MAKE EVERY DAY



# Sustainability Report 2024

# **CONTENTS**

## **GOVERNANCE**

- 3 A word from our Chief Executive Officer A word from our Chief Technical Δ
  - & Sustainability Officer
- 6 About Perfection Fresh
- United Nations Sustainable 8 Development Goals (SDGs)

# 10

Sustainable prosperous farming

lantino TRUSS TOMATO

- A word from our Head of Sustainability & Packaging



Sustainable metrics

# **ENVIRONMENTAL**

12	The 2025 APCO National Packaging Targets	22
14	Farm and business waste	23
16	Green House Gas (GHG) emission	24
19	Water usage	25
_		

- Using bees to pollinate our berries Platypuses living at our farm Robotic bees take flight, revolutionising pollination
  - Food safety

Disease management

20

32

## SOCIAL

- Empowering Women: 26 Success stories at Perfection Fresh 28 Optimising supply chain sustainability 30
  - Social responsibility
  - Celebrating giving back

33	Supporting the community
35	Work Safe, Home Safe
38	Future proofing our business and building the skills for the future
40	

Ethical business practices



# A word from our **CHIEFEXECUTIVEOFFICER**

I am delighted to present to you our second sustainability report. As we navigate the everincreasing complex landscape of business, it is imperative that we remain committed not only to our financial performance but also to our environmental and social responsibilities. This report serves as a testament to our dedication towards creating a sustainable future for all.

At Perfection Fresh Australia, sustainability is not just a buzzword but is a key element of our strategic plan for the business. It is becoming part of the way we do business daily. We recognise the interconnectedness of our actions with the wellbeing of the planet and society at large. Hence, we continue to integrate sustainable practices into every facet of our operations. Throughout this report, you will find detailed insights into our sustainability initiatives, achievements, and areas for improvement. We have tracked and analysed our performance against key sustainability metrics, striving for transparency and accountability every step of the way. Our commitment to sustainability extends beyond compliance. We believe it is a strategic imperative that drives innovation and fosters long-term value creation.

We have undertaken initiatives to minimise our environmental footprint, reduce waste and conserve natural resources. As we reflect on our journey towards sustainability, we recognise that it is an ongoing process, requiring continuous adaptation and improvement. We remain steadfast in our commitment to drive positive change, not only within our organisation but also across our value chain and the communities we serve.

I extend my heartfelt gratitude to all our team members, partners, customers, and stakeholders for their unwavering support on this journey. Together, we will continue to champion sustainability and pave the way for a brighter, more resilient future.

MICHAEL SIMONETTA Chief Executive Officer



# A word from our CHIEF TECHNICAL & SUSTAINABILITY OFFICER

It is with great pleasure that I introduce our second sustainability report. Over the past year, our commitment to sustainability has only been strengthened, guided by our vision of creating a world where economic prosperity, environmental stewardship, and social equity are intertwined in every aspect of our business.

In this report, you will find a comprehensive overview of Perfection Fresh Australia's sustainability journey, highlighting our progress and ambitions. As we continue to navigate a changing landscape, the importance of sustainability in business has never been more evident.

Throughout the past year, we have remained steadfast in our efforts to embed sustainability into the core of our business. From enhancing resource efficiency and reducing carbon emissions to promoting diversity and inclusion within our workforce, every decision and action has been guided by our commitment to creating value for all stakeholders, now and in the future.

I am grateful of our efforts in reducing our total greenhouse gas emissions as outlined in this report and the progress we have made in the past year. In addition, the ongoing work to build a robust transition plan with challenging, yet achievable, milestones we are currently validating as we work towards our 2050 ambitions.

## As we reflect on our achievements and set our sights on the journey ahead, I am filled with optimism and determination.

While there is still much work to be done, I am confident that with our collective efforts and unwavering commitment to sustainability, we will continue to make meaningful strides towards a more sustainable business and a bright future for generations to come.

I extend my sincere gratitude to all our team for their dedication and support in this vital endeavour. Together, let us embrace the opportunities that lie ahead and chart a course towards a brighter, more sustainable tomorrow.

#### ANDREW REDMAN Chief Technical & Sustainability Officer



# ABOUT PERFECTION FRESH.

Perfection Fresh is Australia's premier supplier of fresh fruit and vegetables, embodying a commitment to excellence, sustainability, and ethical practices. Our core values reflect a deep-seated respect for people, safety, innovation, and care for the environment.

At the heart of our culture lies a profound appreciation for every individual's role, fostering an environment where all are treated with dignity.

We are passionate about growing delicious seasonal produce. And we have harnessed Australia's unique climate and diverse growing regions to make that happen. From the sunstreaked fields of Queensland to the lush midland meadows of Victoria and the mild climates of South Australia.

Our dedication to sustainability extends throughout our operations, from ethical farming practices to responsible sourcing, ensuring that every step we take leaves a positive impact on the environment. We have established our very own Perfection Fresh farm and distribution logistics across the country. And partnered with Australia's finest growers. This means our fruit and vegetables are farm fresh and flavour perfect all year round.

We are dedicated to creating respectful, long-lasting relationships with the Australian farming community to grow the best quality produce for our customers.

Our engagement with supply chains, industry partners, and policymakers reflects our commitment to leadership, sustainability, and ethical business practices.

Our Perfection Fresh Approved Supplier and Supplier Audit Program ensures all our growers comply with ethical, quality assurance and safety standards.

Beyond business, our commitment to community partnerships drives us to make a positive impact on the communities we serve. We support charities like Foodbank, OzHarvest and Ronald McDonald House Charities.

Together, we are shaping a future where every meal is a celebration of perfection and sustainability.



2024 SUSTAINABILITY REPO

# UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

#### The Sustainable Development Goals are a collection of 17 global goals designed to be a "blueprint to achieve a better and more sustainable future for all."

They recognise that ending poverty and other deprivations must go together with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests. The 2030 agenda for sustainable development includes three main areas.



## PEOPLE

We are determined to end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity and equality and in a healthy environment.

## **PLANET**

We are determined to protect the planet from degradation, including through sustainable farming, consumption, and production, sustainably managing our natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations.

## PROSPERITY

We are determined to ensure that all can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature.

