peak usage times when the electricity grid is especially prone to blackouts and brownouts, we are both lowering our carbon footprint and helping ensure that our local communities maintain steady sources of power.

Calavo continues to invest in our Mexico operations and workforce, with our 2021 starting wages at least 49% higher than the minimum wage. We were proud to attain gender parity within senior management in our Mexican facilities with a focus on gender inclusion in training and professional development programs. Additionally, our "Talent Bootcamp" for local university students is helping us hire the best and brightest young leaders.

Finally, 2021 was the first time we completed a comprehensive look at our waste streams across our U.S. operations. Working with dozens of vendors, each of whom use different methods for quantifying and reporting waste impacts, was no small feat. The results, which show that we currently divert 69% of waste from landfill, is informing the next phase of our journey to zero waste production by helping us understand differences between our facilities and the largest areas of opportunity.

Looking Ahead

When I joined the company as Chief Executive Officer in February 2022, one of my priorities was to ensure the alignment of our sustainability strategy with Calavo's business goals

and our investors' priorities. Our Board of Directors agreed, and we immediately launched several new initiatives.

First, we hired a new corporate officer with formal responsibility for ESG. While ESG matters are routinely discussed at the highest levels of the organization, this move ensures that sustainability is embedded even more deeply into our business planning processes.

Second, we began evaluating opportunities to improve the rigor, scope and frequency of our ESG data management systems, so that we can meet new stakeholder requirements to more closely integrate sustainability and financial reporting. We are carefully watching the evolution of sustainability reporting standards and frameworks, including pending rules on climate disclosures and ESG management and oversight practices. In particular, we will implement new technology solutions to standardize our data collection efforts, speed our response plans and move closer to real-time sustainability data tracking and reporting.

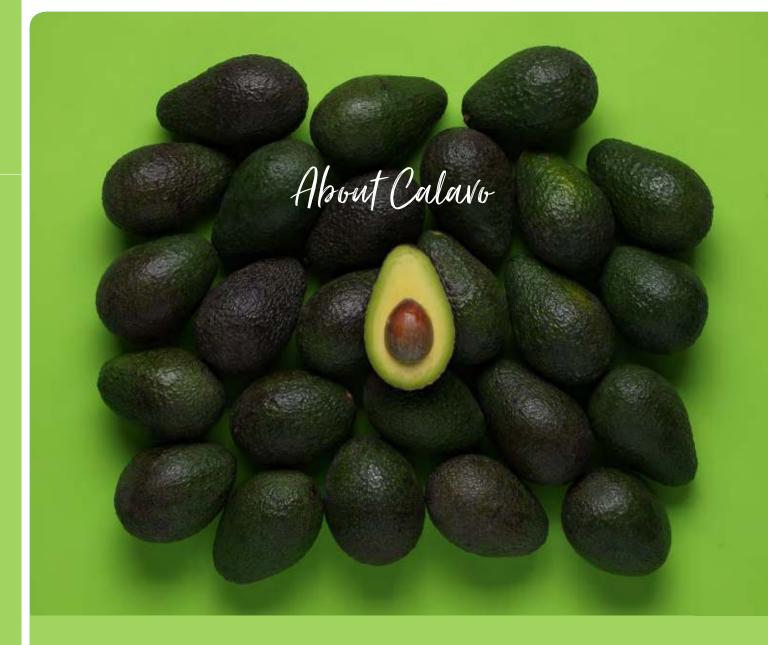
Third, we have initiated a strategic review of our ESG programs. We are developing a fresh vision and strategy that will guide us over the next ten years, informing longer-term investments in our operations, supply chain, product development and human capital planning. We anticipate sharing our new ESG vision/strategy, our areas of ESG focus and definitive goals by the end of 2022.

Sustainability is a Key Part of "The Calavo Way"

As we look to the future "The Calavo Way," our approach to doing business, helps to focus our efforts where they matter most. Our five values—Quality, Innovation, Respect, Drive and Stewardship—remind us that sustainability must be integrated into every part of our business and part of our DNA. Working together, we can accomplish so much. Thank you for being part of our journey.

Buan W Kochen
BRIAN KOCHER, CEO



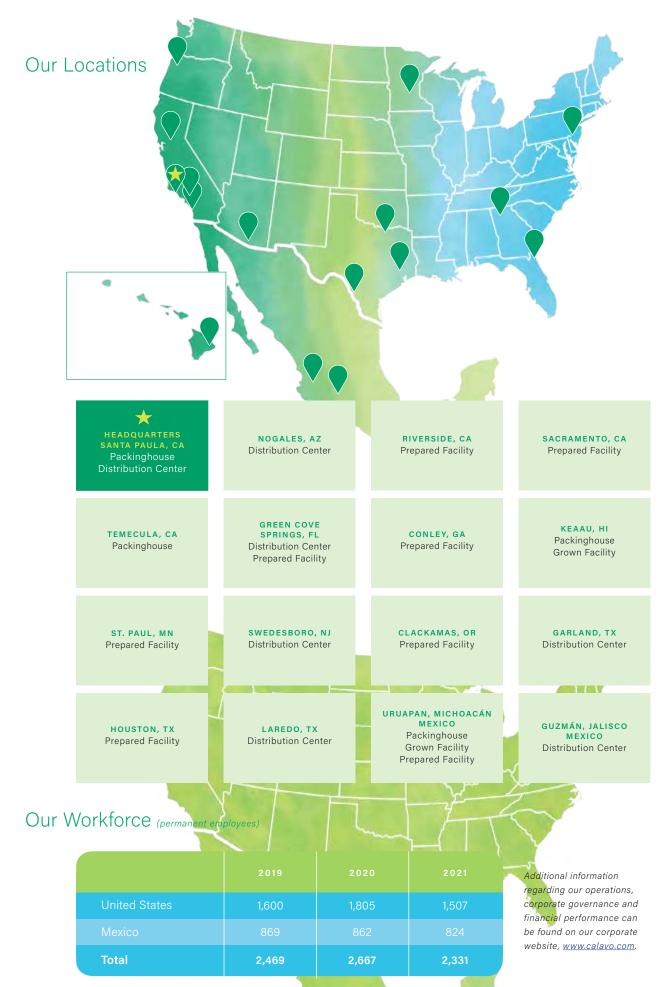


Calavo Growers, Inc. (Nasdaq: CVGW) is a global leader in quality produce, including avocados, tomatoes and papayas, and a pioneer of healthy fresh-cut fruit, vegetables and prepared foods. Calavo products are sold under the trusted Calavo brand name, proprietary sub-brands, private label and store brands.

Founded in 1924, Calavo has a rich culture of constant innovation, sustainable practices and market growth. The company serves retail grocery, foodservice, club stores, mass merchandisers, food distributors and wholesalers worldwide.

Calavo is headquartered in Santa Paula, California, with processing plants and packing facilities throughout the U.S. and Mexico.

Calavo operates out of 19 facilities located in the U.S. and Mexico. Our facilities include value-added depots, housing our ripening rooms as well as cooling and storage for fresh and processed avocado products; packinghouses dedicated to cooling and storage of fresh avocados; and fresh food facilities where we produce fresh-cut and processed food items.



Calavo recently introduced a brand refresh, including new company logo, tagline, website, vision statement and core values – reinforcing our commitment to sustainable practices.



