Qualifying Explanatory Statement

QES – BANANA FRESH FRUIT

23/09/2021

File:	C2-2020-00005 – QES Statement
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Carbon neutrality declaration

Fresh Fruit Fresh Fruit Holding Inc.
Organic Bananas
Carbon Neutrality
PAS 2060 Qualifying Explanatory Statement
Final version 23/09/2021

Baseline period 2020

This is a PAS 2060 Qualifying Explanatory Statement to demonstrate that the bananas delivered by Fresh Fruit have achieved carbon neutrality and that Fresh Fruit is committed to being carbon neutral in line with the PAS2060:2014 reporting standard.

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1. Carbon Neutrality Declaration

Carbon neutrality of Fresh Fruit Organic Bananas achieved by Fresh Fruit Holding Inc. in accordance with pas 2060 at 1st January 2021 with the commitment to maintain to 31rd December 2022 for the period commencing at 1st January 2020 till 31th December 2020, SGS certified.

Date: 21/09/2021

Signed: .....

This Qualifying Explanatory Statement (QES) contains all the required information on the carbon neutrality of the given subject. All information provided within this report has been reviewed by SGS and is believed to be correct. Should any information be provided which affects the validity of the statements within this document, a revised version of the document will be issued. This report will be made available to the public via website or on request.

Please see freshfruit.com.do.

This is the first declaration of achievement and commitment for Fresh Fruit.

Certification letter of SGS can be found in attachment [B].

Company: Fresh Fruit Holding Inc.
Product: Organic banana
Issue date: End of September 2021
Issuing Authority: Encon
Assessed by: SGS

2. Logo

The following logo(s) will be adopted on the products of Fresh Fruit:

Logo still in development

3. Introduction

Fresh Fruit is a Dominican company, owned and managed by a Belgian family since its foundation in 2009. The organisation exports organic bananas to Europe and America and aims to benefit the produce, the planet and the entire production chain, from farmer to consumer. Fresh Fruit's mission is to grow delicious, high-quality organic bananas using socially and environmentally responsible practices.

While the headquarters and farms are located in the Dominican Republic, Fresh Fruit also operates offices in Belgium to maintain a strong European vision and market knowledge.

In the Dominican Republic, around 28.000 hectares of banana plantations were harvested in 2018. Fresh Fruit owns seven farms representing a total of 659 hectares. Five of these farms are included in this assessment, accounting for a total of 360 hectares.

This document forms the Qualifying Explanatory Statement (QES) to demonstrate the achievement of carbon neutrality for the organic bananas of Fresh Fruit, sold in America and Europe. The organic bananas from Fresh Fruit, located in the Dominican Republic, are assessed from cradle-to-grave (plantation to shelve), for the period starting 1st of January 2020 till 1st of January 2021. This assessment is in accordance to the PAS 2060 and is valid for the organic bananas arriving from 5 specific plantations owned by Fresh Fruit.

Carbon neutrality was achieved through a combination of:

- Continuous optimalisation of energy use
- Continuous CO_2 reduction
- Offsetting the retaining carbon emissions

This document represents all information required for the declaration of achievement for carbon neutrality according to the PAS 2060. Furthermore this document serves as the declaration of commitment on carbon neutrality for 2021. This document will be revised and updated yearly in order to extend both declaration of commitment and achievement in the future.

3.1. General information overview

PAS 2060 information requirement	Information as it relates to Fresh Fruit
Uniquely identify itself	Fresh Fruit Holding Inc. Represented by: Pol Vermeiren, Sarah Vermeiren, Thomas Vermeiren Carretera Esperanza-Mao Km 5 Zona Franca Industrial Mao-Valverde VAT nr 130-661-847
Subject of the declaration of carbon neutrality according to the PAS2060	One kg (kilogram) of organic bananas
All characteristics (purposes, objectives or functionality) of the subject	Edible organic bananas for countries in the EU and America
All activities material to the fulfilment, achievement or delivery of the characteristics of the subject	• Farming, cultivation and packaging • Handling at distribution centre • Oversea transport • Ripening and transport to retail • Retail and consumption (End-of-life) The complete and detailed system boundary is reported in Figure 1: Boundaries of the subject according to the cradle-to-grave . The neutrality claim is valid for Fresh Fruit organic bananas that are disposed of as green waste.
Individual responsible for the evaluation and provision of data necessary for the substantiation of the declaration including that of preparing, substantiating, communicating and maintaining the declaration	Encon: • Ruben Reners (ruben.reners@encon.be) • Lerten Viroux (Lerten.viroux@encon.be) Fresh Fruit: • Pol Vermeiren (pol.v@freshfruit.com.do) • Sarah Vermeiren (sarah.v@freshfruit.com.do) • Thomas Vermeiren (thomasvermeiren@icloud.com)
Selection of the subject	The subject represents the organic bananas arriving from 5 plantations: • Paradise • Momibanano • Julietta • Bananagreen Mao • Bananagreen Martin Garcia
Assessment type	I3P-3 Independent third party certification - unified
Baseline date for PAS 2060	2020
Achievement Period	1st January 2020 – 31th December 2020
Commitment Period	1st January 2021 – 31th december 2022

3.2. Scope of assessment

This assessment is valid for the organic bananas arriving from 5 specific plantations owned by Fresh Fruit, which are disposed of by the consumer as green waste. The bananas are sold in Europe and the USA.