On 10 July 2023, the Sustainable Development Goals Report 2023 was issued by the United Nations. It highlighted the impacts of global warming, the war in Ukraine, a weak global economy, and the effects of the COVID-19 pandemic have hindered progress towards the Goals.

The report further warns that while there is a lack of progress, it is the world's poorest and most vulnerable who are experiencing the worst effects of these unprecedented global challenges.

# SUSTAINABLE PROSPEROUS FARMING.

Life on the land and creating a sustainable thriving business has its challenges. At Perfection Fresh, we are striving to build a commercially and environmentally sustainable operation adopting regenerative agricultural practices, where we can.

Regenerative means the act of improving a place or system. The practice aims to improve the environment, to improve the soil and landscape. We want to add more back to the land we farm than we take out.

The Perfection Fresh farms have a target of zero organic waste to leave the farms by 2030. We are well on track to achieving this goal with farms using crop waste as animal feed.

At our grape farms, vine pruning is mulched on site to reduce water loss from the soil, increase the organic matter in the soil and help to reduce weed growth and soil erosion around the vines. Along with efficient irrigation and fertigation the farms reduce the amount of water and fertiliser with the added benefit of reducing greenhouse gas emissions at the same time. Moreover, at Perfection Fresh, environmental regeneration goes beyond specific farm practices, and we like to think holistically including financial outcomes, staff and employee personal wellbeing, community connections and the wider issues of food system fairness.



## WHAT DO YOU LOVE ABOUT BEING A GROWER?

"My passion for growing stems from its dual nature: it's not just a scientific discipline, but also an art. I love orchestrating the sustainable and efficient production of nutritious, delicious foods."

Heather Feetham

PERFECTION FRESH





# A word from our **HEAD OF SUSTAINABILITY & PACKAGING**

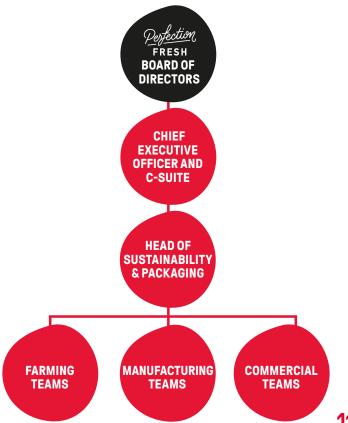
Environmental Social Governance (ESG) continues to grow in importance with our shareholders, customers and employees.

At Perfection Fresh we continue to focus our resources on key ESG issues for the business, adopting new technologies and business practices that promote Sustainable Agriculture and business practices. In 2023 we evaluated suitable ESG reporting platforms that can assist and streamline the huge amount of data that needs to be collected across the business, we are now at the final stages of the selection process and anticipate a system to be implemented in 2024/25. In parallel with this project, we have worked with key shareholders and audit teams to review and validate the information being gathered to ensure we are ready for mandatory climate-related financial disclosure in the next few years.

Moving towards a carbon neutral business, Transition planning in line with our 2030 GHG reduction and 2050 carbon neutral sciencebased targets, the business has been developing comprehensive transition plans for all sites. These will be finalized in mid-2024. However, some key activities are already underway such as the rollout of solar energy production across the farms and manufacturing sites.

#### MICHAEL LIDDELL

Head of Sustainability & Packaging



# THE 2025 APCO NATIONAL PACKAGING TARGETS.

The 2025 APCO targets are rapidly approaching and Perfection Fresh is well positioned to deliver on our commitments that all retail packaging is optimised, recyclable or reusable.

The APCO target is to have 100% of retail packaging recyclable, reusable, or compostable by 2025, carry the ARL logos and have an average of 50% recycled material where possible.

Progress has been hampered by challenges in the soft plastic recycling supply chain. In addition, there have been problematic packaging items that have been challenging to replace due to prohibitive costs or negative impact on the shelf life of products.

## RECYCLABLE PACKAGING COMMITMENT PROGRESS TO 2025

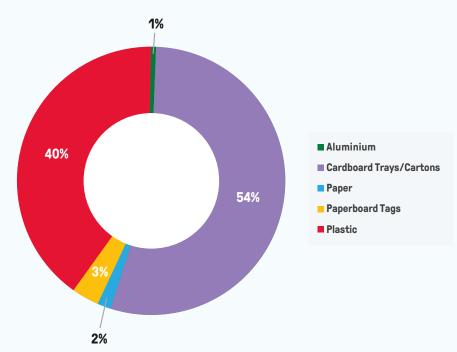
#### FY21: 83%

- FY22: 90% of 1,919,459 kg of packaging used was recyclable/reusable
- FY23: 91% of 1,997,272 kg of packaging used was recyclable/reusable
- FY24: 95% forecast
- FY25: 100% forecast



## PERFECTION FRESH PACKAGING MATERIALS FY23

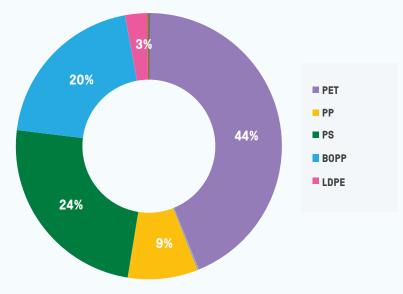
Problematic packaging is packaging that cannot be recycled or is difficult for consumers to recycle, this makes up 24% of total plastic (refer to chart below). During 2023, Perfection Fresh commenced the phase out of Broccolini® polystyrene cartons replacing them with recyclable cardboard cartons and polypropylene liners.



## PLASTIC RECYCLING STREAMS 1-7 FY23

Currently, more than 90% of Perfection Fresh branded retail products carry the ARL labels and we will have 100% with ARL labels by mid-2024.





# FARM AND BUSINESS WASTE.

PERFECTION FRESH AUSTRALIA – FOOD AND FARM WASTE TARGET: NO ORGANIC WASTE TO LEAVE FARMS BY 2030

## **WASTE HIERARCHY**



At Perfection Fresh our aim is to avoid producing waste and to have no organic waste leaving our farms. We are reusing our organic waste as mulch, soil enrichment and animal feed. This supports regenerative agriculture practices and improves soil carbon content. At our grape farms we are now using all organic waste. Progress is being made at our berry farms with mulching. At our tomato and cucumber farms, more tomato and cucumber crop waste is being used as animal feed.