AS A UNIFIED AND NEW CALAVO BRAND, OUR VISION IS:

To be a global leader in fresh foods, delivering nutritious products, utilizing sustainable practices, cultivating relationships with our grower-partners, customers and consumers.

Our Core Values



Drive:

WE ARE MOTIVATED, ENGAGED AND PASSIONATE, WHICH FUELS OUR WILL TO WIN.



Respect:

THROUGH A DIVERSE AND INCLUSIVE WORK ENVIRONMENT, WE CULTIVATE SHARED GOALS TO ENSURE SUCCESS.



Innovation:

WE CREATE A CULTURE THAT EMBRACES INNOVATION IN EVERYTHING WE DO.



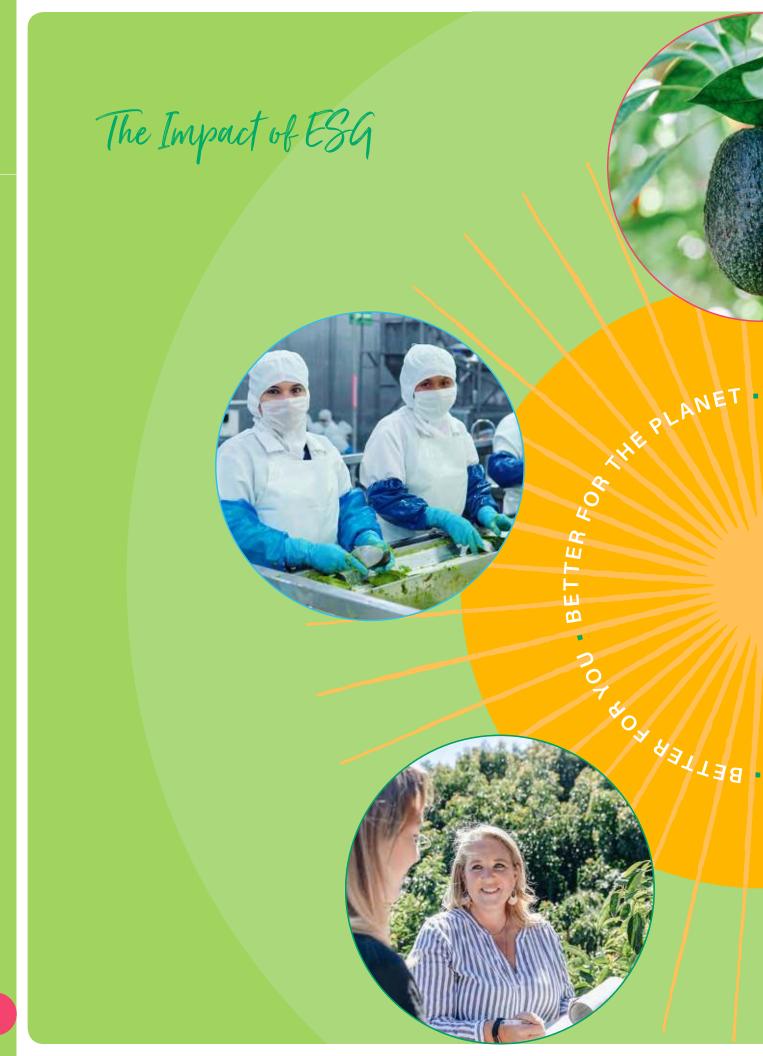
Stewardship:

WE ARE COMMITTED TO AN ENVIRONMENT WHERE SUSTAINABILITY AND SOCIAL EQUALITY CREATE EXCEPTIONAL VALUE FOR STAKEHOLDERS.



Quality:

QUALITY IS OUR GUIDING PRINCIPLE WHETHER DEVELOPING OUR PEOPLE OR OUR PRODUCTS.









Our Sustainability Approach

Calavo's sustainability strategy includes a commitment to long-term ecological balance, environmental soundness and social equity throughout our enterprise. Sustainability is embedded into all of our decision-making processes and capital considerations, whether they occur within our own packing, value-added distribution and manufacturing operations or extend to the thousands of individual growers and suppliers from whom we source.

Material Topics

We undertook our first materiality assessment in 2018 and updated it in 2020. In determining our material topics, we used the Sustainability Accounting Standards Board (SASB) Processed Food Standard and Five Factor Test for Materiality:

- 1. **Financial Impacts and Risk:** Will the topic have a direct impact on financial performance?
- 2. Legal, Regulatory and Policy Drivers: Will existing, evolving or emerging regulation influence company actions?

- 3. Industry Norms and Competitive Drivers: Will peer actions or industry trends create pressure for the company to act to remain competitive?
- 4. Stakeholder Concerns and Social Trends: Will stakeholders raise concerns that could influence financial or operational performance, or create disruptions to business viability?
- 5. Opportunities for Innovation: Will new products and business models drive market expansion or have the potential for a disruptive change that provides competitive advantage?

FACILITIES & OPERATIONS	PEOPLE & COMMUNITIES	PRODUCTS & GOVERNANCE
Energy & Emissions Waste & Water	Fair Labor Worker Health & Safety Community Engagement	Ethics & Integrity Food Safety & Nutrition Sustainable Agriculture Packaging & Logistics

Accountability for Sustainability Performance

Calavo's Sustainability Council includes representatives from each of the Company's primary business units and is responsible for the implementation and direction of our sustainability strategy. The Sustainability Council reports to an Oversight Committee led by Calavo's CEO and CFO.

The responsibility of the Oversight Committee is to review and approve sustainability goals and progress towards goals, as well as review the company's annual published sustainability report.

In 2020, Calavo created the Sustainability and Corporate Responsibility Committee of the Board of Directors to assist the Board in fulfilling its responsibility for the oversight of relevant sustainability and corporate social responsibility policies, strategies and programs. In 2021, the Sustainability and Corporate Responsibility Committee met eight times, with an 73% average attendance. Among the committee's authority and duties:

SUSTAINABILITY AND CORPORATE RESPONSIBILITY POLICIES, STRATEGIES AND PROGRAMS.

The Committee oversees and provides input to management on policies, strategies and programs related to matters of sustainability and corporate responsibility, including, but not limited to, diversity, equity and inclusion goals and charitable giving policies.

EXTERNAL TRENDS.

The Committee considers, analyzes and provides input to management on social, political and environmental trends in public debate, public policy, regulation and legislation and consider additional corporate social responsibility actions in response to such issues.

PERFORMANCE GOALS.

The Committee reviews the goals that Calavo establishes for its performance with respect to matters of sustainability and corporate social responsibility and monitor the company's progress against those goals.

REPUTATION AND RELATIONSHIPS WITH STAKEHOLDERS.

The Committee receives periodic reports from management regarding relationships with key external stakeholders that may have a significant impact on the Company's business activities and performance.

RISK MANAGEMENT.

The Committee oversees and provides input to management on the Company's identification, assessment and management of risks associated with sustainability and corporate responsibility issues, including, but not limited to, climate change and food safety.

PHILANTHROPY.

The Committee reviews our charitable giving policies and programs and receives reports from management on charitable contributions made by Calavo.

REPORTING AND DISCLOSURE.

The Committee reviews sustainability and corporate responsibility reports.

SHAREHOLDER PROPOSALS.

The Committee reviews shareholder proposals relating to public policy, sustainability or corporate responsibility issues and recommends responses to the Board.

