

**Taylor Fresh Foods**

# Social Responsibility and Sustainability Report

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Taylor Fresh Foods and our operating companies are pleased to present our 2022 Social Responsibility & Sustainability Report to our employees, our customers, our suppliers, our partners and our community. We are committed to our family operative to leave the world a better place, and the team has been instrumental in leading our progress. I hope you enjoy our report.

Sincerely,

**Bruce Taylor**  
Chairman & CEO



Staying true to our roots.

In 1995, Taylor Farms set a lofty mission to become North America's favorite maker of salads and healthy fresh foods. Now, 27 years later, the Taylor Farms family has stayed true to its roots. Every year, Taylor farmers plant 3 billion seeds, which blossom into hearty greens, savored in salads by North American consumers every week. The Taylor Farms' values stay true today, to cultivate extraordinary produce that will enrich our tables and nourish our communities for generations to come.



About Us

\$6 billion  
in revenue

24,000  
team members

22 locations  
in 15 states, Canada and Mexico

3 segments  
Retail, Foodservice and Deli

280+  
independent and family owned growing partners

14 regions  
growing regions

\$10 million  
annual community spend

1 in 3 salads  
consumed in the U.S. and Canada

Creating Healthy Lives

Our mission is to be North America's favorite maker of salads and healthy fresh foods, but what does it mean to be the favorite? We challenge ourselves every day, from field to fork, to grow our business responsibly, to lead by example and earn trust through our actions. Our ability to create pathways to healthy lives is dependent on the health of our business. As North America's largest producer of fresh foods, it is our greatest opportunity to create positive long-lasting social and environmental impact through our products, processes and people. We communicate our sustainability strategy through three pillars:

Healthy Business | Healthy Environment | Healthy Community

We have linked our strategy with the United Nation's Sustainable development Goals (SDGs), noted in each pillar.





# Healthy Business

Leading change to be a force for good in the world.

Our mission to provide safe, high-quality fresh foods requires a healthy business. Taylor Farms is focused on how we grow, the way we innovate, our responsibility to food safety and our commitment to quality. Every day we are building trust in the quality and authenticity of our products, processes and our people.

Food Safety & Quality | Innovation | Workforce Development

SDGs that we are contributing to:





## Food Safety & Quality

Consumer health and well-being is a top priority at Taylor Farms. The responsibility of feeding families across North America is matched with our teams’ unparalleled commitment to producing the safest, highest quality product possible from field to fork. Food safety and quality begins at the field which is why we are always looking to improve where we source from, how the product is grown and harvested and ultimately how the product is processed in our facilities.



### Advancing Food Safety in the Fields

The Romaine Rally is a research project led by SmartWash and the Taylor Farms’ food safety team. The project was conducted on two full size farming operations in Salinas Valley and aims to identify causes of E.coli contamination in romaine. The results to date have been shared with key customers, industry members, FDA and other researchers.

Harvesting has become an extension of the processing facilities food safety controls. Taylor Farms was the first to require daily sanitation of harvesting equipment, and we are leading the charge to convert all of our harvest equipment to stainless steel.

Taylor Farms has a team of more than 30 field food safety experts with boots on the ground daily, weekly and seasonally in all our regional growing locations. This presence from pre-planting through harvest allows us to closely manage the complex activities associated with daily farming.

**\$150 million**

annual spend on food safety teams and infrastructure

## Data Driven Approach

The fresh produce industry strives to build confidence in our programs and teams to ensure the confidence of our consumers when it comes to safety and quality of our products. Where Taylor Farms is a differentiator is in how we respond to data and information. Our culture of safety goes beyond compliance with a data driven approach that empowers us to make informed decisions. A few examples of tools used throughout our operations:



FieldIn is a tool that supports our harvesting teams to help manage raw supply forecasting and inform real time supply chain decisions. It has improved our team’s ability to manage product, allowing us to plan additional outlets when surpluses occur to reduce food waste and implement contingency plans during shortages for an assured supply.



Red Zone is an operations app-based solution that visualizes production processes to identify gaps and bottlenecks, to minimize downtime and create a continuous improvement culture. The tool leverages equipment connectivity to assign workflows and verifications triggered by operational activity.



KipTraQ is a mobile data collection software that digitizes paper forms. This tool has been widely adopted by FSQA, HR and safety teams. We’ve replaced the manual collection of information with data that can be used in conjunction with Power Bi or other similar tools for analysis and response.



SpecRight is a tool that helps manage our ingredients supply chain by digitizing and organizing supplier specification data. This helps reduce labor in spec and supplier management and allows for more efficient cross collaboration between our teams ranging from procurement to product management and packaging.

**TEST and LEARN** is a response method developed by the Taylor Farms’ food safety team. Response protocols range from increased sampling, engaging academic experts and pilot studies to characterize the contamination. Through this approach we have improved equipment design internally and with our OEM (original equipment manufacturing) vendors.





# Innovation

Innovation is deeply rooted in our culture. We continuously challenge ourselves to improve upon today’s practices at every step of our value chain and surround ourselves with strategic partners. Together, we break barriers and create new pathways to make healthy fresh foods more accessible. Our ability to continually drive change through innovation is what makes Taylor Farms a leader in the industry.

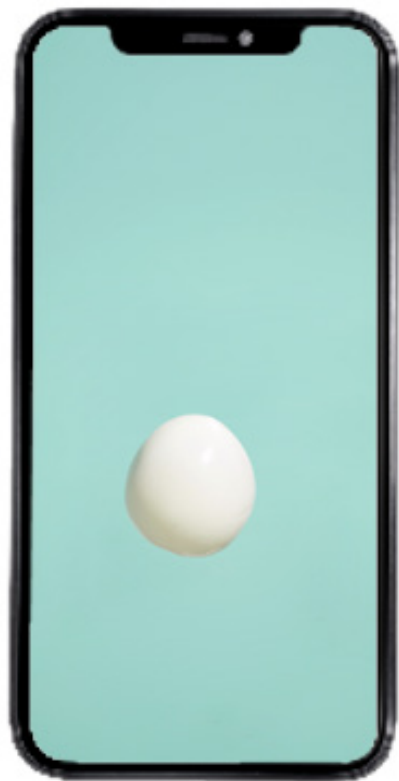
## Product Innovation

### Taylor To Your Tastes

We strive to create new categories, innovative flavors, bring convenience to retain our valued consumers and welcome newcomers to the fresh segment. Using out-of-the-box thinking allows us to create unique salad concepts that surprise consumers and create craveable one-of-a-kind recipes. We crafted a campaign inviting consumers to create extraordinary meals for their families by enhancing our products and chopped salad kits to their liking.