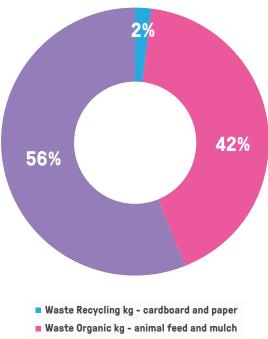
## TOTAL BUSINESS WASTE BY TYPE FY23

Organic green waste is a major methane scope 3 GHG contributor at Perfection Fresh and the wider horticultural industry.



## TOTAL ORGANIC WASTE HAS INCREASED FROM FY22 TO FY23 – 4,541.5T ORGANIC WASTE CONTINUED TO LEAVE THE FARMS.

## FY23 **7 OUT OF 10 PFA FARMS** HAVE NO ORGANIC WASTE LEAVING THE SITES.



Waste Landfill kg - solid and organic

# GREEN HOUSE GAS (GHG) EMISSION.

#### IN FY22 WE COMPLETED COMPREHENSIVE GHG INVENTORY COVERING 21 SITES TO ESTABLISH SCOPE 1 AND 2 EMISSIONS

In FY23 we have seen a reduction in scope 1 and 2 GHG emissions by 10% (Refer to GHG emissions Scope 1 & 2 location based on page 40). The reduction has been achieved through activities such as:

- **SCOPE 2:** Farms moving to green energy supply and solar generation onsite.
- **SCOPE 1:** Roll out of electric and fuel-efficient vehicles.

## TOP 3 SCOPE 1 AND 2 EMISSIONS FY23 ACROSS THE BUSINESS

**STATIONARY AND TRANSPORT ENERGY SCOPE 1** – natural gas is used for greenhouse heating mainly during the winter months and CO<sub>2</sub> enrichment to promote plant growth and increase crop yields. Transport fuel is used to drive the business fleet of vehicles such as gas forklifts, diesel tractors and utes.

FARM FERTILISER APPLICATIONS SCOPE 1 – are managed carefully through fertigation systems and adjusted to meet crop lifecycle demand. GHG emissions from fertilisers are generated through nitrous oxide release from nitrogen-based chemical fertiliser and organic fertiliser such as cow manure. In FY23 GHG emissions from nitrogen-based fertiliser made up 3% of the total emissions.

#### PURCHASED IN ELECTRICITY, INDIRECT SCOPE 2 -

emissions are a significant contributor to GHG making up approximately 18.0% of total Scope 1 and 2 Perfection Fresh GHG emissions. During FY23 we saw a significant decrease in GHG emissions from purchased electricity driven mainly by the continued rollout of solar electricity generation across our farms.

## CLIMATE TRANSITION PLAN TO 2050

Perfection Fresh is committed to a climate transition plan by 2050. We are clear on what we want to achieve, where we currently are, and the path we need to follow to get there.

Our responsibility to combat climate change drives us to pursue genuine decarbonization in the real economy.

Continuously refining our Climate Transition Plan (CTP) is integral to integrating impactful strategies into our business model.

Aligned with the Science Based Target Initiative (SBTi), we've established a long-term net zero ambition.

Our near-term targets are under constant review, subject to validation with our shareholders. Placing shareholder and customer interests at the forefront, we enhance value by decarbonising and managing climate risks.

Recognising the necessity of collective action, we actively engage with key stakeholders across the agricultural value chain to realize our net zero ambition.

## PIONEERING CLIMATE ACTION IN MOTION

With our inaugural CTP being finalised in 2024, we're continuing to accelerate our journey towards sustainability. Our near-term objective is to deliver a 42% reduction in Scope 1 and Scope 2 GHG emissions (including biogenic CO2) by FY2030 from our FY2023 baseline, aligning with SBTi guidelines.

Key to our strategy is two prioritised GHG mitigation actions currently under evaluation, which will be further refined over the coming year. To deliver this ambitious goal, we need to validate the CTP and ensure that these actions will deliver both the desired reduction in GHG from the technical standpoint and be financially sustainable to ensure the long-term health and prosperity of the business. Among these actions is the exploration of on-site solar electricity generation across our farms, warehouses, and distribution centres.

Moreover, we've proactively identified primary transition risks and opportunities, with plans to expand this assessment to include physical risks and opportunities in the near future.

Perfection Fresh is not just planning for change — we're actively implementing solutions to drive meaningful progress towards a sustainable future.

## GUIDING CLIMATE ACTION WITH INDUSTRY STANDARDS

Our CTP is crafted in accordance with leading industry directives from the UK Transition Plan Taskforce (UK TPT) and the Glasgow Financial Alliance for Net Zero (GFANZ).

(See page 10 of the Perfection Fresh 2023 Sustainability Report for more information.)

Acknowledging the evolving nature of climate transition guidance, we remain agile in our approach.

Continual refinement ensures alignment with both current industry standards and our evolving business strategy.

#### OUR NEAR-TERM GHG REDUCTION TARGETS:

We aim to reduce our absolute Scope 1 and 2 GHG emissions by **42% by FY2030**, compared to a **FY2023 baseline**.

Total Scope 1 and 2 (including biogenic C0<sub>2</sub>)



# **44% REDUCTION** IN KWH PURCHASED

## GREEN HOUSE GAS (GHG) EMISSION – ELECTRICITY USAGE



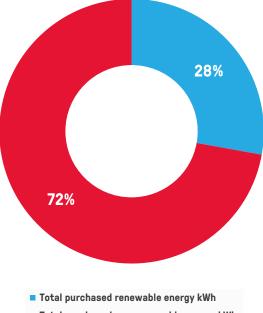
During FY23 Perfection Fresh consumed some **14 million kWh of purchased electricity across** all sites. This is a significant reduction from FY22 when close to 25 million kWh was consumed.

The decrease has been driven by the rollout of solar energy generation across farms and selected sites, along with energy efficient lighting and equipment.