The Committee also works with the Nominating and Corporate Governance Committee to determine the appropriate level of engagement with shareholders and other interested parties concerning sustainability and corporate responsibility issues.

Stakeholder Engagement

Due to the ongoing disruptions from COVID-19, our stakeholder engagement efforts looked a little different in 2021. Still, we're proud of our efforts to engage with customers, employees, investors and industry groups throughout the year.

STAKEHOLDER GROUP	PRIORITY CONCERNS	HOW WE ENGAGE	2021 EXAMPLES
Customers	 Safe, nutritious food Reliable delivery and adherence to product specifications Innovative packaging options Sustainable supply chain management 	 Customer tours Tradeshows Sustainability-related questionnaires and scorecards 	 Conducted social responsibility audits per customer request Participated in Project Gigaton survey Collaborated on food waste reduction initiatives
Employees	 Safe and healthy workplaces Fair wages and good working conditions Opportunities to give back 	 Open door policy Performance reviews Orientation and onboarding Employee engagement strategy Skills training/development Ongoing engagement through email, internal newsletters and town hall meetings 	 Expanded emphasis on Day 1 Training: company, policy, benefits, systems and leadership Employee Referral Program Engagement tracking Monthly training, including job-specific skills training Wellness fairs/free vaccination clinics Perfect Attendance Recognition
Investors	 Shareholder value Integrity and business ethics Strategic management of environment, social and governance (ESG) issues 	 Annual Shareholders Meeting Quarterly earnings calls Sustainability report Sustainability-related questionnaires and scorecards 	 Incorporated ESG updates into quarterly earnings calls Desktop review of institutional investor sustainability scorecards and assessments
Industry Groups	Engagement on relevant public policy issues	 Membership in industry associations Leadership positions in working groups, boards & advisory groups Conferences, webinars and other meetings 	 Participated in trade shows, conferences and industry networking sessions Kicked of 10x20x30 food waste coalition activities Company representatives serve on the Board of Directors for the Hass Avocado Board and the United Fresh Produce Association Board of Directors Executive Committee.

Membership Associations

Calavo is proud to be an advocate for sustainability within our industry through our membership in the following organizations:



SUSTAINABLE PACKAGING COALITION (SPC)

is a membership-based collaborative that brings packaging sustainability stakeholders together on subjects as wide-ranging as compostable packaging, circular packaging systems, recycled materials standards and multi-material flexible packaging recovery.



CALIFORNIA AVOCADO COMMISSION,

created in 1978, strives to enhance
the premium positioning of California
avocados through promotion, public relations and engaging in related industry
ctivities. The California Avocado Commission
rovides educational support and legislative
updates to California farmers, as well as
nutritional information to consumers.



THE INTERNATIONAL FRESH PRODUCE ASSOCIATION (IFPA)

is the largest and most diverse international association serving the entire fresh produce supply chain.

IFPA was born out of a merger between the Produce Marketing Association and United Fresh Produce Association in 2022 and exists to seamlessly integrate world-facing advocacy and industry-facing support. Calavo team members are involved with the IFPA and serve on the Board of Directors, as Chair of the Food Safety Council, U.S. Government Relations Council and various committees working to advance



ORGANIC PRODUCE NETWORK (OPN)

aims to inform, educate, and connect through a series of events designed to bring together various components of the organic growing community, including: in-person get-togethers, webinars and podcasts, workshops and programs and digital resources.



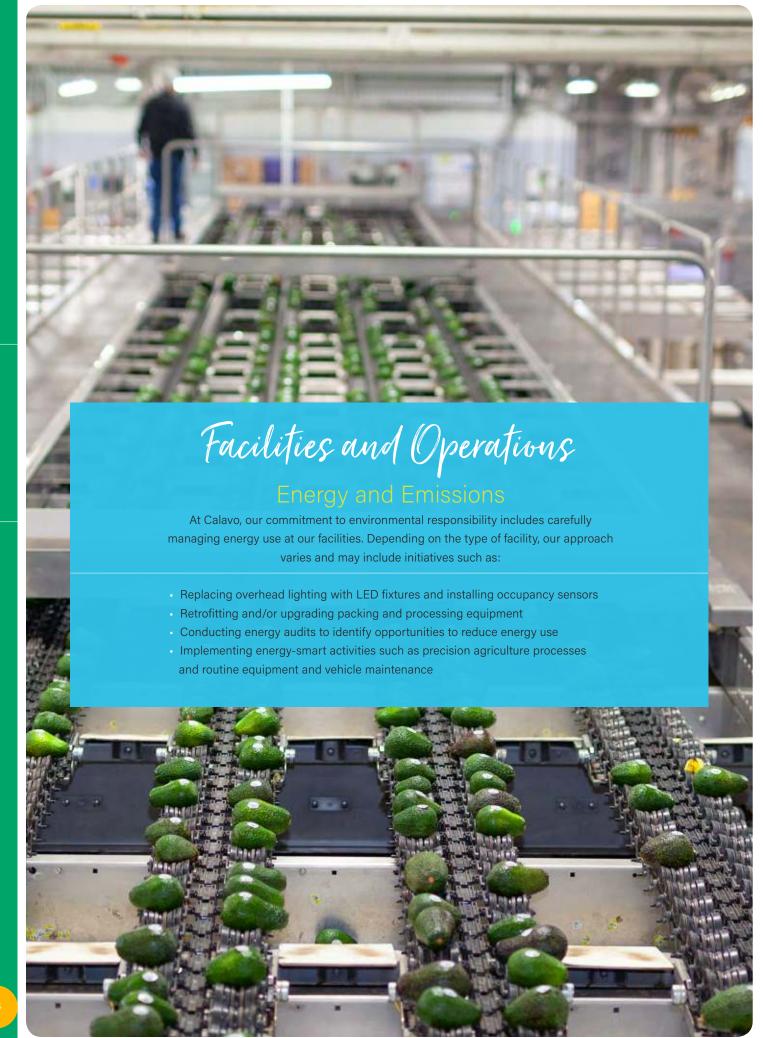
SOCIETY FOR HUMAN RESOURCE MANAGEMENT (SHRM)

creates better workplaces where employers and employees thrive together. As the voice of all things work, workers and the workplace, SHRM is the foremost expert, convener and thought leader on issues impacting today's evolving workplaces. Three members of Calavo's human resources team possess SHRM certifications, demonstrating Calavo's commitment to foster an inclusive culture where all employees are valued and respected.



MEXICAN HASS AVOCADO IMPORTERS ASSOCIATION (MHAIA)

is an industry organization dedicated to supplying consistent high-quality avocados throughout the year, comprised of subsidiary companies Avocados from Mexico (AFM) and a joint venture between Mexican Avocado Producers & Packers (APEAM A.C.). Under agreements, MHAIA and APEAM have combined resources to fund and manage AFM and provide an effective and efficient avocado marketing program in the United States. The Association plays an integral role in reforestation efforts in Mexico, raising environmental awareness for future generations and investing in the educational quality of children.



2021 ENERGY AND EMISSIONS HIGHLIGHTS



In 2021, several of our facilities enrolled in local energy demand response programs, which pays organizations to reduce their power use during peak usage times when the grid is especially vulnerable to blackouts. We received three separate checks in 2021, totaling

\$10,200

and continue to participate in 2022.