Farm	Production Area (Ha)
Paradise	141
Momibanano	50
Julietta	99
Banagreen Mao	45
Banagreen Martin Garcia	25
TOTAL	**360**

Table 1: The 5 specific farms within the scope of this QES

3.3. Boundaries of the subject

This assessment is conducted according to the cradle-to-grave boundaries, which is visualised in the picture below:

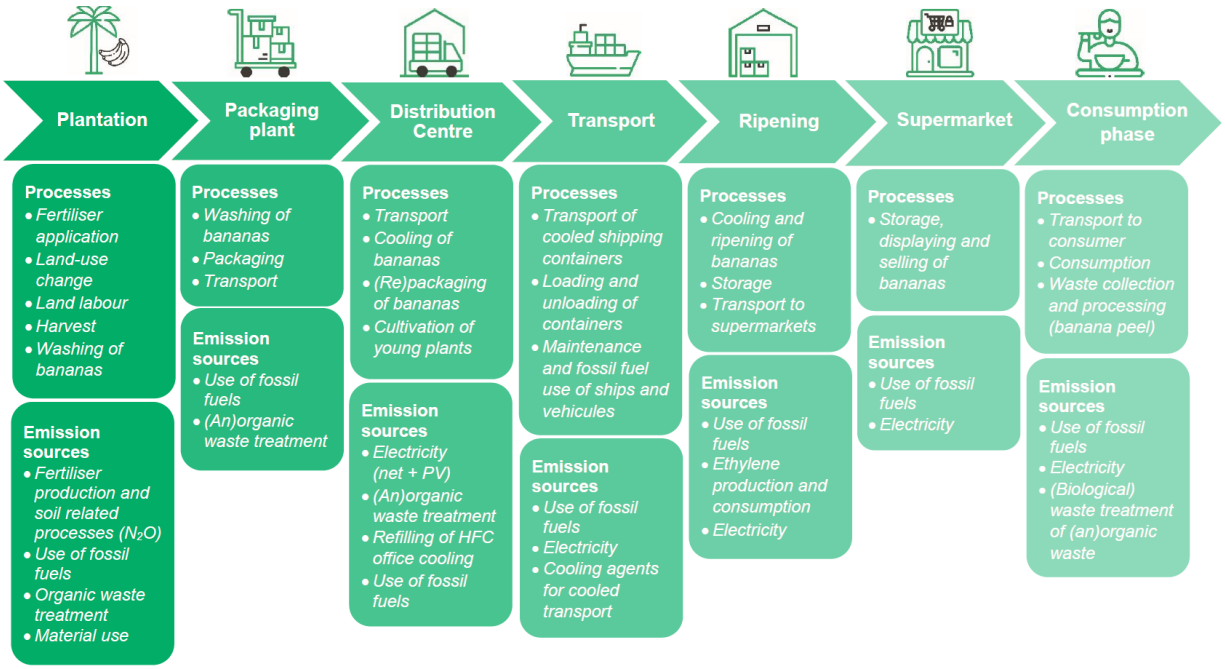

Figure 1: Boundaries of the subject according to the cradle-to-grave approach

The inputs and outputs of every step in the lifecycle of the bananas are analysed and converted into the amount of greenhouse gas emissions that are released in every phase of the lifecycle. The following stages are included, with a list of the main emission source in each step:

- **Stage 1**: Farming, cultivation and packaging
  - Supply of young banana plants (indirect emissions)
  - Purchase and usage of soil improvers such as fertilisers, … (direct & indirect emissions)
  - Purchase and usage of packaging material such as carboard boxes, tapes, … (indirect emissions)
  - Waste treatment of both organic and inorganic waste (indirect emissions)
  - Direct fossil fuel and electricity use and purchase (direct & indirect emissions)
  - Land-use change

- **Stage 2:** Handling at distribution centre
  - Direct fossil fuel (e.g. transport) and electricity use and purchase (direct & indirect emissions)
  - Purchase and usage of packaging material such as carboard boxes, tapes, … (indirect emissions)
  - Waste treatment of both organic and inorganic waste (indirect emissions)

- **Stage 3:** Oversea transport
  - Direct fossil fuel and electricity use and purchase (direct & indirect emissions)
  - Leakage/replacement of cooling agents used in cooling containers (direct emissions)

- **Stage 4:** Ripening and transport to retail
  - Use of ethylene gas to ripen the bananas (direct emissions)
  - Direct fossil fuel (e.g. transport) and electricity use and purchase for both storage and transport (Direct emissions)

- **Stage 5:** Retail and consumption
  - Direct fossil fuel use for transport (direct emissions)
  - Transport of the customer to and back from the store (indirect emissions)
  - Waste disposal of banana peel, transport and treatment, which are disposed of as green waste (indirect emissions)

3.3.1. Justification for methodology and assumptions in defining boundaries.

Boundaries were defined based on a site visit and best practise guidance given in industrial guidelines (Methodological Guide to reduce carbon and water footprints in banana plantations, FAO). No significant emission catagories are excluded from the carbon footprint. In addition, an extra level of detail was implemented to the significant emission catagories (for example oversea transport), increasing the accuracy and realibility of the results. The carbon footprint is therefore best achievable result based on reasonable costs of evaluation.