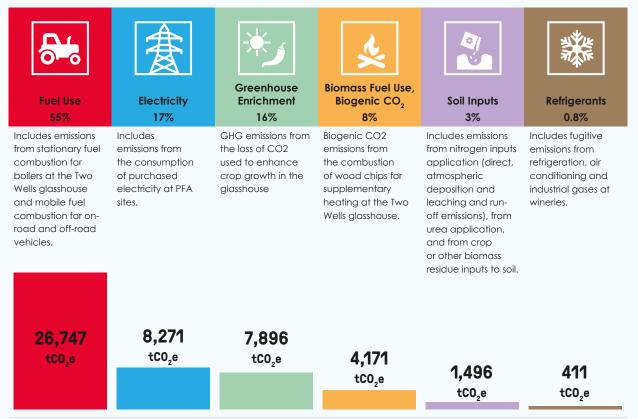
## TOTAL BUSINESS ELECTRICITY BY TYPE (2023)

Solar electricity generation will be a key factor in reducing Perfection Fresh's GHG emissions and meeting our 2030 progress and 2050 net zero targets.

We now have 10 farms with solar electricity generation capacity and with Two Wells and the Sydney manufacturing sites recently joining electricity production, the total capacity will be 4000 kWh across the business.



# **SCOPE 1 AND 2**

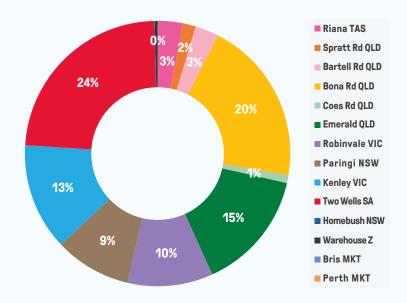


Our Baseline FY2023: 48,993 tonnes of CO<sub>2</sub>e

## **TOTAL BUSINESS WATER USAGE** OF 4,812 MEGA LITRES

Water was drawn from a combination of water sources including rain harvesting, channel irrigation and reclaimed water. The major water usage site is Two Wells, South Australia with 100% of the water being a combination of reclaimed town water and rain harvesting from the glass houses.





# DISEASE MANAGEMENT.

At our berry farms we have adopted a new technology - BioScout - to help target blueberry and raspberry plant diseases, especially rusts and moulds.

These microscopic reproductive structures, produced by fungi, can be dispersed through the air, acting as silent agents of infection, or commonly called plant pathogens. The technology captures the fungi spores and takes highly detailed microscopic imagery of the spores.

After a carefully controlled sampling time, the imagery is checked by an automated microscope.

The microscope identifies disease spores, the disease spore numbers are measured daily. The information is sent to the farm managers who can filter data based on individual types of spores and particular target diseases and timeframes.

This helps them make informed decisions on disease management and when to apply fungicides and to which areas of the farm the fungicides need to be applied. It also helps to reduce the amount and frequency of fungicide applications.

Not monitoring and combating plant diseases can lead to substantial economic losses, reduced yields, and increase food waste. Understanding the implications of diseases and finding practical and timely solutions to prevent their spread ultimately reduces economic losses, safeguards crop yields and results in minimised environmental impact.



2024 SUSTAINABILITY REPORT

# USING BEES TO POLLINATE OUR BERRIES.

Berries are highly dependent on insects' pollination for a successful fruit set and yield. Bees are efficient pollinators due to their foraging behaviour, ability to carry a large amount of pollen and their attraction to nectar-rich flowers of these crops. There are several reasons why bees are preferred for pollination in berries.

Bees are excellent pollinators due to their ability to visit multiple flowers in a short period. Berry plants are also specially adapted for bee pollination, and by using bees as pollinators, the quality and quantity of the berry crop are enhanced.

Using bees for pollination not only benefits the berry crops but also enhances biodiversity on the farm. By encouraging the growth of native plants that attract bees around the berry crop, the diversity of other natural pollinators, like bumble bees and hover flies, and other natural insects increases. This promotes more effective crop pollination and helps control pests that may be present in the berry crop.

Proper hive placement is also crucial for effective pollination. Placing hives in areas with early morning sun encourages early movement of bees. Additional attractants are also strategically placed within the berry crops to further stimulate bee activity throughout the entire area.

Further, to minimise bee mortality, a soft chemical program is followed. Pesticide spraying occurs at night when bees are not actively foraging, reducing the impact on both bees and other naturally occurring insects in the berry crop.

With the detection of the Varroa mite in Australia in June 2022 and the transition from eradication to a management strategy in 2023, ensuring the health and viability of the bee population in Australia is more critical than ever given how critical a role they play in food production in Australia.

Bee pollination is a vital component of sustainable agriculture on berry farms. By recognising the importance of bee pollination and implementing pollinator-friendly practices, farms can enhance crop productivity and conserve biodiversity.



# PLATYPUSES LIVING AT OUR FARM.

## During an inspection of the dams at our farm Riana in Tasmania, five new platypuses were found.

Platypuses are integral indicators of the health of our water ecosystems, and their presence in our dams is a testament to the cleanliness and ecological richness we strive to maintain.

While platypuses are not typically domesticated or intentionally farmed, they may be found in farm dams due to the favourable conditions the water bodies provide including:

- An abundance of food;
- Shelter and nesting sites;
- Connected water systems; and
- Low disturbance environment.

The presence of native platypuses in our farm dams underscores our conviction that sustainable farming practices can produce high-quality produce and safeguard and conserve our environment.

# 

# **ROBOTIC BEES TAKE FLIGHT, REVOLUTIONISING POLLINATION.**

Perfection Fresh has embarked on a pioneering initiative by incorporating drone technology for pollination trials at our Two Wells glasshouses in South Australia.

Given the prohibition on using bees for pollination within glasshouses, pollination has traditionally relied on labour-intensive manual efforts. Leveraging our extensive background in agriculture and commitment to innovation, we have begun drone trials as a more efficient and effective means of pollination.

Two Wells, the largest glasshouse facility in the Southern Hemisphere, cultivates tomatoes and Qukes® across 43 hectares. This facility stands as a testament to our unwavering dedication to sustainable farming practices, ensuring a secure supply chain, and nurturing an environment conducive to optimal crop growth.

The inherent reliability of quality is achieved through a meticulously controlled growing environment, positioning it as the most efficient in the industry. The utilisation of drones offers a potential advantage in terms of speed and consistency, promising a more efficient pollination process for our plants. Furthermore, beyond pollination, drones hold the potential to revolutionise data collection in agriculture. They could serve as a futuristic means of recording critical crop registration data and enable comprehensive reviews of entire glasshouses, as opposed to relying on small samples. This, in turn, empowers growers to make more informed and strategic decisions for optimal crop cultivation.