WE REPLACED



OF OUR PROPANE FORKLIFT FLEET

with electric models, with an expected savings of more than \$70,000 annually in fuel costs.



WE REPLACED INSTALLATION OF



LIGHTING UPGRADES

at all of our value added distributor (VAD) facilities (see case study on pages 16-17)



EMISSIONS PERFORMANCE DATA (tCO2e)

ENERGY PERFORMANCE DATA (GJ)

	2019	2020	2021
Electricity	170,249	163,271	172,812
Natural Gas	13,106	11,333	10,731
Gasoline*	1,540	1,902	2,887
Diesel*	18,667	25,061	23,428
Propane	3,558	3,286	3,206
Total Energy	207,120	204,853	213,064

	2019	2020	2021
Natural Gas	660	568	540
Refrigerants	9,399	9,399	9,399
Gasoline*	104	129	195
Diesel*	1,302	1,189	1,747
Propane	205	188	183
Total Scope 1 Emissions	11,670	11,601	12,064
Electricity	18,500	17,554	18,341
Total Scope 2 Emissions	18,500	17,554	18,341
Waste	Not tracked		12,993
Total Scope 3 Emissions	Not tracked		12,993

CASE STUDY

LED Lighting Upgrades

In 2021, we continued a multiyear initiative to replace facility fixtures with more efficient LED lighting options. These projects save money, reduce energy consumption and improve the lighting quality for a better employee experience.

TEXAS PREPARED FOODS



light fixtures



annual KWh saved

TEXAS VALUE ADDED DISTRIBUTION (VAD) FACILITY



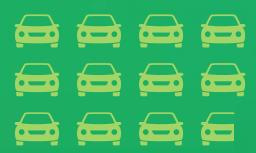
light fixtures



thousands of KWh

REPRESENTS CARS REMOVED FROM HIGHWAY IN 2021*

icon = 6 cars



^{*} This initiative implemented in two of our major facilities



TOTAL

522,294

lbs of CO2 saved annually

212,274

lbs of CO2 saved annually

EQUIVALENT TO:

26,838 gallons of gas saved6,082 seedlings grown49 cars removed from the highway194 acres of forest saved

EQUIVALENT TO:

10,833 gallons of gas saved2,468 seedlings grown20 cars removed from the highway79 acres of forest saved

REPRESENTS ACRES
OF FOREST SAVED IN 2021*

icon = 20 acres



* This initiative implemented in two of our major facilities achieved results comparable to this chart.



Waste and Water

Calavo seeks to minimize pollution to land, water and air because we understand that responsibly managing our waste streams is important to our business and to the communities in which we operate. Each facility is subject to different legal and regulatory requirements and has different waste and water opportunities and challenges; however our approach remains consistent.

Solid Waste: Every facility has a program for managing solid waste and recycling. To the extent possible, we aim to divert waste away from the landfill to recycling, reuse or composting.

Hazardous Waste: All of our facilities are required to obtain and maintain relevant permits for the storage and transfer of hazardous waste, and we have policies and management systems in place at facilities to ensure materials are stored, labeled and handled properly.

Spills: We have procedures in place for spills, including roles and responsibilities, emergency notifications and mitigation steps.

Water Use: More than 99% of the water we withdraw is used for washing produce, cleaning our processing equipment and office sanitation and hygiene needs. Water recycling and reuse processes and technologies are the biggest opportunities for reducing our water use in the future.

Wastewater: Wastewater is tested at Calavo's facilities in accordance with local and state requirements. We discharge to onsite wastewater treatment systems and municipal treatment systems, depending on the location of our operations.

Air Emissions: Each facility maintains the relevant permits for air quality. When necessary, air quality equipment and technology is installed to ensure we are always within allowable emissions.

WATER USE (thousand m3)

	2019	2020	2021
Water Withdrawn	157	177	282
Water Consumed	0.2	0.3	0.1

2021 WASTE AND WATER HIGHLIGHTS

- ★ In 2021, Calavo set out to create a comprehensive recycling program across all facilities in our enterprise. We began analyzing our waste streams and vendors, and added waste tracking to our carbon accounting program to track related greenhouse gas emissions.
- ★ Upon collection of three months' worth of data, we were able to analyze trends and introduce recycling initiatives at all facilities, with a goal to redirect waste that formerly went to landfill, to a recycling commodity. Currently, all facilities actively recycle paper and cardboard, wood pallets, food waste, mixed plastics and metal.
- ★ Throughout our packing and production processes, workstreams are set in place to optimize recycling. For example, corrugate is separated and placed in proximity to cardboard balers; wooden pallets are staged for pickup; and metal is placed in a specific bin for metal recycle.
- In 2021, we diverted 30,792 metric tons of waste from the landfill, or 69% of our our total waste stream.

WASTE & RECYCLING (metric tons)

	2019	2020	2021
Municipal Solid Waste to Landfill	Not tr	acked	10,115
Food Waste to Landfill	Not tracked		3,935
Total Landfilled			14,050
Corrugated Containers	Not tr	acked	1,998
Wood Pallets	Not tr	racked	320
Mixed Recycling	Not tr	acked	73
Mixed Plastics	Not tr	acked	20
Mixed Metals	Not tr	acked	12
Wood Scraps	Not tr	acked	10
Total Recycled			2,433
Corrugated Watermelon Bins for Resale	Not tr	acked	75
Food Waste to Animal Feed	Not tr	acked	26,060
Food Waste to Compost	Not tr	acked	2,224
Total Diverted			28,360

CASE STUDY

Reducing Food Waste



In 2021, Calavo joined the **10x20x30 initiative**, a groundbreaking effort to bring together the world's largest food retailers and providers, each engaging at least 20 suppliers to halve food loss and waste by 2030.

Our "Target-Measure-Act" approach includes a target of reducing food loss and waste in our own operations by 50%; measuring and publishing our food loss and waste inventories; and taking action to reduce our waste.

One of our first initiatives is a closer look at product yield. Are we cutting fruit and vegetables efficiently to optimize yield and minimize loss?

Our yield program includes:

TRAINING EMPLOYEES
ON PROPER CUTTING
TECHNIQUES TO MEET OUR
YIELD GOALS.

ASSESSING THE TOOLS
AND EQUIPMENT NECESSARY
TO ENSURE EMPLOYEES ARE
SET UP FOR SUCCESS.

CONTINUOUS TRAINING ON
INTAKE OF FRUIT AND
VEGETABLES TO ENSURE THEY
MEET OUR QUALITY STANDARDS.

PERFORMING QUALITY
CHECKS AND REPORTING
ANY POTENTIAL FOOD
WASTE GAPS TO OUR
PURCHASING TEAM.



People & Communities

Fair Labor

At Calavo, our success depends on our ability to recruit and retain a qualified workforce. That means offering competitive wages, generous health benefit options including 401(k), onboard training and opportunity for advancement—all of which contribute to productivity and performance.