3.4. PAS2060 product neutrality

As stated by the PAS 2060, the carbon neutrality of the subject was documented, quantified and achieved by following the necessary steps:

1. Determinate the subject
2. Quantify the carbon footprint
3. Carbon Management Plan
4. Take action
5. Re-quantify the carbon footprint and offset residual GHG emissions
6. Declare carbon neutrality
7. Maintain carbon neutral status

The PAS 2060 demonstration for carbon neutrality is a cyclical process consisting out of different periods for the declaration of commitment and achievement.

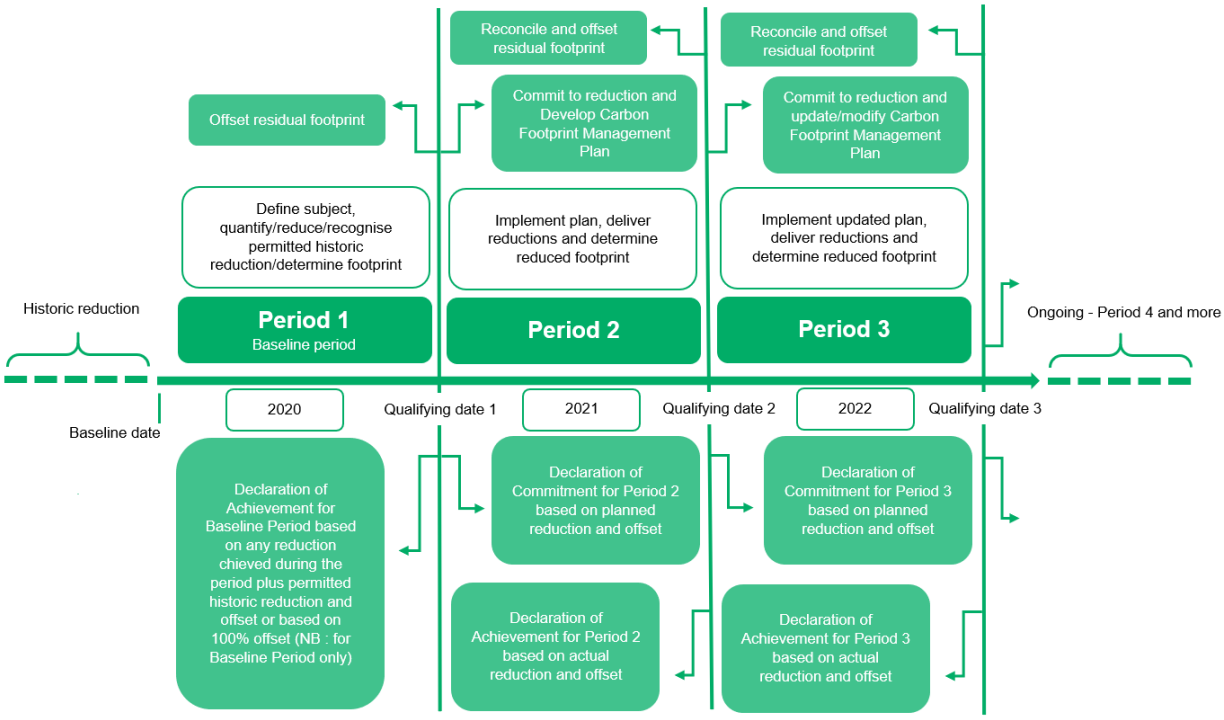

Figure 2: Cyclical process for demonstrating carbon neutrality for Fresh Fruit organic bananas

Since this is the **first declaration of achievement** for Fresh Fruit, the carbon neutrality of the subject is reached by 100% offset. Fresh Fruit was already committed to reduce its carbon footprint in the past and extends this commitment to the future in the carbon reduction management plan.

4. Quantification of carbon footprint

4.1. Methodology

The carbon footprint of one kg (kilogram) of organic bananas is quantified in accordance to the WRI GHG product life cycle accounting and reporting standard. According to this standard, seven types of greenhouse gasses were taken into account, according to the Kyoto Protocol and the United Nations Framework Convention on Climate Change:

1. Carbon dioxide (CO2);
2. Methane (CH4);
3. Nitrous oxide (N2O);
4. Hydrofluorocarbons (HFCs);
5. Perfluorocarbons (PFCs);
6. Sulphur hexafluoride (SF6);
7. Nitrogen trifluoride (NF3).