Notably, drones have already proven their versatility in various agricultural applications, extending beyond pollination. In addition to their role in enhancing the efficiency of crop pollination, these drones contribute to crop forecasting and disease monitoring within the agricultural landscape.

The integration of drone technology stands as a testament to Perfection Fresh's commitment to advancing sustainable and technologically driven farming practices.

# FOOD SAFETY.

At Perfection Fresh food safety culture is of paramount importance.

Food safety is not just about following regulations and customer requirements, it is the culture that Perfection Fresh promotes across the entire organisation.

Everyone, from senior management to frontline employees, takes responsibility, pride, and care in producing safe food.

It is also demonstrated by our senior management's commitment to providing the necessary resources and continuous training for the employees, effective communication and addressing potential food safety issues.

We strive to embrace a strong food safety culture with the goal of providing safe food to our customers.



# **EMPOWERING WOMEN: SUCCESS STORIES AT PERFECTION FRESH.**

We express our gratitude to the skilled women who play vital roles across every aspect of Perfection Fresh, encompassing our farms, markets, glasshouses, and office environments.

Among them is Patricia Simbolo, who works as a crop worker in one of our glasshouses located in Two Well, South Australia.

Originally from Vanuatu, Patricia travels to Australia to contribute to the nurturing of our produce, simultaneously tending to the needs of her family.

This is her story.

## FROM VANUATU TO TWO WELLS

My name is Patricia Simbolo and my role is in the glasshouses harvesting Qukes® and tomatoes.

I'm part of the PALM scheme, which allows people, like me, from Pacific nations to come and work in Australia. Under my PALM visa, I can come to Australia for between six to nine months, which is known as a season, and then I return to Vanuatu. This my fourth season with Perfection Fresh.

I joined Perfection Fresh with the intention of building on my horticulture skill set, securing viable employment and being a part of a friendly team.

Away from work, I am a mother of five children, and through my work I have been able to financially support them throughout their school life to ensure they have been provided with educational opportunities. This has paved the way towards a happy and successful life in Vanuatu for them. Three of my children are now employed in their own jobs and two are currently at university studying business management and civil engineering.

I continue to enjoy my work and I would describe my work team as my 'work family' because of the way we are with each other.

I plan to return to Australia for a fifth season. This time my focus will be on completing my next life ambition: to purchase land and build my own home for my family in Vanuatu.



PERFECTION FRESH

We also hear from Sarah Owen, who is our human resources manager at Two Well, South Australia.

## I AM A MUM FIRST

My name is Sarah, and I am the human resources (HR) for our farms, based in Two Wells, South Australia. I am originally from New Zealand. I have been in Australia and with Perfection Fresh for eight years.

What attracted me to Perfection Fresh was the chance to work in a large, diverse fresh produce organisation, where it appeared no two days were the same.

The opportunities I have encountered, and the growth Perfection Fresh has gone through, almost make it seem like a new organisation; we are constantly evolving.

There has not been a dull day and the exposure across the different facets of HR has been truly amazing.

My role requires me to partner with the farms team to provide HR advice, guidance, and support.

In late 2022 I was lucky enough to go on a recruitment trip to Vanuatu. During this trip we not only spoke with more than 500 potential PALM workers for our farms, but we got to visit workers who had completed seasons with Perfection Fresh and were now enjoying the fruits of their hard work.

It was humbling and so special to be welcomed into their homes that they were so proud to share. Knowing that Perfection Fresh played a part in helping them achieve their goals, is something I will never forget.

We are so lucky to have such a diverse culture here at Perfection Fresh. The backgrounds, the stories, the experience that everyone brings makes it so unique. I'm lucky to have a great team around me and have developed great relationships. My role has allowed me to develop as a HR professional. Not only by giving me the opportunities to expand my knowledge and skills but supporting me with external development, too. The leaders I have been lucky enough to work with have shared their knowledge and allowed me to be the HR manager I am today. I am thankful for the growth I have seen in myself from this support.

As all working parents would know, the juggling act that is parenting and working is relentless, as mums we are also usually the default parent.

Being the default parent and working full-time has only been able to be a reality for me due to the flexibility and support that Perfection Fresh has shown me. I am a mum first and being able to work from home if my daughter is sick or leave early for sports days or kindergarten pick up has eased the pressure of trying to be everything to everyone.

We are people beyond work and the fact that Perfection Fresh acknowledges and support that has not only made the transition to parenthood easier, but also cemented why I chose to work here.



# OPTIMISING SUPPLY CHAIN SUSTAINABILITY.

How partnering with Perfection Fresh can drive long-term success and profitability.

With the mounting emphasis on sustainability and the rising significance of responsible sourcing, forward-thinking businesses are directing their attention towards the resilience of their supply chains.

This shift is driven by growing customer expectations for products that are not only sustainably produced, but also align with expanding regulatory standards. By embracing responsible sourcing practices, we can foster resilience – a pivotal element for success in today's intricate and unpredictable business landscapes, characterised by climate change, economic upheavals, limited resources, and the erosion of biodiversity.

Responsible sourcing is positioned as a key strategy to foster resilience and presents major opportunities that will enable our business to enhance efficiency and effectively navigate risks. Implementing sustainability is not a shortterm fix; it requires continuous monitoring to identify and respond to supply changing risks and improve performance.

By ensuring compliance with ethical and sustainable business practices, building trust and loyalty with our customers and aligned partners, differentiates our business from our competitors, and will lead to supply chain resiliency savings and sustainable optimisation for the future.



## **REUSING AND RECYCLING**

Perfection Fresh produce requires particular care as it travels from the paddock to the family kitchen.

We use a range of Reusable Plastic Containers (RPCs) or reusable crates to protect fresh produce and reduce single-use packaging such as polystyrene and cardboard cartons.

The reusable crates have a standardised footprint, interlocking design that can improve transport efficiencies throughout the supply chain.

Perfection Fresh works closely with growers, wholesalers and retailers ensuring the safe transport of fresh produce. In 2023 more than 2.5 million reusable crates were used across the supply network, reducing waste and single-use packaging. It also provided the added bonus of less greenhouse emissions.