### Taylor To Your Needs

Our team is incredible in responding to challenges, we thrive in it. The pandemic affected every aspect of our business, our products, processes and people. The team stepped up, assessed the new reality and made immediate decisions to serve our customers and care for our employees and their families. They created new products, blends, packaging and delivery solutions such as Power Medley, Snack Packs and USDA boxes stocked with fresh vegetables to help those in need.



## Process Innovation

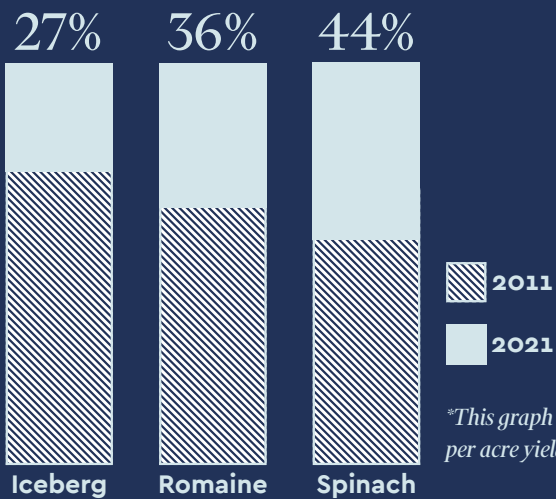
Over the last six years, we have invested over \$200 million in automation for harvesters, robotic case packers, palletizers, automated bowl line and fruit robotics. The fruit robotics provide for better quality products and longer shelf life due to less handling. Our automated harvesters continue to give us the opportunity to harvest more pounds per acre. These investments help us to increase efficient use of natural resources and inputs while improving productivity.



**Mark Campion**  
President, Taylor Farms Retail

*“We will continue to innovate and bring new products to market that make it easier for people to eat fresh foods. Convenience and flavor are going to drive a lot of our development and hopefully we can bring some products to market that help people live a healthier life.”*

### Percentage Change in Per-Acre Yield 2011 vs. 2021



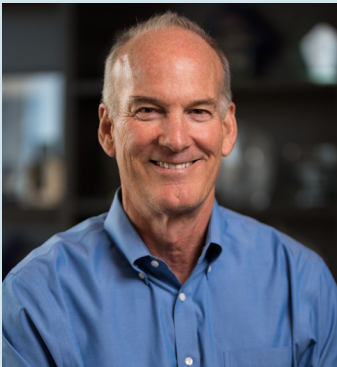
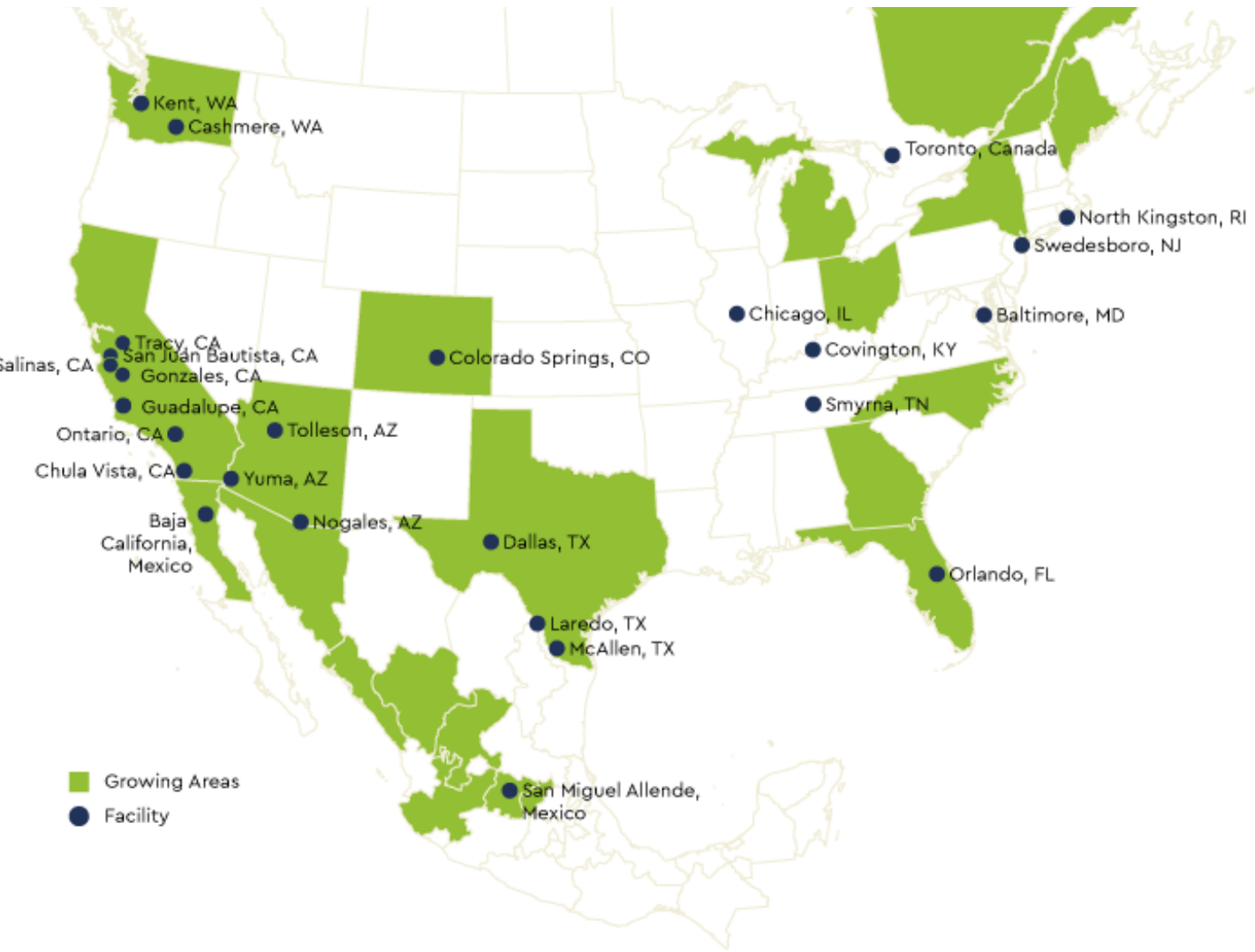
**58% improvement**  
2017 – 2021 our lbs/man hour have improved 58% (652–1028 lbs/man hour) with starting wages continuing to increase

\*This graph is relative to the lbs per acre yield.