The calculation method, or impact assessment method used is IPCC 2013 GWP 100a, used by Mobius software, distributed by EcoChain.

The GHG inventory accounts for 100% of the GHG emissions of business activities and operations over which Fresh Fruit has operational control. In addition, all other product related activities and operations are taken into account and is believed to be complete and under full compliance with the PAS2060:2014.

The data for the first application period has been verified by an independent 3rd party: SGS. The assurance letter can be found in Appendix B.

The boundaries set for the quantification of the carbon footprint can be find in paragraph 3.3.

4.2. Carbon footprint result

The carbon footprint of Fresh Fruit's organic bananas was calculated for 2020 using the GHG Protocol – Product Standard and is documented in the report written by Encon: EC-2020-00301-Fresh Fruit-Carbon Footprint Analysis-LCA Banaan v3 SGS.

Using the lifecycle approach as described by the protocol, the result is a product carbon footprint of:

0,488 kg CO_2e/kg banana

The impact of the 5 different phases of the products lifecycle are summarized in the table below:

Phase	kg CO2e/ kg bananas	%
Stage 1: Farming, cultivation and packaging	0,0746	15,30
Stage 2: Handling at distribution centre	0,0686	14,06
Stage 3: Oversea transport	0,1540	31,57
Stage 4: Ripening and transport to retail	0,0971	19,91
Stage 5: Retail and consumption	0,0935	19,16
Total	**0,488**	**100,00**

Table 2: Carbon footprint result per lifcycle phase of Fresh Fruit 2020

The results are valid for Fresh Fruit's organic bananas that are disposed of by the consumer as green waste.

The results are visualised in the figure below:

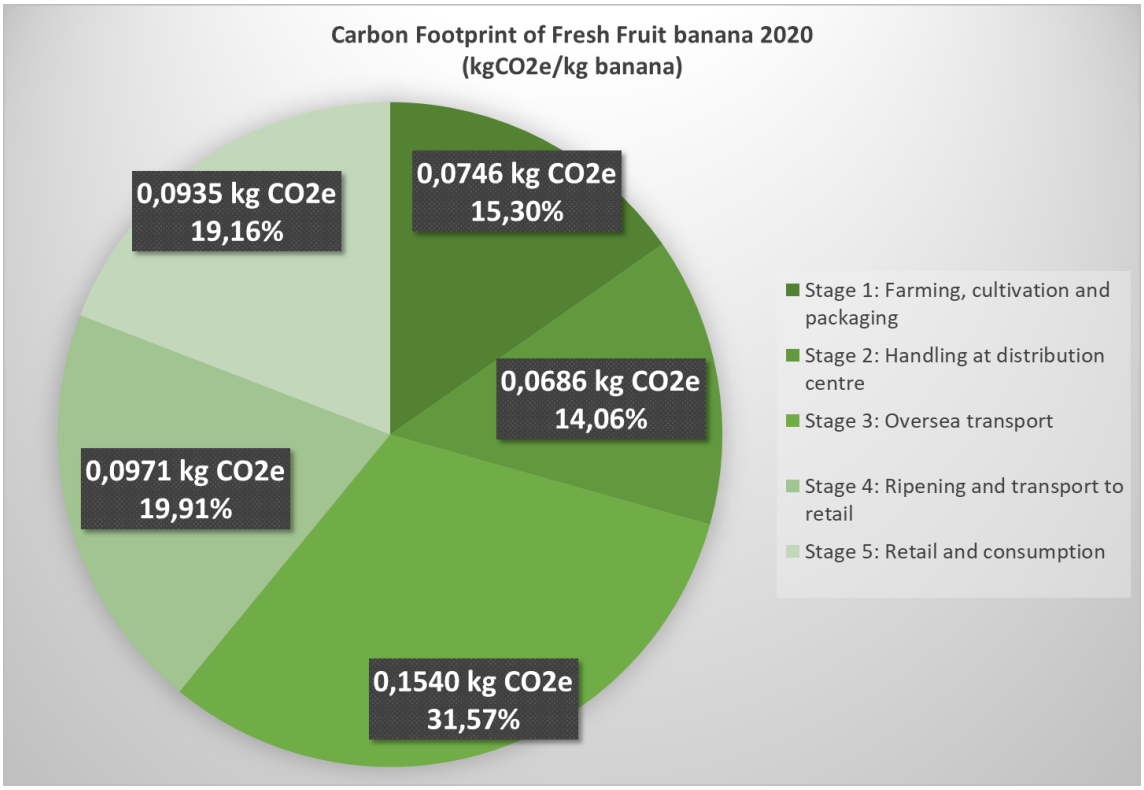

Figure 3: carbon footprint of Fresh Fruit organic banana in 2020

The carbon footprint based on 95% of likely greenhouse gas emissions; primary sources are subject to variations over time; footprint is best estimate based on reasonable costs of evaluation.