Did you know that you can avoid the creation of up to 68% of carbon emissions, the production of 99% less waste and save approximately 85% in water usage by using RPCs over single-use packaging?

Source: Carre, A. Bontik, P-A. 2010. Centre for Design & RMIT University, A Comparative Life Cycle Assessment of Returnable Plastic Crates versus a Disposable Cardboard Carton for Fresh Produce Distribution

# SOCIAL RESPONSIBILITY.

The Perfection Fresh human resources team travelled to Port Vila, Vanuatu as part of recruitment drive to interview potential workers for the PALM Scheme (seasonal workers' program).

The Perfection Fresh team interviewed approximately 500 applicants over three days.

As part of the process applicants went through interviews to understand their goals, colour testing, strength testing and dexterity testing. The reality was that for most applicants, they were after a better quality of life for their family and most lived in very harsh conditions. Their goals were to save money while working in Australia in order to be able to build a home for their family and pay for school fees for their children.

Some female applicants were widows and single mothers that were left to provide for their children and the children of their close relatives.

#### WHAT IS THE PACIFIC AUSTRALIA LABOUR MOBILITY SCHEME?

The Pacific Australia Labour Mobility (PALM) scheme allows eligible Australian businesses to hire workers from 9 Pacific Island countries and Timor-Leste when there are not enough local workers available.









# **MEET SUE.**

Sue Pile is one member of the Perfection Fresh human resources team that travelled to Vanuatu. She shares her story and why she loves helping people.

Hi, my name is Sue Pile, and I am a seasonal worker liaison officer.

Prior to working with Perfection, I had over five years working with seasonal workers from Vanuatu, Fiji, Kiribati and East Timor. So, when I was asked by Perfection Fresh if I would be interested in being the seasonal liaison officer for Two Wells, South Australia it was a no-brainer.

A seasonal worker liaison officer is my job title although 'Mama Sue' is the nickname given to me eight years ago by all my seasonal workers. This nickname has stuck and is remembered and spoken about all over in Vanuatu, Fiji, Kiribati and East Timor to this day (when visiting Vanuatu I am made to feel like a celebrity hearing 'Mama Sue' coming from all directions whether at the airport or walking down the street. It's humbling and very special).

It is a name that didn't just fall on my lap. It was one that I have earnt from the seasonal workers to them meaning trust, honesty, caring, being supportive, being there for each and everyone be it on site at work, or on the phone, being a voice when they feel they need it, being someone they can come to with the smallest or biggest of issues. When each seasonal worker enters Australia, they have left behind their families, their culture, their home.

I am their contact at Perfection Fresh where I like to make it empathetically clear to them that 'Mama Sue' and Perfection Fresh thank them all for coming over. And for being a part of our Perfection Family. Also, for contributing to the products Perfection Fresh market, making them feel proud to know that their produce gets out to our valued customers and to the people of Australia.

# **CELEBRATING GIVING BACK.**

At Perfection Fresh, we play a significant role in giving back to the community through charitable collaborations, sponsorships and regional involvement.

Our Corporate Social Responsibility (CSR) is a fundamental aspect of our business, and we recognise and applaud the impact it generates. We do this to build stronger connections and relationships and contribute to developing a positive workplace culture.

We believe that supporting communities is an ongoing process. It requires a long-term commitment to making a positive change and a willingness to work collaboratively with others to achieve shared goals.

# SUPPORTING REGIONAL COMMUNITIES

Perfection Fresh provides support to various charities and sporting clubs in the regional communities in which we operate. These regional clubs are an important social component of regional life and serve as hubs for community building and fostering relationships.

Clubs like the Gatton Hawks and the Two Wells Football & Netball Sporting Club serve as places of activity, fostering camaraderie and inclusivity. By backing local sports, we're not just investing in games; we're investing in the fabric of our community.

#### CELEBRATING 26 YEARS OF PARTNERSHIP: GATTON HAWKS



In 2024 Perfection Fresh celebrates 26 years of continuous sponsorship of the Gatton Hawks. The Gatton Hawks are a rugby league club

located in the fertile Lockyer Valley in Queensland.

Gatton provided an ideal locale for Perfection Fresh's growing initiatives. It's in Gatton that Perfection Fresh have trialled some of our most famous produce, like Broccolini<sup>®</sup>. It also signalled our commitment to collaborating closely with local growers to cultivate quality produce.

#### FOSTERING LOCAL SPORTS: TWO WELLS FOOTBALL & NETBALL SPORTING CLUB

Since 2012, Perfection Fresh has supported the Two Wells Football & Netball Sporting Club. This support has contributed to the growth of Australian rules football and netball at the grassroots level in Two Wells, South Australia.

Two Wells is also the home of the largest glasshouse in the Southern Hemisphere, our 43-hectare glasshouse, which grows more than 18 million kilos of fresh produce yearly.



# SUPPORTING THE COMMUNITY.

# Supporting the community is a vital ingredient within the social pillar of our ESG strategy.

With 3.7 million households in Australia struggling to put food on the table in the last 12 months, according to the Foodbank Hunger Report 2023, food insecurity in Australia is affecting more people today than at any time in the past. Perfection Fresh actively contributes to addressing this issue as a food donor and supporter of Foodbank and OzHarvest, two of Australia's leading food rescue and food relief organisations.

## FOODBANK

In 2023 Perfection Fresh donated fresh produce, equivalent to 393,700 meals, to Foodbank Australia.

These meals help everyday Australians in need and those suffering from food insecurity.

According to Foodbank, 48% of the population feels anxious or struggles to access adequate food consistently.

Perfection Fresh is honoured to be helping Foodbank Australia.





## **OZHARVEST**

OzHarvest collects quality excess food destined for landfill from food donors, and producers like Perfection Fresh, and delivers it free of charge to 1,500 charities across the country. These charities include domestic violence refuges, school breakfast programs, homelessness shelters and community outreach programs.

The produce we donate weekly is delivered to schools across Sydney, helping students gain access to fresh fruit, and OzHarvet's Market in Waterloo – a free market providing people in need with rescued fresh produce and pantry staples.

Over the past year Perfection Fresh has donated 39,814 kilos of fresh produce. That's an average of 750 kilos of fruit each week, or the equivalent of 79,628 meals and 38,221 kgs of greenhouse emissions avoided. (1kg 0f Food Waste = 0.96kgs of CO<sub>2</sub>e.)