Growing Together for an Assured Supply

Taylor Farms has grown steadily over the last 27 years with a deep focus on responsibility to our customers, each other, and the environment. Our dedicated network of processing facilities, local growing regions, and strategic investments in our value chain helps improve freshness, reduce environmental impact, and reduce food miles while assuring supply to our customers.



**Bruce Taylor**  
Chairman & CEO Taylor Fresh Food/ Taylor Farms

*“I believe our investments and recent business transformations set us up beautifully for the future, allowing us to innovate faster throughout our entire value chain. We have grown our business to serve our customers and consumers demand for healthy fresh foods and look forward to being able to deliver even better products for another 25 years.”*

Strategic Investments



Earthbound Farm is the flagship organic brand for Taylor Farms. From its early days as a backyard garden, it has grown to one of the largest organic brands today.



Taylor Farms gained ownership of a large, diversified farming operation supplying both organic and conventional, quality vegetables. They are now the largest grower of organic leafy greens in North America.



Taylor Farms expanded into Canada with the purchase of a fresh-cut vegetable facility in Toronto, Canada. This location will mainly provide fresh product to consumers located in the Eastern Provinces of Ontario and Quebec.



A joint venture that creates a reliable supply chain of portion-packed ingredients. There are three strategic locations with automated equipment to deliver excellence in every package.



The addition of Curation Foods' fresh packaged salads, cut vegetable business and Eat Smart brand enhances the commitment of assured supply and the growing demand for chopped salads and fresh cut vegetables.



Taylor Farms has a majority ownership stake in Crunch Pak, the leading producer of sliced apples in the country. This relationship allows for collaboration across the supply chain: raw procurement, logistics and snack innovation.



The addition of a salad dressing facility to the Taylor Farms network creates a greater insight into the research and development of fresh and flavorful dressings and allows for critical dressing manufacturing capacity to support rapid chopped salad kit growth.



Direct Roots is a one stop shop offering supply chain solutions for customer partners for sourcing, procurement, consolidation, distribution and transportation. Improving freight efficiency and getting fresher product to customers.



Taylor Farms invested in the emerging market of indoor growing. This expansion into greenhouse grown fresh offerings will complement the existing field grown program.



Fermented Food Holdings, Inc. will continue to build on the success of both the Wildbrine and Bubbies brands through its partnership with Taylor Farms.



# Workforce Development

The health of our business begins with our people. By investing in our people and future leaders through education and vocational development, it is our intention to cultivate and sustain a thriving and successful workforce. We believe that providing opportunities for feedback and employee participation is critical to establishing and maintaining mutual trust. We're dedicated to improving our work environment and continue to challenge ourselves to be an employer of choice.

## Employer of Choice

The strength and happiness of our team determines the strength of our business which is why we strive to be an employer of choice to our team members.

### Internal Growth & Development

Lettuce Lead is an internal education program that aids in cultivating potential leaders within our organization. The vision is to educate and facilitate cross-functional collaboration and to provide top performers with tools and experiences needed to help drive the company forward and into the next step of their careers at Taylor Farms.



### Education Opportunities

Our team members across Taylor Farms' operating companies represent over 40 languages, cultures and ethnicities. We welcome and embrace our multi-cultural team and strive for equity and inclusion across the entire organization. For instance, Taylor Farms Southwest contracted with a third-party provider to provide easy access to professional interpreters and translation services, as needed, to bring equality for employees. Taylor Farms Mexico, Colorado and Tennessee are examples of facilities providing opportunities to our team members during working hours for ESL (English as a Second Language) courses helping to improve skills in reading, writing, speaking and listening.



## Employee Appreciation

Our employee handbook is simple; take care of the customer, take care of each other and do the right thing. Taking care of each other and being an employer of choice takes on many forms in our operations across North America with numerous efforts including, but not limited to: onsite meal assistance, company provided insulated jackets and coveralls, free hot drink program, company picnics, BBQs, holiday parties, language assistance programs, attendance bonuses, recruiting and referral incentives, onsite vaccines, Lettuce Be Healthy programs, and promotional item giveaways and raffles.



**Jamie Failing,**  
Taylor Farms Maryland, Retail Product Manager

*“Lettuce Lead was a great opportunity to gain knowledge on how our product gets made from seed to customer. The experiences at the different Taylor facilities and the collaboration across roles offered a unique perspective. I have such respect for the hard-working individuals who keep the process going every day. I appreciate the leaders of the organization that started this program and my fellow colleagues for their commitment to the program.”*





## Improved Work Environment

Over the last decade our industry has faced challenges with rising labor costs and labor shortages. Understanding these national and industry challenges, Taylor Farms has focused on adopting automation to phase out the most physically demanding positions involving repetitive movements and heavy lifting. Our investment in automation allows us to promote our team members to higher skilled, less physically demanding and higher paying positions.



## Training Through a Pandemic

To avoid gatherings and prevent Covid-19 outbreaks, our team rapidly pivoted from a four hour indoor training with 50-100 employees, to small, or open-air, no-touch trainings. These consisted of a rotation of small indoor groups or in an open-air environment with key information presented via training videos with trivia questions to track engagement and compliance.



**Brandy Salazar,**  
Taylor Farms Texas  
Human Resources

*“We want to congratulate and encourage our teams to continue working hard as training is a tool that makes us more efficient and safer.”*



## Employee Engagement

### Taylor Town Halls

As we continue to grow it's become increasingly important to engage with our team members across the country. In December 2020 we held our first virtual Town Hall where our CEO, Bruce Taylor, was able to speak directly to our employees, answering anonymous questions from employees and providing important company updates. These Town Halls are now being held quarterly, with guest speakers from across the system such as our marketing, sustainability and operations teams.