4.3. Data source and quality

Different forms of data were collected and used to calculate the total carbon footprint for the bananas. Primary data is used where possible, only where primary data was not, secondary data was used to quantify emission.

- Primary data: activity and material data collected and delivered to Encon by Fresh Fruit (C-level).
- Secondary data:
    - Estimations made by Fresh Fruit for data that is not otherwise available.
    - Estimations made based on relevant data from databases or (scientific) literature and studies.

In order to process the data and conduct the LCA, a combination of software and database tools were used:

- Software: Mobius, developed by EcoChain and conform ISO 14040/44
- Database(s): EcoInvent 3.5
- (Scientific) literature
- Microsoft Excel

When estimations were made based on (scientific peer reviewed) literature or expertise, this is clearly stated in the complete carbon footprint report. However, the use of estimations was limited and always reviewed regarding the previously mentioned data quality indicators of the GHG protocol.

To further improve data quality, the following locations were visited during a 2 day site visit. The data collected represents the complete cultivation, plantation, distribution centre, and all related processes:

Date	Name	Location
02/03/2019	Paradise Produce	Guayubín, DR
02/03/2019	Distribution Centre Fresh Fruit	Baco de Mao, DR
03/03/2020	Banagreen Martin Garcia	Guayubín, DR
03/03/2020	Momibanano	Jaibón, DR

Table 3: Details of the 4 farms visited for data collection for the GHG inventory

The collected data was reviewed by SGS through multiple sample checks in accordance to the requirements of GHG Protocol Product Standard and the PAS 2060:2014.

4.4. Assumptions, estimations and exclusions

Assumptions, estimations and exclusions made to quantify the Greenhouse gas emission of Fresh Fruit were sample wise reviewed by SGS through the GHG Protocol certification process and requirements of PAS 2060:2014.

The most relevant assumptions, estimations or exclusions are described below:

- Assumptions: the end of life treatment of the peel of the bananas is 100% considered as the treatment of green waste.
- Estimations: several estimations were based on secondary data. This data was always subjected to the quality parameters as described in the GHG Protocol (use of peer reviewed scientific literature). The use of secondary data and estimations was however limited to a minimum. E.g. the weight of the banana peel is estimated to be 40% of the total banana.
- Exclusions: no significant impact categories or emission sources were excluded from the carbon footprint calculation.

4.5. Qualitative inventory uncertainty statement

As stated in the paragraphs before, a qualitative GHG inventory is ensured by:

1. Focussing on primary activity data, wherever and whenever possible
2. Subjecting all data to the 5 different quality parameters as defined by the Greenhouse Gas Protocol
3. Limiting the use of estimations and calculation approaches

In practise this means that different questionnaires were sent to different parties in the banana supply chain to obtain accurate primary data and/or relevant emission factors:

- Fresh Fruit, the owner of the farms and distribution centre discussed in this assessment, requested the carbon footprint calculation of its organic bananas and provided primary data concerning all different lifecycle steps that happen within their organisational boundaries (see stage 1 and stage 2 as described in paragraph 3.2.
- Fertira, the producer of the organic fertilisers used by Fresh Fruit. In addition Fertira had the carbon footprint of the production process of the fertilisers calculated by an external party.
- Hapag-Lloyd, the logistics partner of Fresh Fruit, delivered a detailed calculation methodology of the carbon footprint of their ship transportation options. This methodology and additional data was used to accurately calculate the carbon footprint of port to port transport, one of the most significant lifecycle stages in the carbon footprint of the banana.

The primary data collected by the questionnaires cover over 80% of the calculated carbon footprint.

In addition, calculations were made using emission factors from the EcoInvent 3.5 database, following the IPCC 2013 GWP 100a impact assessment method.

Methodological choices concerning the use and end-of-life profile of the product include the transport of the banana to the customers residence and consumption of the banana (no emission). The end-of-life profile assumes a complete disposal as green waste (GFT in Belgium).

Because of previously mentioned reasons, the uncertainty on the inventory and calculated result is considered low.

5. Carbon reduction management

The carbon reduction management plan covers a 4 years period (2021-2024) with the aim of maintaining the emission intensity indicator, this means that the emission intensity indicator must not increase along the period.

The emission intensity indicator is represented by: 0,488 kg CO_2e/ kg of organic banana.

This target will be monitored periodically (annually) in order to check if the expected results are aligned to the actual results. In order to achieve the target, a series of projects will be implemented both inside and outside the organisational boundaries of Fresh Fruit.

Although Fresh Fruit began its Carbon Management Programme for Carbon Neutrality according to the PAS2060 in 2021, energy and carbon emission saving measures have been implemented since 2010. The following paragraphs explain in detail the historical reductions, the implemented reductions and the planned reduction projects.

A distinct difference will be made between two types of reduction measures. 'Energy efficient' measures will make sure less energy is consumed, or renewable energy is used instead of conventional, without altering the yield nor quality of the product. This energy can be in the form of electricity, but also the direct use of fossil fuels (petroleum, gas, diesel, …).