We look forward to supporting OzHarvest to expand and continue their valuable work to help ensure fresh produce doesn't go to waste and feeds people in need.

## PERFECTION FRESH: SUPPORTING STUDENTS

Perfection Fresh produce is collected by OzHarvest who deliver it to primary and high schools in the Sydney metropolitan area.

Many of these schools are in low socio-economic areas in the west of Sydney, where students struggle with food insecurity and hunger. This affects their ability to learn, as well as their health and wellbeing.

The produce assists in nourishing these children and meeting their dietary needs.

# WORK SAFE, HOME SAFE.

Perfection Fresh continued the implementation of the Work Safe, Home Safe program which supports all Perfection Fresh team members to focus on the safety of each task they carry out.

The focus of this program is to ensure their work is conducted in a manner that minimises risk of injury, harm to the environment, or property damage.

A key aim of this program is to ensure all team members, contractors and volunteers go home after their day at work in the same condition that they came to work.

A key element of the program is safety messaging and communication at all levels within the organisation. This includes increasing awareness across the group following an incident, highlighting the root cause of an incident, preventative measures and the key learnings.

This information is communicated via a Safety Hazard Alert and presented to all staff as a tool box talk. It provides team members with an opportunity to learn from an incident and to minimise the likelihood of a repeat incident.

Reporting of an incident within a timely manner is another key component of the communication strategy. Early notification allows appropriate responses to be delivered and control measures to be developed at the earliest possible stage. The implementation of the Work Safe, Home Safe program has delivered a significant improvement in safety performance across Perfection Fresh. The Total Recordable Incident Frequency Rate (TRIFR) has decreased from 17.0 in January 2023 to 9.8 in December 2023.

Between January and December 2023, the Lost Injury Frequency Rate (LTIFR) reduced from 7.7 to 5.5. The LTIFR is calculated from the total number of Lost Time Injuries per million hours worked and is a based on a moving 12 months. The reduction is a reflection of the proactive injury management practices implemented over the 12 months. These practices allow the injured worker to maintain social interaction with work colleagues and ensures the worker is provided with meaningful employment, assisting the injured worker to recover at work.

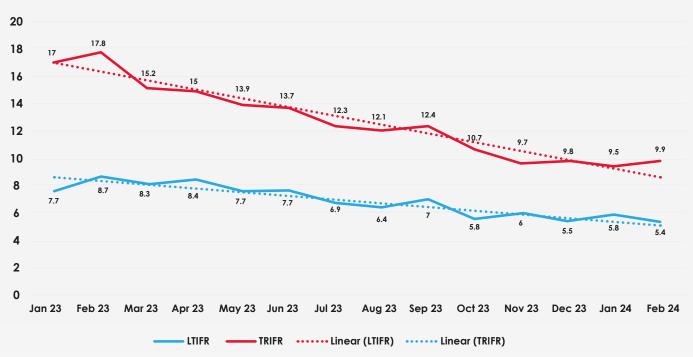
TRIFR is a measure of total lost time and medical treatment injuries per million hours worked. Reduced frequency rates correspond to decreased instances of lost time and injuries requiring medical treatment. TRIFR is a standard measure of performance that can be compared within an organisation and within industry groups.

In 2023 the safety function was restructured, and the position of Regional WHS&E Business Partners were realised. Each WHS&E Business Partner now works across Perfection Fresh within their region, replacing the former separated structure of Farms and Commercial. This new structure provides better utilisation of resources and the sharing of knowledge. In addition to the newly-created position of Regional WHS&E Business Partners, a National Injury Manager Advisor was imbedded in the team. The new resource has contributed to the reduction of the number of workers' compensation claims and the reduction in TRIFR. It is anticipated that in the future Perfection Fresh will also see a reduction in the duration of workers' compensation claim as the early intervention program is established throughout the organisation.

2023 saw several improvements in safety training and we would foresee that this will continue in 2024, with a greater emphasis on competencybased training. In October, our chief executive officer, Michael Simonetta, released the first safety focus video to all Perfection Fresh team members. The video content highlighted key safety rules and overall company safety performance. The video was presented as a toolbox talk and was well received by all staff. The safety message reinforced the importance of safety in everything we do and PFA commitment to safety.

The implementation of the Work Safe, Home Safe program will continue throughout 2024 with a focus on Safety System Integration and Compliance Auditing. This phase of the program will cement the systems into all aspects of Perfection Fresh and guarantee ongoing monitoring of the program.

Injury Management and Early Intervention will continue to develop and safeguard injured workers, providing a clear method of returning to the workplace as soon as practically possible. During 2024 we will see a greater focus on competency-based training, ensuring our staff at all levels within the organisation have a greater understanding of their workplace health and safety responsibilities and accountabilities. It is expected that the TRIFR rate will stabilise.



## **PERFECTION FRESH AUSTRALIA – LTIFR & TRIFR**



WE PURSUE PERFECTION EVERY DAY, BY MAKING SURE WE DO EVERYTHING WITH PRIDE. At Perfection Fresh, we are guided by our five key values:

- Passion
- 🖌 Respect
- 🖌 Innovation
- 🕑 Discipline
- Ethics



# FUTURE PROOFING OUR BUSINESS AND BUILDING THE SKILLS FOR THE FUTURE.

The field of horticulture offers a dynamic landscape for those passionate about fresh food. With avenues like plant sciences, crop production, marketing campaigns, environmental and sustainable agriculture, there's no shortage of opportunities to make an impact.

The Perfection Fresh Graduate Program has been specially designed for university graduates looking for a career in agronomy, horticulture and consumer marketing.

Our innovative graduate program provides a stimulating environment where graduates collaborate across business functions, with industry experts, gaining the freedom and support to add value to Australia's food security and beyond. We invite university graduates to apply from one of three areas (business, agronomy or mechanical/electrical engineering) to learn about the Perfection Fresh business from the ground up.

They're gaining practical experience on our farms, at the markets, in our glasshouses and inside a corporate office.

Last year we had more than 100 applicants and we're looking forward to welcoming a new cohort this year.