### Ambassador Program

We believe that every employee is an important contributor and adds value to our organization. Taylor Farms California has created an Ambassador Program where representatives from each department participate in monthly roundtables. Managers share information about company goals, mission, vision, values, developments and processes. Employees can share new ideas, provide feedback and then disseminate the information amongst their peers.

### Lettuce Connect

Internal communications nurtures company culture and builds employee engagement. Our internal platform, Lettuce Connect, promotes collaboration, information sharing, informs on goals and objectives and improves employees experience across the organization.



### Examples of feedback and ideas employees share:

- Co-worker feedback
- Anonymous surveys
- Promoting team collaboration
- Quality and process improvements

### Employees enjoy learning about topics such as:

- Important audits and results
- New customers & customer feedback
- Taylor Farms regional operating companies
- Plans for future growth, changes or improvements
- New technology and opportunities for employee growth
- Raw product & food safety/quality protocols from the field to the plant





# Healthy Environment

Preserving a healthy world for future generations.

It's often said that farmers were the first environmentalists. Multi generational families embraced sustainable practices to pass pristine land to the next generation. Our commitment to preserving a healthy environment for future generations means that we must challenge ourselves every day to grow our business responsibly. The future and health of our business depends on our ability to conserve resources, maximize efficiencies with the resources deployed and to seek new solutions for tomorrow.

Environmental Management System (EMS) | Resource Conservation

SDGs that we are contributing to:





# Environmental Management Systems

An Environmental Management System (EMS) is a framework that helps an organization achieve its environmental goals. Our EMS encompasses the strategy, framework and tools that we use to accurately measure and manage the resources we use within our operations as well as how we report our environmental impact.

We utilize various recognized tools to manage specific resource streams such as energy, waste, and packaging in addition to an Environmental Social Governance (ESG) software that aligns the GHG Protocol and other reporting systems such as the Climate Disclosure Project (CDP), Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB).

## EMS Toolbox

The suite of tools we use to support accurate measurement and reporting of our environmental impact.



ESG insight platform that manages ESG data, reporting, strategy and stakeholder engagement for our purpose-driven commitments



Consolidated energy platform that manages onsite generation, utility usage and costs through powerful data and analytics



Digital platform to measure and manage facility based utility data with industry benchmarking



Certification program that enables facilities to define, pursue and achieve their zero waste ambitions



Life cycle assessment (LCA) tool to identify the environmental impact of existing and planned products



Cloud-based platform that manages specification data across the supply chain

# Resource Conservation

We believe each bag of salad and fresh vegetables can make a positive social and environmental impact through our practices and investments in how we grow, process, package and ship each product. Together, our business model and offerings contribute to preserving a healthy environment for generations to come. We have identified 5 KPI categories to prioritize and communicate our efforts in resource conservation:



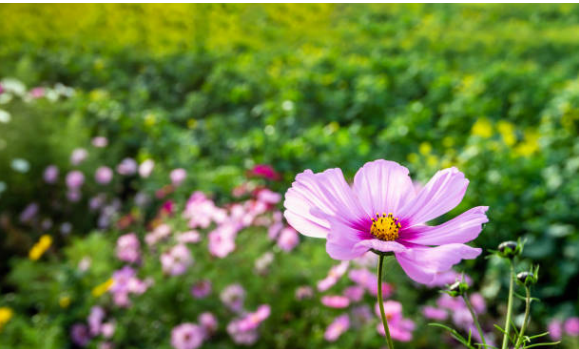
1. Energy



2. Material Management



3. Water Stewardship



4. Soil Health and Biodiversity



5. Sustainable Packaging





1. Energy

Since 2012, Taylor Farms has invested over \$100 million in onsite renewable and alternative energy in pursuit of energy independence for our facilities. We want clean, reliable and affordable energy for our operations across North America.

By 2023 Taylor Farms diverse portfolio of onsite energy assets will be:



10 solar installations  
8.7 MW



4 fuel cell installations  
13.75 MW



1 wind turbine  
1 MW



1 cogeneration system  
2 MW



1 energy storage system (battery)  
2 MW

On Farm Renewables

In February 2021, we completed our first on farm solar installations at our Merrill and Coastal ranches in King City, California. The two systems generate an average of 1,132 MWh of energy annually, offsetting 86% of power needs for ranch operations such as pumping for irrigation, fertilizer and amendment application.

EMS Tools:



What is renewable energy?

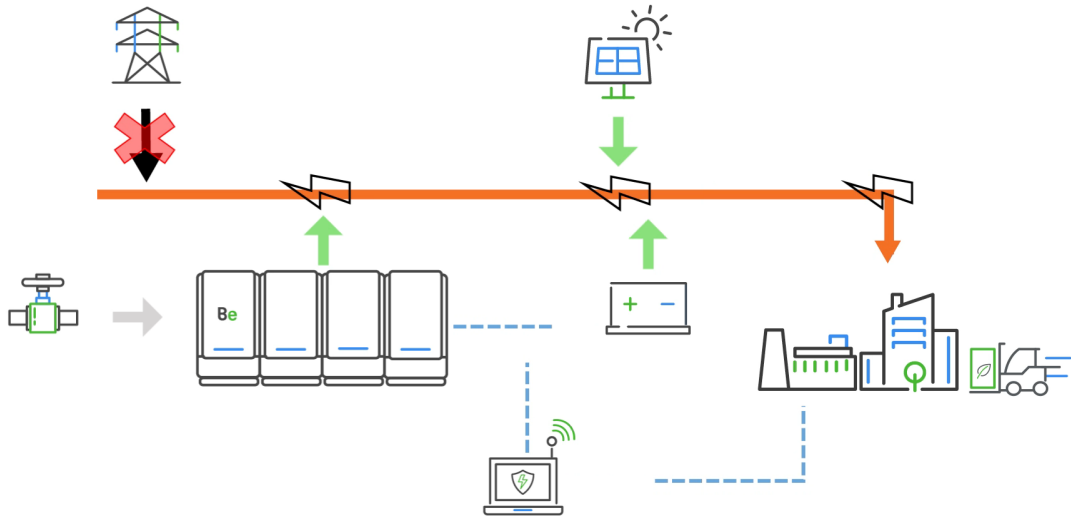
Energy that is produced from renewable resources that are naturally replenished, such as sun and wind.

What is alternative energy?

Energy that is produced from non-renewable resources, such as natural gas, but are up to 20% cleaner than the traditional utility grid.