Secondly, there will be a focus on 'carbon efficient' measures. These measures do not directly reduce the emissions due to consumed energy within the organisational boundaries of Fresh Fruit, but reduce emissions caused in the supply chain of the product. Reducing the amount of packaging material that is used, changing between suppliers who are located more nearby, working with other type of materials for production, … are some examples of this category.

5.1. Methodology and target

Carbon reduction measures refer to GHG emission reductions and their impact is determined by following the Greenhouse Gas Protocol – Product Standard. The methodology used was applied in accordance with its provisions and the principles set out in the PAS 2060.

The reduction measures will be evaluated once per year and adjusted accordingly. The target of the carbon reduction management plan is to reduce the carbon footprint of the product by 10% by 2023 and 20% by 2024 compared to base year 2020. Currently no sector guidance is available in supporting this target, but nonetheless the target is believed to be in line with the best practise given in various industry specific standards, such as: Methodological guide to reduce carbon and water footprints in banana plantations, by FAO & GIZ in 2017 [1].

5.2. Management plan

Fresh Fruit is a supplier and distributor of organic bananas, deeply committed to delivering quality products. Fresh Fruit controls and monitors every stage of the organic product production, from the plantations to the table of the consumer. To prove this, the production methods and practices that are followed to grow organic products have been accredited with internationally recognised certifications such as Fairtrade, Rainforest Alliance, etc.

5.2.1. Best Practice and improvement areas

As mentioned before, energy- and carbon emission saving measures have been implemented since 2010. This chapter gives an overview of these saving measures and reflects them based on the guidance given by the "Methodological guide to reduce carbon and water footprints in banana plantations", published by the Food and Agriculture Organisation of the United Nations and GIZ in 2017. It will furthermore indicate different improvement areas. The elements in this paragraph are of crucial importance when evaluating the carbon reduction targets set by Fresh Fruit in 2021.

Category	Measure	Description and benefits	Status/remark
General	Use of renewable energy	Solar or photovoltaic panels, reduce emissions due to electricity use	Already applied
	Use of electricity	• LED lights, reassess need for lighting, skylights • Technological changes in container fleet	• Applied (DC) • Applicable after detail study
Farm	Cover cropping	Introduction of specific plants with different agronomic traits (root systems, shade demands, water, nutrients, weed competition, etc)	Already applied during nursery step. Has been tested with 13 different types of plants.
	Weed management	Mechanical weed management or biological control	Already applied since start of farms
	Precision agriculture + Optimizing fertiliser use	• Nitrogen testing of soil/soil analysis; reduce over fertilizing • Adaptive fertilizer program; adjust fertilizer rate in function of irrigation and growth periods • nitrogen fixing plants: reduce (fertilizer) soil emissions • Use of biochar to partly replace fertilizer use	Already applied 3 times per year. Soil and banana leaf analysis is used to optimize the fertilizer use.
	Organic agriculture	• The production of organic fertilizers have a lower CO2e emission. • Lower soil emission due to different soil impact.	Already applied since start of farms
	Optimize fuel use	Lower fuel use results in lower emissions. A change in energy source can also have a significant impact (renewable energy instead of diesel)	Integrated into carbon reduction management plan
	Carbon removals	• Reforestation of own or leased areas • Protection of own or leased forests • Vegetation covers in plantations	Integrated into carbon reduction management plan

Category	Measure	Description and benefits	Status/remark
Transport	Fuel-saving devices/ additives	The use of additives that reduce fuel consumption in transport	Applicable after detail study.
	Optimize routes	Best route considering distance, type of road and traffic conditions. Reduce idle time.	Already applied since November 2019
	Improve local roads	Road conditions can improve fuel use efficiency	Already applied, improvement of the road, 2-3 times per year, since before 2015
	Use trains	Trains cannot be used to cost-efficiently transport the goods within the Dominican republic. However, Fresh Fruit has already invested in a double trailer system (road trains) for its trucks.	Already applied, see chapter 2.2.1.
Cooling	Refrigerants swap/efficient cooling	The use of low GWP refrigerants. Improve the cooling process of bananas and the buildings (offices)	Integrated into carbon reduction management plan, see paragraph 2.2.2.
	Prevent refrigerant leak	Maintain the reefers in order to prevent refrigerants leaks as much as possible	Already applied 2.3.1. (Fresh Fruit only allows transport with reefers from 2017 or newer)
Transport	Use of different fuels	Use of CNG, LNG, biofuels in the different transportation steps	In close collaboration with Total in order to only use the most high quality fuels.
Ripening	Natural cooling agents	Use of ammonia and water (low GWP). LED lighting, efficient cooling systems	Detail study at ripening facility level required

Table 4: Carbon reduction measures according to best practise guidance

5.2.2. Historical reduction

The table below shows projects that were implemented between 2020 and 2021. Please also note all the reduction measures that have been mentioned in the table above.