2021 WORKFORCE HIGHLIGHTS

- → Developed policies and HR Operations metrics to better align management practices
 - Data collection and review of practices with a process improvement focus
 - Foster an inclusive environment with common goals and additional communication
 - Champion people connections with rewards, recognition, and positive reinforcement
 - Sustained equitable impact to decision making to deliver results
- Implemented an Employee Engagement Program with a focus on building greater value for stakeholders by motivating and recognizing employee success while making a social impact
 - Added one or more community events for each site
 - Multilingual communication efforts
 - Monthly Town Hall meetings with frontline employees to give them a voice and nurture human connection

- Wage review of hourly positions to remain competitive in the workplace for like positions
 - Monitored daily overtime and labor
 - Identified remote work opportunities, including alternative scheduling at select locations
- Achieved gender parity within senior management at our Mexican operations, where 40% of supervisors are women. Promoting gender inclusion in training and professional development has been key to this success.
- ★ Ten students from local universities were hired into entry-level positions at our Mexican operations after participating in our Talent Bootcamp, a six-month program where they gain experience, knowledge and skills to support their professional success.

FAIR WAGES

USA (USD\$/hour)	2021 Legal Minimum Wage	2021 Calavo Starting Wage
Arizona	\$12.15	\$12.80
California	\$14.00	\$14.00
Florida	\$10.00	\$13.00
Georgia	\$7.25	\$11.50
Hawaii	\$10.10	\$10.50
Minnesota	\$10.08	\$13.50
New Jersey	\$12.00	\$14.00
Oregon	\$12.75	\$13.50
Texas	\$7.25	\$11.50
Mexico (Mex\$/day)	2021 Legal Minimum Wage	2021 Calavo Starting Wage
Jalisco	\$141.70	\$210.56
Michoacán	\$141.70	\$228.71

See page 35 for details about how we calculated this data

Human Rights

Our Code of Business Conduct and Ethics provides the following protections for all our workers: prohibition on discrimination and harassment based on age, race, color, sex, sexual orientation, religion, national origin, ethnicity, disability, pregnancy, family status or any other legally protected status.

Calavo is also committed to responsible sourcing, including a supply chain free from forced labor and human trafficking. We expect our suppliers to lawfully conduct their business with the same standards of integrity and ethical behavior as we do, and to protect the human rights of their employees and to treat them with dignity and respect.

Our supply chain requirements include prohibiting the use of forced labor or child labor, preventing harassment, abuse and violence, and discrimination, ensuring a safe and healthy work environment, providing freedom of association and collective bargaining, complying with the minimum wage and benefits required by law, ensuring working hours do not exceed the maximum set by applicable law, and operating in strict compliance with all applicable laws and regulations in effect where the supplier does business.

A process is in place for workers to state grievances, make suggestions or report problems to management without fear of reprisal, including an anonymous, bilingual, third-party hotline for reporting concerns. Grievances are investigated and addressed in a documented process.



Calavo

CASE STUDY

Social Audits at Calavo



Workforce Diversity

Diversity, equity and inclusion (DEI) are important to the team at Calavo. With a workforce made up of 50% women and speaking 17 languages, we are focused on providing a workplace where everyone feels welcome. In 2021, Calavo's HR Operations Director was DEI certified through the University of Florida. This training provides additional support for Calavo's continuing commitment to diversity, equity and inclusion.

MANAGERS, SUPERVISORS, AND EXECUTIVES	2019	2020	2021
Men	62.6%	61.1%	61.8%
Women	37.4%	38.9%	38.2%
Hispanic / Latino	36.8%	38.4%	37.2%
White	46.6%	43.8%	38.8%
Black / African American	6.5%	8.1%	10.7%
American Indian / Alaskan Native	0.4%	0.4%	2.6%
Asian	2.9%	3.1%	4.1%
Native Hawaiian / Pacific Islander	4.0%	3.5%	3.1%
Not Specified	1.8%	1.6%	2.6%
Two or More Races / Ethnicities	1.1%	0.8%	1.0%
REST OF EMPLOYEES	2019	2020	2021
REST OF EMPLOYEES	2019 43.9%	2020 44.7%	2021 44.0%
Men	43.9%	44.7%	44.0%
Men Women	43.9% 56.1%	44.7% 55.3%	44.0% 56.0%
Men Women Hispanic / Latino	43.9% 56.1% 45.9%	44.7% 55.3% 39.8%	44.0% 56.0% 45.5%
Men Women Hispanic / Latino White	43.9% 56.1% 45.9% 11.7%	44.7% 55.3% 39.8% 10.0%	44.0% 56.0% 45.5% 12.2%
Men Women Hispanic / Latino White Black / African American	43.9% 56.1% 45.9% 11.7% 10.5%	44.7% 55.3% 39.8% 10.0% 20.5%	44.0% 56.0% 45.5% 12.2% 25.0%
Men Women Hispanic / Latino White Black / African American American Indian / Alaskan Native	43.9% 56.1% 45.9% 11.7% 10.5% 0.4%	44.7% 55.3% 39.8% 10.0% 20.5% 0.4%	44.0% 56.0% 45.5% 12.2% 25.0% 0.3%
Men Women Hispanic / Latino White Black / African American American Indian / Alaskan Native Asian	43.9% 56.1% 45.9% 11.7% 10.5% 0.4% 16.6%	44.7% 55.3% 39.8% 10.0% 20.5% 0.4% 14.4%	44.0% 56.0% 45.5% 12.2% 25.0% 0.3% 11.1%

Race/ethnicity data is for our U.S. workforce only See page 35 for details about how we calculated this data





Worker Health and Safety

Worker health and safety is a top priority at Calavo, and we have embedded safety into every level of the organization. Our Safety Management Program, the foundation for Calavo's commitment to workplace safety, sets parameters for a safe and healthy workplace. Execution of this plan happens at the facility level, where management and staff work together to ensure safety protocols are understood and met across all facets of the business. For example, we have two safety committees: Administrative Safety Committee and Leadership Safety Committee.

The Administrative Safety Committee consists of employees working on the production floor, in the warehouse, maintenance and other direct positions. Members of this committee discuss ways to make the workplace safer for their peers. The Leadership Safety Committee consists of managers from the production and support departments who discuss and implement structural and policy changes to formulate and enhance safety changes across our operations. All of Calavo's packing and processing facilities have a safety policy in place that covers, at a minimum: roles and responsibilities, safety

requirements for all building occupants, personal protective equipment (PPE) requirements and procedures for when an accident or incident takes place. Multilingual branding and communication are paramount to ensuring our Safety Management Program.

Safety Committee: At the corporate level, Calavo's Safety Committee is made up of a cross-functional, bilingual group of executives, responsible for setting the safety program and action/investigations.

Trained Safety Personnel: In addition, we have dedicated personnel with safety training and responsibilities at each of our major facilities.

Regular Safety Training for All Employees: All employees receive safety training at least once a year, and all major facilities have a dedicated safety meeting at least once per quarter.

Suggestion boxes implemented at all facilities allow employees to report ideas and concerns, including anonymously.

2021 HEALTH AND SAFETY HIGHLIGHTS

This year, we introduced a number of new programs and initiatives designed to create a safety culture, engage employees, and better understand safety trends and opportunities.