Energy Independence

In pursuing energy independence, reliability and resiliency are important parts of our strategy. We have begun work on our first fully independent microgrid to power our 450,000 sq. ft. production facility in San Juan Bautista, California. The microgrid will consist of 6 MW of Bloom fuel cells, 1.8 MW of solar panels, a 2 MW (4 MWh) energy storage system (battery) and a microgrid controller that will enable technology coordination. The system will be able to load follow, depending on the demand from the facility, and supply 100% of the energy needs for our operations with no connection to the utility grid.



Energy KPIs

Two metrics for measuring the progress and performance of our energy strategy are **onsite energy generation** and **energy intensity**.

- Onsite energy generation is the energy produced by renewable and alternative energy assets at our production facilities
- Energy intensity is the amount of energy utilized per unit of production or dollar of revenue

Sustainability Linked Financing

In 2022, Taylor Farms entered a first of its kind Sustainability-Linked Lease in partnership with Rabobank to finance three renewable and alternative energy projects. Under the terms of the agreement, the interest rate is linked to the achievement of long-term environmental goals targeting GHG emissions intensity and landfill intensity.

In 2021 our energy programs have accomplished:

11,940  
MWh

Annual renewable energy production of 11,940 MWh

45,086  
MWh

Annual alternative energy production of 45,086 MWh

.04  
energy intensity

Annual energy intensity of kWh/dollar revenue

2,652  
cars off the road

Annual reduction of 12,196 MTCO2e, equivalent to taking 2,652 cars off the road







## 2. Material Management

Taylor Farms is committed to protecting our natural resources by mitigating our impact on the environment and preventing pollution. We aim to efficiently use all materials to their highest and best use by implementing material management programs and reducing waste sent to landfill.

These programs go beyond our typical recycling programs as we focus on upstream management and methods of redesign, reduction and reuse. Of our 22 production facilities, 27% participate in the material management program.

### Total Resource Use and Efficiency (TRUE)

Participating facilities can further verify their efforts by becoming TRUE certified. The TRUE certification validates an operation's efforts to reduce waste sent to landfill and efficiently manage all resources in their system. Since 2019, we have maintained three TRUE Platinum certifications at our Taylor Farms Gonzales Retail, Salinas Retail and California Schillings facilities. In 2022, we certified our fourth facility, Taylor Farms Mexico, with a fifth anticipated for the fall.

### Taylor Farms Mexico Case Study

Taylor Farms Mexico's material management program kicked off in July 2021 with a goal of achieving TRUE certification in 2022. The facility created a Green Team of 13 members from departments such as Food Safety, Production, Procurement, Shipping, Receiving and Maintenance. The team focused on redesign, reduction, reuse, recycling and compost practices. The team engaged in a physical audit of their landfill and recycling streams to baseline the program's performance. From there, they implemented an employee feedback mechanism, redesigned collection containers, created an office reuse program, eliminated single use items in the cafeteria, engaged in textile repair, emphasized use of reusable shipping containers and created

an onsite composting operation. Over 1,700 employees to date have been trained on the newly established practices. As a result, Taylor Farms Mexico was able to achieve a 98.4% diversion rate, the highest in the Taylor Farms system.



EMS Tools:



## Food Loss & Waste

At Taylor Farms, a variety of strategies and practices help us to reduce food loss and waste. Taylor Farms' Fresh-to-Shelf strategy is focused on delivering just that: freshness across all product segments. Our diversified raw program and extensive manufacturing capabilities promotes a large product offering. Leveraging our supply chain allows for combining multiple product segments on the same delivery truck. We are reducing days-in-transit and increasing delivery frequency which promotes fresher product to grocery stores across North America and Canada. Our approach reduces food waste and provides fresher product to the grocery store. We are keeping store shelves stocked with the importance of maximizing days

of freshness for your next chopped salad, bag of broccoli, or grab-n-go snack tray you purchase.

Taylor Farms is also a participant of the 10x20x30 challenge, an initiative of 10 of the world's largest food retailers and providers engaging with at least 20 of their suppliers to halve food loss and waste by 2030. Taylor Farms is reducing food loss and waste by focusing on partnerships with local food banks and companies taking on food insecurity and education such as The Farmlink Project and Brighter Bites. At the field level, we are exploring the SISC Food Loss metric to help quantify food loss and understand where and how it is occurring.



### Material Management KPIs

Two metrics for measuring the progress and performance of a material management programs are **diversion rate** and **landfill intensity**.

- Diversion rate measures the amount of material (i.e. waste) that a facility has diverted from the landfill
- Landfill intensity is the amount (US Tons) of waste generated per unit of production or dollar of revenue



**Larry Barton,**  
President, Taylor Farms Mexico

*"I believe that businesses can no longer focus strictly on maximizing profits. The future will have different expectations and the future is already here. Our employees, customers and consumers are asking, 'can this company be trusted to do the right thing?'. Participating in the TRUE certification program gave the Taylor Mexico team guidance and motivation to take our current sustainability programs to a whole new level. It provided the transparency that we are focused on in being good stewards of the limited resources around us, which makes good business sense."*

### In 2021 our material management programs have accomplished:

**92%**  
diversion rate

Annual average  
diversion rate of 92%

**.03**  
landfill intensity

Annual average landfill  
intensity of .03/  
dollar revenue (tons  
to landfill/tons of  
finished product)

**311,981**  
cars off the road

Annual average  
reduction of 150,632  
MTCO<sub>2</sub>e, equivalent  
to 31,981 cars off the  
road each year

**180,885**  
tons

Diverting over 180,885  
tons of material such  
as cardboard, plastic,  
wood, metal scrap  
and culls from landfills,  
incinerators and the  
environment





### 3. Water Stewardship

Water is an increasingly scarce resource and is essential to our business. Water stewardship requires an ongoing commitment to the long-term availability of clean water for the environment, industry and local communities. At Taylor Farms we view water stewardship holistically; from where and how we source, water use efficiency, soil health and the protection of water quality.

#### Irrigation Efficiency

Taylor Farms Agriculture Operations (TFAO) implements effective and efficient irrigation management to maximize crop yield while avoiding environmental contamination of leeching to soil and groundwater. TFAO uses both center pivot sprinkler and drip irrigation water systems, depending on the crops' requirements. They have also developed a uniform water spray system program to maximize irrigation efficiencies and to reduce the total demand. Irrigators engage in annual trainings to ensure they are up to date on best management practices.