Reduction measure	Info	year	Type of energy used	Site
Double container transport	30% fuel efficiency increase	2020	Fuel – diesel	Transport Dominican Republic
Photovoltaic installation	/	Spread over several years	Electricity	Farms, DC

Table 5: Reduction measures implemented in 2020 and 2021

5.2.3. Planned reduction

As stated before, Fresh Fruit will follow a 4 year carbon reduction plan, which will be revised yearly in order to keep track of the reductions and to keep in line with the targeted reduction. The following measures are planned for 2021-2024.

Reduction measure	Year	Note	Site	% reduction	Footprint kg CO2e/kg banana
Pre-cooling	2021	Electricity efficient installation, fed mainly by renewable electricity	DC and transportation chain	7,7	0,450
Replacement of pump station pumps	2021 (may-june)	Swap from diesel pumps to electricity pumps, fed mainly by renewable electricity	BG Mao, MG	1,59	0,443
Packaging materials	2022	Changing the weight of the cardboard boxes will result in lower production and transport emissions	All	2,31	0,433
New farm	2021	Paradise Valley, a new farm equipped with state of the art technologies	Farm	TBD	0,433
Carbon neutral shipping of containers	2021 - 2022	MSC carbon neutral shipping of reefer containers	Transportation	23,21	0,333
Up- and downstream solar panels	2021 - 2022	Both the ripening facility and the producer of the organic fertilizers will install photovoltaic panels	Fertilizer production + ripening facility	TBD	0,333
Triple container transport	2022	Diesel fueled road train	Transportation	0,1	0,332
Soil organic carbon content	2022	Detailed and specific stdy to calculate the positive impact of organic fertilizers on the soil organic carbon content	Farms	25-50	0,332
Packaging materials	2023	Changing the plastic packaging materials to paper tape + bioplastics	All	1,8	0,326
Bio-fuel use	2024	Including a portion of bio-fuel in the different transport steps in the supply chain of the product	Transportation	0,1-10	0,326

Reduction measure	Year	Note	Site	% reduction	Footprint kg CO2e/kg banana
Reforestation of owned land	2024	Reforestation of owned land with trees/crops.	Farms, DC	TBD	?
Total reduction of carbon footprint				**44,25***	**0,249**

Table 6: Planned carbon reduction measures 2022-2024

In the table above, the values in grey indicate that the % reduction has still to be determined by a detailed calculation which is only possible after the reduction measure has been implemented OR a detail study has to be conducted in the future. Also note that a range of possible % reduction is given, indicating that the carbon reduction is estimated to be between these two values. For each implemented reduction measure, an exact reduction value will be calculated in the yearly update of this carbon reduction plan.

6. Carbon offset program

Fresh Fruits main priority is to actively reduce the carbon footprint of the whole supply chain of its organic bananas. However, to achieve the carbon neutral product status, a certain residual amount of emissions will have to be offset. Because of this reason, a carbon offset program is implemented. This program includes a 100% carbon offset of the emissions for the first application period (2020), which will decrease gradually over the years since more reduction measures will be implemented.

The carbon offset credits that are used by Fresh Fruit to offset the emissions are issued by the Clean Development Mechanism (CDM) and are labelled as Certified Emission Reductions (CERs). Certified emission reductions (CERs) are earned by greenhouse gas (GHG) mitigation projects in developing countries after a rigorous verification process managed by the UN Climate Change secretariat. These credits can be traded and sold under the Kyoto Protocols emissions trading scheme [2]. The CER labelling ensures that credits are issued only after a rigorous validation process and after the actual emission reduction has taken place.

To purchase and retire the carbon credits, Fresh Fruit worked with AFS Energy. AFS Energy is a commodity house heavily concentrated on the sustainability market; from renewable energy to carbon offsetting solutions. With access to an extensive network of buyers and sellers of environmental commodities, AFS Energy can provide advice, market insight, updates on regulations and pricing information, in order to deliver a tailored-made solution for each one of its clients. AFS Energy is located in Beursplein 5, 1012 JW, Amsterdam. For general information see afsgroup.nl. To know more about their voluntary sustainability services, please visit stige.nl or directly call to +31 205 220 255.

6.1. Offset project and amount

With the help of AFS Energy, Fresh Fruit purchased and retired a total of 7.509 carbon credits with an equivalent of 7.509 tonnes of CO2e. This covers the carbon emissions of the complete supply chain of the organic bananas arriving from 5 specific farms of Fresh Fruit in 2020, as defined in paragraph 3.3.

The purchase and retirement of the credits is divided into two Cancellation Statements of respectively 4.390 and 3.119 CER credits. Both cancellation statements can be found in Appendix C.

The projects that were selected by Fresh Fruit are two different wind energy farm projects, located in India and China.