These include:

- 1. Monthly one-on-one Safety Chair meetings
- Weekly safety huddles that incorporate a safety message each day during the daily huddles
- 3. Pre-shift stretch program
- 4. Monthly Safety Chair group meetings

- 5. Lessons learned review for recent recordable incidents
- 6. Safety Chairs attended OSHA 10-hour training course
- Develop safety KPI dashboard for company-wide and facility-specific data tracking
- 8. Recognition program for Safety Chairs
- Implemented National Safety Governance to provide oversight to the Leadership Safety Committee
- 10. Updated our Injury and Illness Prevention Plan (IIPP)
- Began building our employee health and safety reporting program to log and track all accidents, incidents, claims, and inspections

SAFETY DATA PERFORMANCE

		2020	2021
Total Recordable	US Facilities	21.18	14.26
Incidence Rates (TIR)	Mexico Facilities	14.42	13.34
Days Away Restricted	US Facilities	8.33	3.39
or Transferred (DART)	Mexico Facilities	5.08	6.48
Fatalities	All Facilities	0	0

TIR and DART rates are based on 200,000 working hours, divided by the total number of working hours.

CASE STUDY

Responding to Covid-19



In 2021, we continued to navigate the COVID-19 global pandemic to ensure proactive safety measures were implemented at the workplace. New measures under our health and safety commitment included:

MONTHLY SAFETY MEETINGS
AND TRAINING REQUIRED,
DEDICATED SAFETY COORDINATOR
AT LARGER FACILITIES, WEEKLY
SAFETY HUDDLE AND REGULAR
SANITATION CLEANING AND
SAFETY CHECKS COMPLETED

ENHANCED CLEANING AND
SANITATION PRACTICES IN
COMMON AREAS WITH A 2-HOUR
ROTATION TO INCLUDE DOORS,
TIME CLOCKS, KIOSKS, AND OTHER

ACCIDENT REDUCTION
AND ENHANCED CLAIMS
MANAGEMENT RESULTED
N COST SAVINGS AND HAD
A POSITIVE IMPACT TO
KEY STAKEHOLDERS

HELD A WELLNESS FAIR
AND PROVIDED GIVE-AWAY
ITEMS FROM PARTICIPATING
INSURERS

PROMOTED COVID-19

AWARENESS, AND DEVELOPED

A COVID-19 PREVENTION

WEEKLY MANAGEMENT CALLS
WITH UPDATES ON COVID-19
RELATED ABSENCES, ACTIVITY,
PLANNING AND DEMOGRAPHIC
COMPLIANCE REQUIREMENTS
OR CHANGES

TEMPERATURE CHECKS
TO MONITOR TEAM
MEMBERS ENTERING
FACILITIES

IMPLEMENTED

HOSTED CLINICS TO
ENCOURAGE VACCINATION
AGAINST COVID-19 AND
OFFERED A VACCINE

& INSTALLED BREAKROOM BARRIERS
TO SEPARATE AND SOCIAL DISTANCE.
RESTRUCTURED BREAK SHIFTS
TO REDUCE EMPLOYEE TRAFFIC IN
BREAK AND COMMON AREAS

TRAINED HR TEAM ON
CONTACT TRACING WHERE
EMPLOYEES WERE EXPOSED
TO COVID-19 WHILE MAINTAINING
CONFIDENTIALITY AS
REQUIRED BY LAW

PROVIDED EQUIPMENT
SUCH AS GLOVES AND FACE
COVERINGS, AND COMMUNICTED
A TIMED HANDWASHING
EXPECTATION

ADDED SIGNAGE AND DIRECTIONAL PATHS INSTALLED CLOSURES
AROUND TIME CLOCKS TO
PROTECT EMPLOYEES WHILE
CLOCKING IN AND OUT

CREATED A QUESTIONNAIRE
TO SCREEN VISITORS BEFORE
ENTERING FACILITIES

INSTALLED PLEXIGLASS
SEPARATORS ON PACKING
AND PRODUCTION LINES
TO MITIGATE TRANSMISSION RISK





Ethics and Integrity

Calavo is committed to conducting its business honestly and ethically wherever we operate in the world, constantly improving the quality of our services, products and operations and maintaining a reputation for honesty, fairness, respect, responsibility, integrity, trust and sound business judgment. Calavo's Code of Business Conduct and Ethics outlines basic principles, in both English and Spanish, to guide all directors, officers and employees towards ethical behavior. Our Vendor Code of Conduct sets out similar expectations for our suppliers.

All new hires are required to sign their acknowledgment of, and compliance to, the Code of Conduct. This process is audited annually as part of our overall financial audit process. In addition, directors and executives sign the Code of Conduct every year.

Calavo utilizes a confidential hotline through NAVEX Global for employees to submit their grievances anonymously. Issues and concerns associated with unethical or illegal activities can be reported safely and honestly while maintaining anonymity and confidentiality. Incidents called in are sent to the Board of Director's Audit Committee Chair along with the Director, Human Resources. In addition, we maintain a reporting system to track concerns regarding the company's internal accounting controls or auditing matters by calling 1-888-279-6251 in the U.S. or online at www.ethicspoint.com to leave a confidential message for our audit committee. Calavo's policy prohibits retaliation for a good faith report of unethical, dishonest or illegal behavior, or of any other violation of our Code of Conduct.

DATA AND SECURITY

In 2021, we undertook significant upgrades to our information technology systems to ensure robust data protection, security and privacy, including:

- Upgrading End-Point Security Solution
- Retiring all end-of-life hardware (servers, routers, switches, workstations and laptops)
- Developing a more robust program in software patching and OS upgrades
- · Enhancing on-boarding protocols for new employees to include cybersecurity
- Developing a continuous cybersecurity training for all employees

CASE STUDY

Supporting Local Communities

ENVIRONMENT

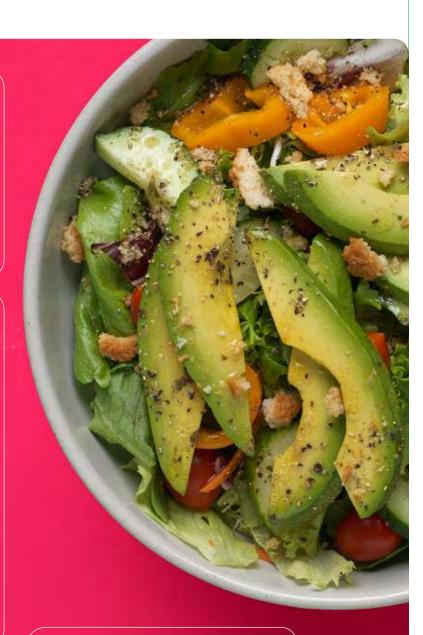
- In Mexico, we donated containers for the correct separation of waste in the community of Arantepacua.
- Provided funding for specialized equipment to help a Civil Protection Organization detect ammonia.

HEALTH

- Donated personal protection and hygiene equipment to first responders for protection against COVID-19.
- Calavo created a partnership to sell unused avocado skins and pits to a local avocado oil producer, using the proceeds to fund the construct of a recreational park in Paracho, Michoacán. The playground consists in a multifunctional court, with inclusive and adaptive features for people using wheelchairs. This project is estimated to conclude in later 2022.

RESPONDING TO COMMUNITY PRIORITIES:

 Supported the restoration of the church in the community of Arantepacua



EDUCATION

 Donated refrigeration equipment for the Instituto Tecnológico de Estudios Superiores de Uruapan, to support training needs for teachers and students at the college

Food Safety and Nutrition

Food safety is Calavo's utmost priority, and we have implemented stringent measures to ensure food safety protocols are in place throughout the supply chain. Our Food Safety Plans are based on the Food Safety Modernization Act (FSMA) and/or Hazard Analysis Critical Control Points (HAACP) requirements and principles.