EMS Tools:

**FigBytes**

#### SmartWash Water Control Advancements

SmartWash Solutions continues to develop new technologies that drive down costs and promote sustainable practices within Taylor Farms' fresh cut operations. This summer they will begin piloting a new add-on for our wash lines which they expect to provide improved water management throughout wash operations. Currently, it's expected to reduce makeup water by 90%. Water will be used more efficiently in the wash process, reducing the amount of water used through the day.



#### Regional Water Conservation Efforts

##### Taylor Farms California Schillings

With the use of flow meters, a baseline was established and investments were made in several operational improvements including sloped hydro sieves, efficient nozzles, adjustable valves and operational limits for idle run time. Team trainings on the improvements and importance of water use efficiency and conservation, along with the above changes reduced water consumption by 22% in a single year.

##### Taylor Farms Maryland

The team at Taylor Farms Maryland invested \$75,000 to install a fully automated water flow valve system that replaced an antiquated system that allowed water to over fill and divert to drains. By automating the shut off and creating the on-demand water system they were able to achieve 20% water usage savings.

##### Taylor Farms Northwest

Taylor Farms Northwest invested in replacing their commercial dishwasher with a more efficient, closed-loop controlled unit and changed the wash line sequence. The changes led to multiple resource efficiencies especially in water consumption, reducing water use intensity by 35%.







## 4. Soil Health & Biodiversity

Since it's founding in 1995, TFAO has practiced sustainable agriculture on its 19,332 acres across California and Arizona. We were one of the first to implement organic growing practices and take those best practices to our conventional ranches. Today, we are the largest grower of organic leafy greens in North America. The philosophy of TFAO is that maintaining the soil health of its ranches is more important than one season's crop production.

EMS Tools:

**Under  
development**

### Practices of Today and Trials for Tomorrow

As we look to the future of farming, from precision agriculture, to regulatory requirements and the need for transparency and reporting, we will continue to operate from a data driven approach. We are developing a metric-based foundation for baselining, measuring and communicating our sustainability efforts on farm. We have explored resources ranging from academia, NGO's, regulatory authorities and certification bodies to help build our Healthy Soils metrics.



### Healthy Soils KPI Categories:

- Energy
- Material Management
- Water Stewardship
- Soil Health
- Promoting Biodiversity

## Taylor Farms Agriculture Operations Fun Facts



Organic ranches become more productive over time due to the restoration of soil nutrients

64%

of ranches are certified organic

33%

of acres are farmed conventionally using best management practices

9+ years

average age of organic ranch

3%



in transitional status to organic

200+ years

of shared production knowledge and experience

## Healthy Soils – Regenerative Trials



### Conservation Tillage

**Scope:** Compare conventional tillage vs conservation tillage practices

**Objective:** Assess for impact to number of bed passes, bed compaction, time of use, production/yield and man hours

**Metric Category:** Soil Health, Energy



### Cover Crops

**Scope:** Comparison study of ranches with and without cover crops, sample for nitrogen values over growing time

**Objective:** Trend and analyze changes in key nutrition and soil health measurements

**Metric Category:** Soil Health



### Nutrient Management

**Scope:** Evaluate innovative fertilizer blends to manage nutrition through various stages of plant growth

**Objective:** Evaluate available nitrogen, improvement to soil health, microbiological activity, production/yield, days to harvest and man hours

**Metric Category:** Soil Health



### Water Use Efficiency

**Scope:** Evapotranspiration reading and comparisons, irrigation runtime and water inches applied

**Objective:** Analyze irrigation rates to crop needs, timing, production/yield, equipment and man hours

**Metric Category:** Soil Health, Energy, Water Stewardship



### Promoting Biodiversity

**Scope:** Utilize GIS software to measure non crop areas, track use of beneficial plantings and beneficial insects

**Objective:** Measure diversity and impact on pest/disease pressure, production/yield, evaluate non crop land and use of beneficial plantings

**Metric Category:** Promoting Biodiversity



### Field Automation

**Scope:** Digitize collection of field log data, trial automated weeder capabilities and drone technologies

**Objective:** Digitize collection of ranch activities, metric collection, equipment used, timing, production/yield and man hours

**Metric Category:** Soil Health, Water Stewardship, Energy, Promoting Biodiversity



**Joe Pezzini,**  
Senior Director of Agricultural Operations, Taylor Farms

*“Our business was built on the soil we farm and being good stewards of the land. To further demonstrate our long-standing dedication to our customers, consumers and community, we have built our Healthy Soil Metrics. These metrics will help us expand on all the great work our growers do to support a sustainable ag ecosystem and will be communicated under our core pillar, Healthy Environment”*





5. Sustainable Packaging

Packaging is an integral part of our business and an important area of focus for our customers and consumers. We have made significant investments over the last 27 years in packaging technology to extend shelf life of our products, reduce food waste and enhance convenience for consumers driving growth in consumption of healthy fresh products.

Our R&D, sustainability, purchasing and product development teams work alongside our packaging suppliers to find solutions to reduce our environmental impact. We use a holistic approach to find improved material types and sourcing, packaging optimization, use of post-consumer recycled content, labeling and support of end of life disposal. We are piloting a spec management and life-cycle analysis tool to baseline our packaging footprint and measure impacts across all stages of the packaging life.

EMS Tools:



Peel and Reseal

In addition to a tray made from post-consumer recycled plastic, we replaced the plastic lid with a resealable film lid. This change alone means we're eliminating 27% of the plastic from every package we shift to this lid.