#### TOM BULLEN - Business Graduate

I studied a Bachelor of Commerce with a major in Marketing Management at Macquarie University, Sydney. I was hoping to pursue a career in marketing.

The Perfection Fresh graduate program really stood out as it offered me the opportunity to learn about every part of the business.

I was able to begin my first rotation in my preferred area of marketing but have also had experience on the Sydney Markets Limited trading floors as well as in human resources so far. I feel very privileged being able to experience multiple departments of the business as well as getting to know a variety of different people in each team!

#### LIN LI YEOH - Graduate Agronomist



I completed a Bachelor of Science, double majoring in Environmental Science and Biochemistry at the University of Canterbury (New Zealand).

My fascination with biotechnology, particularly its sustainable applications in horticulture, drove me to pursue a role in agriculture.

I appreciate the graduate role at Perfection Fresh because it gives me the opportunity to explore beyond my primary responsibilities and delve into other aspects of the business. These practical experiences enable me to gain a holistic understanding of the entire system, ultimately helping me to pinpoint my career aspirations.



#### **RACHAEL NG** - Business Graduate

I studied marketing and food science at the University of New South Wales. I was curious about pursuing a career in the food industry.

When I saw an opportunity at Perfection Fresh, I immediately applied as I felt it aligned to my interests. It's been great so far with a lot of hands-on experience across multiple different teams.

From taking part in running a brand campaign to assessing incoming stock with the quality team to seeing how the Sydney Markets trade floors operate at 4:00am, everything has been really dynamic and has allowed me to understand and see first-hand how the business runs.



#### **MITCHELL BEULKE - Graduate Agronomist**

I studied a Bachelor of Agriculture with a major in plant and soil science at the University of Melbourne.

Through my studies I became aware of the growth in the horticulture industry. When I saw the graduate program opportunity, I was impressed by the commitment of Perfection Fresh to expand quality fresh produce domestically and internationally.

I could see Perfection Fresh's approach to innovation and development was aligned with my aspirations. I have enjoyed learning about all facets of precision growing involved with tomato and cucumber production at Two Wells.

I have also really enjoyed working with so many people from different backgrounds. It's such a nice experience connecting with and learning from people of so many varied cultures.

# ETHICAL BUSINESS PRACTICES.

The evolution of business performance encompasses more than just financial and operational metrices: it now includes ethical considerations as paramount. At Perfection Fresh, we define ethical performance as the ability to sustainably deliver strong results over the long term, upheld by a higher standard of conduct, exemplary corporate governance, inspiring leadership, and workforces guided by values and stakeholder needs.

In today's landscape, marked by unprecedented crises and volatility, the importance of ethical performance is magnified. With an increasingly digital and virtual operating environment come both enhanced business capability and new risks. Stakeholder expectations for ethical conduct have soared, leading to intensified focus on environment, social and governance practices and commitments. Moreover, employee activism is on the rise, with individuals gravitating towards those organisations that uphold ethical principles and contribute positively to society. Diversity, equity and inclusion have emerged a foundational value in fostering cultures centred on justice, fairness and respect.

For nearly a decade, Perfection Fresh has asserted that ethical performance hinges on the cultivation of an ethical corporate culture that prioritises integrity, accountability, and responsibility at every level of the organisation.

As we navigate those complex dynamics, our commitment to ethical excellence remains unwavering.



# SUSTAINABLE METRICS.

Perfection Fresh continues to focus on four environment, social and governance material topics each with monitored and reported metrics. Metrics are reviewed each year and may change depending on the importance placed by stakeholders in the business or specific reporting requirements.

Packaging

- 2 Climate and Energy
- 3 Managing consumption and waste

Ethical and resilient employment within Perfection Fresh and supply chain.

Diversity and inclusion (%)

% of employees per category, by age group, gender, ethnicity

Material Topic	Metric Reported	FY 22 Base line data	FY 23	Specific Targets
Packaging	Packaging volumes by material type and submitted to APCO	90%	91.0 %	100% Retail packaging recyclable, reusable or compostable
	Australian Recycling labels on packs	95% estimate	<b>90%</b> †	100% by 2025
Climate and Energy	Purchased electricity usage	25 million kWh	14 million kWh	Renewable energy supply plan completed by 2025
	GHG emissions Scope 1 & 2 location based. Excluding biogenic.	50,027 tC0 <sub>2</sub>	44,822.0 tC0 <sub>2</sub> e	Target carbon neutral by 2050 Transition plans implemented 2025
	Scope 1 biogenic	7097.0 łC0 <sub>2</sub>	4171.0 tC0 <sub>2</sub> e	
	Scope 3 waste from farm & production Cat 5	17,329 tC0 <sub>2</sub>	21,119.0 tCO <sub>2</sub> e	Establishing scope 3 emissions 2026 Cat 1,2,6.
	Water usage	3,125,479 KL	4,812,000 KL	Benchmark water efficiency 2025
Managing consumption and waste across the entire Perfection Fresh business	Waste volumes by type 1. Landfill 2. Recycling 3. Organic	4,871,207 kg 1,233,066 kg 4,206,410 kg	8,131,436 kg 292,874 kg 6,018,986 kg	Zero organic waste to landfill by 2030.
Ethical and Resilient				Core metrics for implementation
Employment – focuses on embracing human rights, by fostering diverse, inclusive workplaces with equal	Health and well-being	LTIFR <sup>®</sup> 7.6 TRIFR <sup>®</sup> 19.1	LTIFR 7.7 TRIFR 13.7	Health and safety (%) Number and rate of injury: work-related; recordable work-related; main types of work-related injury; number of hours worked.
pay for work of equal value and by offering all those with a stake in the business's value creation the opportunity	Equality			* Both LTIFR and TRIFR are calculated per 1,000,000 hours worked. The reported figures are based on a 12-month rolling statistic. It is important to note that these statistics are based on 1,000,000 hours worked as some businesses use 200,000 hours.
to thrive and grow.	Diversity			Pay equality (%) and wage level gap (%. #) Ratio of standard entry level wage by gende compared to local minimum wage.

<sup>+</sup> Product label audit completed 2023 with increased accuracy of reporting.



2024 SUSTAINABILITY REPORT



Perfection Fresh Level 1, 7 Underwood Road Homebush NSW 2140 (+61 2) 9763 1877 fresh@perfection.com.au

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