They include a comprehensive environmental monitoring program, illness transmission prevention procedures, allergen controls to prevent cross-contact and metal detection. Every facility has a written protocol in place, supported by training, directing employees to practice food safety behaviors based on the facility's production processes, customer requirements and risk factors. These components include, for example, requirements around clothing, hair and beard coverings, hand washing and use of gloves.

Every business unit has a dedicated plan for managing crises; facilities have a response plan in case of hazardous spills, as well as natural disaster recovery plans specific to their geographic region and risk profile. Each plan is tailored to the business unit and type of facility, but includes, at a minimum: roles and responsibilities for crisis management, steps to identify and mitigate the problem and directions for communication to key stakeholders as needed.

If food safety issues arise, we implement our **Corrective and Preventive Action** program, which encompasses investigating to determine root causes, resolving the issue or deviation, implementing corrective actions, and reviewing the Food Safety/HAACP plans. This program is managed by the facility's Food Safety team, and the corporate Food Safety & Quality team as needed. Incidents, audit findings and complaints are some of the things tracked and trended to facilitate process improvement.

YEAR	# OF RECALLS	VOLUME METRIC TONS	NOTES
2019	5	7.12	All recalls in 2019 were voluntary. Two of the recalls were due to Salmonella and Listeria monocytogenes concerns in the supply chain; no illnesses were traced back to our products. Three of the recalls were due to undeclared soy allergen; no illnesses were reported.
2020	2	8.31	These voluntary recalls were related to undeclared allergens. There were no reported illnesses.
2021	1	0.03	This voluntary recall was related to undeclared allergens. There were no reported illnesses.

2021 FOOD SAFETY AND NUTRITION HIGHLIGHTS

- In 2021, all facilities were audited against the BRC Global Standards Audit, the most widely used audit for food safety and quality management systems
- ↑ On October 13, 2021, the U.S. Food and Drug Administration (FDA) issued a Sodium Reduction Final Guidance designed to decrease average daily sodium intake by 12% over the next 2.5 years. Approximately 50% of our products by SKU have no salt added to the formulation, making them great choices for consumers watching their salt intake.

APPROACH TO NUTRITION

We define "healthy products" as containing no added sugar or preservatives. In 2021, 86% of sales came from products considered to be healthy, namely fruits and vegetables in their whole, unprocessed state or fresh-cut fruit packed in its own juice, and fresh-cut vegetables packed raw with no further additives.







Sustainable Agriculture

Calavo works with thousands of food suppliers and growers around the world. We have a joint-venture investment in a greenhouse tomato operation in Jalisco, Mexico (Agricola Don Memo), but otherwise do not have direct control over the growing practices of our suppliers. However, we are proud to work with our customers to source products grown with sustainable agriculture practices, including Fair Trade products, organic products, non-GMO products and products with specific sustainable agriculture practices.

SUPPLY CHAIN RISK

Calavo depends on a reliable source of high-quality produce from growers in a complex supply chain. In particular, five ingredients (avocados, tomatoes, watermelon, pineapple and mango) make up about 80% of our food sourcing spend. These produce items are best grown in tropical and sub-tropical locations with healthy soil, lots of sunshine and ample water supply.

As climate change increases the frequency and severity of extreme weather events, we are beginning to integrate climate adaptation strategies into our business model. These strategies include diversifying suppliers, seeking weather-adapted plant species and providing technical support to farmers implementing water efficiency technology.

2021 SUSTAINABLE AGRICULTURE AND CONSERVATION HIGHLIGHTS

In Mexico, we built a pollinator garden, creating a habitat for birds, butterflies and insects. Not only does it provide a protected ecosystem for pollinators, it also provides an opportunity for Calavo to raise awareness amongst employees and visitors about the importance of biodiversity.

Our team also participates in **volunteer turtle patrols** along the beaches of Puerto Vallarta to raise awareness of our local ecosystem threats and opportunities to preserve nature. Volunteers, working with local conservation organizations, locate and rescue turtle eggs from the beach, where they are subject to poaching, predator threats, and harm from motorized vehicles. The eggs are transferred to a sanctuary until they hatch and can be returned to the ocean.



Fair Trade, Organic and Non-GMO Products

While we incorporate sustainability throughout our entire company, we also have specialty programs and products that cater to customers' changing environmental and social preferences. For example, we offer Fair Trade, organic and non-GMO products in a number of areas.

Although our Fair Trade volume is small, we aim to grow it alongside our customers' needs. In 2021, our Fair Trade sales generated \$214,000 in premium funds for the local community, providing 2,695 medical services, 1,159 vision screenings, 3,578 COVID relief food and mask baskets and 14,500 pine tree plantings.

PERCENTAGE OF SALES ASSOCIATED WITH SPECIALTY SUSTAINABILITY ITEMS

	NOTES	2019	2020	2021
Fair Trade	Avocados	1.39%	1.02%	0.55%
Organic	Avocados, Beet Noodles, Broccoli, Butternut Squash, Cauliflower, Guacamole, Mango, Onion, Peppers, Pico de Gallo, Pineapple, Stir Fry, Sweet Potatoes, Veggie Tray, Watermelon, Zucchini Noodles	5.10%	6.60%	6.00%
Non-GMO	Avocados, Tomatoes, Guacamole	0.52%	0.70%	0.54%

Packaging and Logistics

At Calavo, we consider the environmental impacts of packaging throughout the entire supply chain. We work closely with our customers to determine their packaging needs, and offer products that use recyclable, biodegradable, recycled content and reusable packaging. Some of our strategies include:

- Changing packaging from materials that cannot be recycled and require energy applications (like PVC shrink wrap) to those which can be more easily recycled and do not require heat to apply (such as tamper evident packaging).
- Reducing the overall weight of packaging by using film lidding instead of rigid lidding and down-gauging corrugate in favor of lighter weight cardboard.
- Expanding the use of post-industrial plastics (sometimes referred to as regrind) and post-consumer recycled (PCR) plastics.
- Designing packaging solutions with the environment in mind, such as our die-cut boxes, which require little or no adhesive or tape when forming the box before packaging the finished goods.

2021 PACKAGING HIGHLIGHTS

Supply chain disruptions as a result of the ongoing COVID-19 global pandemic put a strain on our packaging and logistics efforts. However, we made progress in three particular areas:



Transitioning products that were using foam packaging to a molded fiber or a recyclable polystyrene



Working with major manufacturers that use recycled Polyethylene terephthalate (rPET) post-consumer content in their products



Collaborating with customers to transition from corrugate shipping boxes to reusable plastic containers (RPCs)

And most exciting:



IN 2022, WE **MADE PLANS TO DIVERT**

OF CALIFORNIA GROWN PRODUCE TO REGIONAL PROGRAMS

> reducing the use of fuel to transport and carbon footprint on the environment







This is Calavo Growers, Inc.'s fourth annual sustainability report covering our performance during calendar year 2021. The previous report was published in July 2021.

BOUNDARIES AND METHODOLOGY

This report is based on a consolidation approach that covers all 19 Calavo owned-and-operated facilities, as well as our joint venture in Jalisco, Mexico where we do not have majority ownership or operational control.

Environmental data has been collected, aggregated and reported in alignment with the Greenhouse Gas Protocol Revised Edition and The Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting & Reporting Standard.