27% less plastic,  
100% feel-good  
organic greens



Sustainable Packaging Framework				
Material Sourcing	Material Use Efficiency	Recycled Content	Labeling	End of Life
Strategy	Strategy	Strategy	Strategy	Strategy
Choosing a material type with the lowest overall environmental impact while meeting product, operational and cost requirements	Optimization of packaging component by size and weight	Increase post-consumer recycled percentage as practical with regards to supply chain, packaging integrity and cost	Choose labeling that positively impacts end of life and communicates how the packaging component should be managed for disposal	Choose material that meets reuse, recycle and/or compost standards
2021 Accomplishments	2021 Accomplishments	2021 Accomplishments	2021 Accomplishments	2021 Accomplishments
<ul style="list-style-type: none"><li>We converted 215 tons of plastic from "not recyclable" to "in store dropoff"</li><li>We sourced 10,108 tons of FSC or SFI certified pulp or paper for our packaging</li></ul>	<ul style="list-style-type: none"><li>By transitioning our lidding to peel and reseal we removed 1,110 tons of plastic from the supply chain</li></ul>	<ul style="list-style-type: none"><li>9,443 tons of post-consumer recycled content in our primary packaging</li><li>3,381 tons of post-consumer recycled content in our secondary packaging</li></ul>	<ul style="list-style-type: none"><li>76% of Taylor Farms retail branded items are labeled with the How2Recycle icon</li></ul>	<ul style="list-style-type: none"><li>Redesigned labeling with residue-free separation on private brand items to increase recyclability of packaging</li></ul>



# Healthy Community

Helping people lead healthy and happy lives.

Investing in our future begins with investing in our employees and the communities we operate in. Our strategy is to give future leaders the opportunities and resources to reach their highest potential and live healthy lives.

Youth Development | Food Accessibility | Health & Wellness

SDGs that we are contributing to:

2

ZERO HUNGER

3

GOOD HEALTH AND WELL-BEING

4

QUALITY EDUCATION

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

11

SUSTAINABLE CITIES AND COMMUNITIES

17

PARTNERSHIPS FOR THE GOALS





# Youth Development

The philosophy behind our youth development program is the belief that education is to be inclusive and creative, providing learning and development opportunities inside and outside the classroom. Our program continues to evolve to meet community needs focused on early learning, higher education, entrepreneurship and vocational skills, as well as the educational resources to help students reach their goals.

## Oasis Charter Public School

Oasis Charter School pledges to bring together a diverse community and build a creative, multi-age and multicultural learning environment for children in the elementary and middle school grades. Through project-based activities, group decision making and family-based opportunities, Oasis Charter School fosters the development of responsible citizenship skills, literacy, logical thinking, creative problem solving and the ability to represent one's ideas in a variety of ways. Taylor Farms has pledged \$200,000 per year, for 5 years to help disrupt Monterey County's current educational environment.



## Monterey Institute for English Learners (MIEL)

MIEL was established through CSUMB in 2018, with support from Taylor Farms, for the purpose of promoting equitable and effective practices for educators serving English learners in the greater Monterey County area. Through transformative collaborations with schools and districts, MIEL seeks to develop research on best practices for working with English learners, provide professional development for personnel working in the field and continue to support the preparation of education professionals. Taylor Farms has pledged \$1 million of support over 10 years to fund the institute.

## Early Learning

Early learning paves the way for learning at school and throughout life. Among the 80,000 students in Monterey County, nearly 40% are classified as "English learners" and 70% are identified as economically disadvantaged. Less than 5% of those students are meeting minimum standards for college eligibility.

**\$10 million**  
annual community spend



## Boys & Girls Club of America

Taylor Farms has been long time supporters of the Boys & Girls Club of America with involvement from many of our facilities across the country. Taylor Farms Pacific in Tracy, California has been particularly involved with their regional chapter, donating \$50,000 per year, for the last seven years.



## Taylor Farms Center for Learning

The Taylor Farms Center for Learning was established in 2017 in partnership with the Future Citizens Foundation and First Tee of Monterey County. Since its inception, the Center has served over 1,000 youths with STEM based activities, life exploration and preparation for the future with \$340,000 donated towards scholarships.



In 2020, Bruce Taylor and Taylor Farms, were awarded the Roosevelt William President's Award by the Boys & Girls Club of Monterey County in recognition of philanthropy during the Covid-19 pandemic.



**Kelly Wilson,**  
CEO of the Boys & Girls Clubs of Tracy

*"Taylor Farms is a generous partner that understands the importance of supporting our youth now more than ever. Boys & Girls Clubs of Tracy is blessed to have such amazing, ongoing support from Taylor Farms. Without them we wouldn't be able to provide the hope and opportunity for the kids we serve. The funding will continue to provide support for our literacy, healthy lifestyle and character-building programs that are so vital now, as our kids are adjusting to being back to school and back in the Clubs."*



Higher Education

Scholarship Program

For nearly a decade, Taylor Farms has been awarding college scholarships to deserving students of full-time employees looking to further their academic goals. Over time, the program has evolved into an annual Scholarship Luncheon where Taylor Farms leadership, students and their families all come together to celebrate 30 new recipients each year. The scholarships are tailored to support students throughout their entire academic career and guarantee a \$5,000 renewal opportunity each year they remain in an undergraduate or graduate program. While the scholarship program began at our Salinas, California based facilities, it has expanded to our facilities in Tracy, California and Dallas, Texas. In order to develop engagement and a strong sense of community among our scholarship recipients, we have started connecting them with both past Taylor Farms Scholarship recipients, as well as employees from a variety of departments.

Meet Hector!



Hartnell College & California State University, Monterey Bay (CSUMB)

Hartnell College is one of the oldest institutions of higher education in California with a focus on the unique education and workforce development needs of the Salinas Valley. Taylor Farms has been, and will continue to be, dedicated supporters of Hartnell and their science and agriculture focused programs. CSUMB's mission is to prepare students to contribute responsibly to California and the global community by providing transformative learning experiences in an inclusive environment. Taylor Farms is a committed partner with CSUMB on various curricula such as MIEL, Launchpad and Ag Pathways programs.



HARTNELLCOLLEGE

\$3.1  
million

invested in  
scholarships since  
2017

216  
students

scholarships have  
been awarded

Entrepreneurship & Vocational Programs



Digital NEST is a non-profit, high-tech training and collaboration space for young people. They expanded into Taylor Farms' refurbished Fire Station to enhance training of high school and college students in the digital arts. Digital NEST connects youth to a skill-building community that transforms them into professionals who can create successful careers.



CSUMB Launchpad was formed by Taylor Farms and 6 community organizations with a matched grant from the U.S. Department of Commerce. Launchpad is a virtual startup incubator designed to serve entrepreneurs in Monterey, San Benito and Santa Cruz Counties. The launchpad will provide technical and business assistance, mentorship, education and access to resources for startup companies in the region.