Our carbon footprint disclosures includes the following emissions:

- Scope 1: facilities (natural gas, refrigerants, diesel, gasoline, propane) and company vehicles
- Scope 2: purchased electricity
- Scope 3: Category 5, Waste Generated in Operations

The emissions factors applied to activity data for this GHGI incorporate the 100-year global warming potentials (GWPs) adapted from IPCC Assessment Reports. This GHGI utilizes the GWPs presented in the Fifth Assessment Report (AR5).

RESTATEMENTS

As we continue to expand the scope and rigor of our sustainability data management systems, we have made our best effort to update past years' data to allow for accurate trend analysis. In this report, we have restated emissions, energy, water and waste data, as a result of better data systems. In particular, a more accurate approach to measuring refrigerant use resulted in a significantly lower emissions calculation for 2021 (from 20,214 tCO2e using the old estimation methodology to 9,399 tCO2e using the more accurate asset-based calculation), which we have extended back to 2019 and 2020 to better reflect historical activities. We have also restated selected specialty sales numbers related to fair trade, organic and non-GMO revenue to better align with our consolidated financials; these changes are mostly clerical in nature and do not substantively change the results. Similarly, certain diversity data was restated to better account for self-identified gender and race/ethnicity; these changes were small and do not substantively change our diversity percentages.

INDEPENDENT VERIFICATION

We have engaged Strategic Sustainability Consulting (SSC) to support our sustainability reporting efforts. We believe that this report contains information that is accurate, timely, and balanced. In preparing the material for this report, we have completed an internal assessment process in conjunction with SSC to review the contents for clarity. This report has not been externally assured.

FEEDBACK

We welcome your feedback to our Sustainability Report Team at sustainability@calavo.com.

DISCLAIMER

This report contains statements relating to future events and results of Calavo (including certain projections and business trends) that are "forward-looking statements," as defined in the Private Securities Litigation Reform Act of 1995, that involve risks, uncertainties and assumptions. These statements are based on our current expectations and are not promises or guarantees. If any of the risks or uncertainties ever materialize or the assumptions prove incorrect, the actual results of Calavo may differ materially from those expressed or implied by the forward-looking statements and assumptions. All statements in this report, other than statements of historical fact, are statements that could be deemed forward-looking statements. For a further discussion of the risks and uncertainties that we face, please see the risk factors described in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission and any subsequent updates that may be contained in our Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission. Forward-looking statements contained in this report are made only as of the date of this report, and we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Sustainability Accounting Standards Board (SASB) Index

SASB's "Sustainability Accounting Standards" comprise disclosure guidance and accounting standards for use by U.S. and foreign public companies in their disclosures to investors. SASB Standards identify sustainability topics that are reasonably likely to constitute material information for a company within a particular industry Calavo is moving towards more comprehensive reporting aligned with the SASB standard for the Processed Foods Industry. SASB indicators relevant to the Processed Foods Industry are summarized in the following tables.

ТОРІС	ACCOUNTING METRIC	UNIT OF MEASURE	2019	2020	2021
Energy Management	Total energy consumed* (FB-PF-130a.1)	Gigajoules (GJ)	189,269	180,739	189,830
	Percentage grid electricity (FB-PF-130a.1)	Percent (%)	90	90	91
	Percentage renewable (FB-PF-130a.1)	Percent (%)	0	0	0
Water Management	Total water withdrawn (FB-PF-140a.1)	Thousand cubic meters (m³)	157	177	282
	Percentage in regions with high or extremely high baseline water stress (FB-PF-140a.1)	Percent (%)	58	60	41
	Total water consumed (FB-PF-140a.1)	Cubic meters (m³)	0.20	0.37	0.10
	Percentage in regions with high or extremely high baseline water stress (FB-PF-140a.1)	Percent (%)	0	45	0
	Number of incidents of non-compliance associ- ated with water quantity and/or quality permits, standards, and regula- tions (FB-PF-140a.2)	Number (#)	0	0	0
	Description of water management risks and discussion of strategies and practices to mitigate those risks (FB-PF-140a.3)	Discussion and analysis	See page 18		







ТОРІС	ACCOUNTING METRIC	UNIT OF MEASURE	2019	2020	2021	
Food Safety	Global Food Safety Initiative (GFSI) audit non-conformance rate (FB-PF-250a.1)	Rate	4.5	3.3	5.4	
	Audit corrective action rate for major non- conformances (FB-PF- 250a.1)	Percent (%)		Not applicable – no major non-conformance findings		
	Audit corrective action rate for minor non- conformances (FB-PF- 250a.1)	Percent (%)	100	100	100	
	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program (FB-PF-250a.2)	Percent (%) by cost	99.54	99.54	99.90	
	Total number of notices of food safety violation received (FB-PF-250a.3)	Number (#)	0	1	0	
	Percentage corrected (FB-PF-250a.3)	Percent (%)	N/A	100	N/A	
	Number of recalls issued (FB-PF-250a.4)	Number (#)	5	2	1	
	Total amount of food product recalled (FB- PF- 250a.4)	Metric tons (t)	7.12	7.96	0.03	

торіс	ACCOUNTING METRIC	UNIT OF MEASURE	2019	2020	2021
Health & Nutrition	Revenue from products labeled and/or market- ed to promote health and nutrition attributes (FB-PF-260a.1)	Million \$ USD	1,058.0	947.5	934.7
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers (FB-PF-260a.2)	Discussion and analysis	See pages 29-30		
Product Labeling and Marketing	Percentage of advertising impressions made on children (FB-PF-270a.1)	Percent (%)	0	0	0
	Percentage of advertising impressions made on children promoting products that meet dietary guidelines (FB-PF-270a.1)	Percent (%)	N/A	N/A	N/A
	Product Labeling on Genetically Modified Organisms (GMOs) (FB-PF-270a.2)	Million \$ USD	6.2	7.2	5.9
	Non-GMO Label	Million \$ USD	6.2	7.2	5.9
	GMO Label	\$ USD	0	0	0
	Incidents of non-com- pliance with industry or regulatory labeling and/or marketing codes (FB- PF-270a.3)	Number (#)	0	1	0
	Monetary losses as a result of legal proceedings associated with labeling and/or marketing practices (FB-PF-270a.4)	\$ USD	0	0	0

ТОРІС	ACCOUNTING METRIC	UNIT OF MEASURE	2019	2020	2021
Packaging Lifecycle Management	Total weight of packag- ing (FB-PF-410a.1)	Metric tons (t)	19,832	20,155	19,397
	Percentage made from recycled and/or renew- able materials (FB-PF- 410a.1)	Percent (%)	96	96	96
	Percentage recyclable, reusable, and/or com- postable (FB-PF-410a.1)	Percent (%)	96	96	96
	Discussion of strategies to reduce the envi- ronmental impact of packaging throughout its lifecycle (FB-PF- 410a.2)	Discussion and analysis	See page 33		
Environmental & Social Impacts of Ingredient Supply Chain	Percentage of food ingredients sourced from regions with high or extremely high baseline water stress (FB-PF-440a.1)	Percent by cost (%)	Not tracked		
	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations (FB-PF-440a.2)	Discussion and analysis	See page 31		
Activity Metrics	Total production (FB- PF-000.A)	Metric tons (t)	263,093	275,228	200,967
	Production facilities (FB-PF-000.B)	Number (#)	18	19	19

See page 35 for details about how we calculated this data