Salinas Community School & Taylor Farms Community Center

The Salinas Community School provides an alternative learning environment with small classes, a focus on healthy lifestyles and pro-social skills. Community service, collaborative partnerships and field trips encourage and promote positive citizenship while hands-on-learning takes place through various Career and Technical Education (CTE) opportunities. All students learn from highly qualified teachers and support staff, have access to digital technology and standards-based learning platforms, individual learning plans and college courses providing a rigorous and well-rounded education experience.





Educational Resources

Backpack Program

2021 marked the eleventh year Taylor Farms has distributed backpacks filled with school supplies and healthy snacks throughout local communities across the country. Over the years, we have donated over 12,300 backpacks to local elementary students, with over 500 of those students being children or grandchildren of our plant employees each year.



Closing the Digital Divide

Access to internet, SMART devices and modern communications is something that many of us take for granted. With the move to distance learning during the pandemic, the "digital divide" was brought to the forefront in ways it hadn't been before. Recognizing the immediate need to help close this divide, Taylor Farms donated \$900,000 to help secure devices and access to internet for students in Monterey County.



Freedom Playground

Taylor Farms Tennessee was one of the sponsors of the Freedom Playground, a local project of the Smyrna Rotary Club. The playground opened Spring 2021 and is Smyrna's first all-inclusive playground for children and families with disabilities and will be a major benefit to the community.

12,300 backpacks have been distributed since 2010

Food Accessibility

Through our business model, we work to bring safe, healthy and accessible fresh foods to families across North America. Through our community investments, our goal is to reach families who don't always have access to healthy fresh foods. We do this through our strategic and like-minded partners who are providing both healthy diet choices and education.

Each year we donate over 5 million pounds of fresh produce to local food banks and charitable organizations across North America. Our partners not only help us provide access to those in need, but also provide education and resources to help them make healthy dietary choices in the future.



5 million pounds of food donated annually



Mark Clement, VP of Sales, Taylor Farms Texas

*"At the center of our community programs is the children; they are the ones that get to bring home fresh food and help get their parents excited about eating healthy. I highly encourage all of our colleagues in the industry to get involved with donations and volunteering."*



Farm Link is a new partnership to aid in connecting produce with those in need to prevent food waste. In one month, the Farm Link Project delivered 182,500 pounds of cabbage and mixed greens divided among ten shipments from Taylor Farms to six food banks and distributors across California.



Brighter Bites is a non-profit delivering fresh foods directly into families hands. Taylor Farms is supporting Brighter Bites and helping families in need in Dallas, Texas and Salinas, California. Since launching in 2012 Brighter Bites has provided more than 40,000 lbs of produce and hundreds of thousands of nutrition education materials to more than 500,000 individuals.



USDA Farmers to Families Food Box Program was launched at the start of the pandemic to help bring fresh food to those in need. Taylor Farms Tennessee helped to deliver more than 1.9 million boxes in the first 16 weeks of the program. In total, the Taylor Farms network produced and distributed 155 million boxes across the U.S.



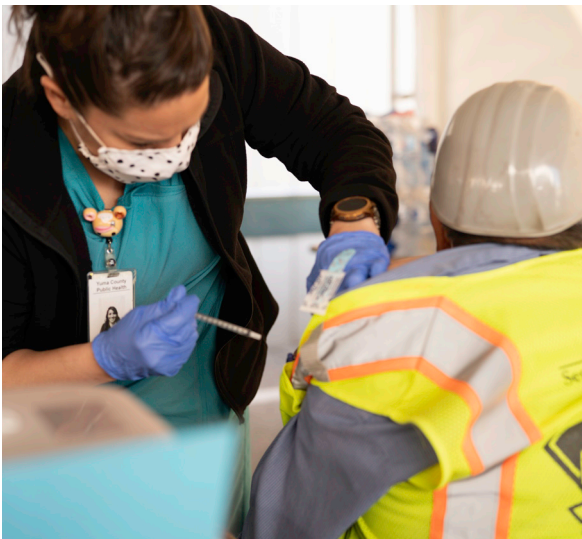
# Health & Wellness

Our health and wellness initiatives go beyond our four walls of business. We bring numerous wellness demonstrations and services to the workplace, providing our employees with the tools to help them lead healthy lives, as well as providing them opportunities to share and influence healthy lifestyles in the community.

## Lettuce Be Healthy

Rates of obesity and diabetes are continuing to rise across the country. In Monterey County, over 57% of the population has diabetes or pre-diabetes. To combat these alarming statistics, we launched our Lettuce be Healthy campaign in 2014. The goal is to equip employees and their families with the education and resources to better manage their health. Today, Taylor Farms has partnered with Quest Diagnostics and Omada to offer specialized health improvement programs that tackle conditions like pre-diabetes, diabetes and hypertension. Since 2019, we have added 10 Taylor

Farms operating companies into the program, with more than 5,000 employees participating, which provides annual biometric screenings, A1C's and annual flu shots on site. Accompanying educational services include one-on-one health coaching, cooking demonstrations and break room visits with nurses and health coaches. All services offered to employees are free of cost and offered during paid time. Additionally, many of our facilities host annual incentive programs like wellness challenges, family friendly active events and weekly healthy food donations to employees.



## Blue Zones

Since 2019, Taylor Farms has embarked on a journey with Salinas Valley Memorial Healthcare System and Montage Health to launch the Blue Zones Projects in Monterey County, California. Inspired by the world's longest-lived cultures, the Blue Zones Project is a well-being initiative designed to unite communities with a common goal of making healthy choices easier. The initiative draws upon more than 200 evidence-based practices to help community leaders across public and private sectors make sustainable changes that promote a culture of health. Together, we believe we can transform well-being and longevity for the local communities in which we live and work. With the partnership of these organizations, we will help sponsor and foster a healthy change throughout Monterey County.



## Pandemic Response

From the outset of the pandemic, we were aggressive in implementing safety measures in our facilities to help keep our team members safe. Temperature checks at the door, personal protective equipment, fully paid quarantine leave for anyone potentially exposed, distanced workstations and break areas and extensive education were just some of the tools used to keep employees safe. Our employees showed how resilient, dedicated and selfless a team of people can be. Our team members showed up every day of the Covid-19 pandemic despite their health risk, children at home from school and the offer of government unemployment benefits. They have truly been heroes in continuing to provide healthy fresh food to our North American customers and consumers.



4

Taylor Farms Operations

are Blue Zones certified workplaces