Project 1: 27.3 MW Wind Energy Farm Project

The project is located in the district of Jaisalmer, in Rajasthan, India. The project is a wind power project, which supplies electricity to the fossil fuel dominated Indian grid system. In the absence of the project, the equivalent amount of electricity would have been generated in the Indian grid by fossil fuels. The main objective of this project is to reduce GreenHouse Gas (GHG) emissions through the utilization of renewable energy technology for generation of electrical energy. The project generates local employment during construction and operation, as well as indirect employment opportunities, leading to the development of the region overall. Also, additional investment for the development of infrastructure in the region (like roads, power infrastructure, transmission lines, etc.) took place thanks to the project.

Project 2: 200 MW Danjinghe Wind Farm Project

The project is located in Zhangbei County, Hebei Province, China. The North China Power Grid (NCPG) is dominated by fossil fuel-fired power generation, mainly coal. Therefore, this project promotes local sustainable development by reducing CO2, SO2 and NOx emissions, creating local employment opportunities during the assembly and installation of wind turbines and for operation of the project itself, as well as by reducing other particulate pollutants resulting from the fossil fuel fired power plants compared with a business-as-usual scenario.

Period covered: emissions from the complete lifecycle of the organic bananas from 01/01/2020 till 31/12/2020

Retirement date: 27/08/2021 – See appendix C

The retirement of the carbon credits is conducted by NEA – Dutch Emission Authority. The CER credits are therefore not available in a public registry but validity of the credits can be checked by contacting info@emissieautoriteit.nl and providing the two ID transaction numbers as can be found in appendix C.

Due to the use of validated CER credits, hereby is confirmed that:

a) Offsets generated or allowance credits surrendered represent genuine, additional GHG emission reductions elsewhere.

b) Projects involved in delivering offsets meet the criteria of additionality, permanence, leakage and double counting.

c) Carbon offsets are verified by an independent third-party verifier.

d) Credits from Carbon offset projects are only issued after the emission reduction has taken place.

e) Credits from Carbon offset projects are retired within 12 months from the date of the declaration of achievement.

f) Credits from Carbon offset projects are supported by publically available project documentation on a registry which shall provide information about the offset project, quantification methodology and validation and verification procedures.

g) Credits from Carbon offset projects are stored and retired in an independent and credible registry.

6.2. Offset of second application period

In 2022 the second application period starts, resulting in an update of the carbon footprint calculation, carbon reduction plan and offset program. Fresh Fruit will notify AFS Energy with the amount of carbon credits that have to be retired in order to maintain the carbon neutral product status after carefully taking the carbon reduction measures into account.

Appendix A: QES checklist

QES checklist – CFP report and reduction plan			
N°	**Action**	**Check**	**Reference/Info**
1	Identify the individual responsible for the evaluation and provision of data necessary for the substantiation of the declaration including that of preparing, substantiating, communicating and maintaining the declaration.	V	Paragraph 3.1
2	Identify the entity responsible for making the declaration.	V	Paragraph 3.1
3	Identify the subject of the declaration.	V	Paragraph 3.1
4	Explain the rationale for the selection of the subject. (The selection of the subject should ideally be based on a broader understanding of the entire carbon footprint of the entity so that the carbon footprint of the selected subject can be seen in context; entities need to be able to demonstrate that they are not intentionally excluding their most significant GHG emissions (or alternatively can explain why they have done so)).	V	Paragraph 3.1
5	Define the boundaries of the subject.	V	Paragraph 3.3
6	Identify all characteristics (purposes, objectives or functionality) inherent to that subject.	V	Paragraph 3.1
7	Identify and take into consideration all activities material to the fulfilment, achievement or delivery of the purposes, objectives or functionality of the subject.	V	Paragraph 3
8	Select which of the 3 options within PAS 2060 you intend to follow.	V	Paragraph 3.1
9	Identify the date by which the entity plans to achieve the status of "Carbon Neutrality" of the subject and specify the period for which the entity intends to maintain that status.	V	Paragraph 0
10	Select an appropriate standard and methodology for defining the subject, the GHG emissions associated with that subject and the calculation of the carbon footprint for the defined subject.	V	Paragraph 4.1
11	Provide justification for the selection of the methodology chosen. (The methodology employed shall minimize uncertainly and yield accurate, consistent and reproducible results.	V	Paragraph 4
12	Confirm that the selected methodology was applied in accordance with its provision sand the principles set out in PAS 2060.	V	Paragraph 4
13	Describe the actual types of GHG emissions, classification of emissions (Scope 1, 2 or 3)and size of carbon footprint of the subject exclusive of any purchases of carbon offsets.	V	Paragraph 4.2
	a) All greenhouse gases shall be included and converted into tCO2e.	V	Paragraph 4.2
	b) 100% Scope 1 (direct) emissions relevant to the subject shall be included when determining the carbon footprint.	V	Paragraph 4.2
	c) 100% Scope 2 (indirect) emissions relevant to the subject shall be included when determining the carbon footprint	V	Paragraph 4.2
	d) Where estimates of GHG emissions are used in the quantification of the subject carbon footprint (particularly when associated with scope 3 emissions) these shall be determined in a manner that precludes underestimation	V	Paragraph 4.2

	e) Scope 1, 2 or 3 emission sources estimated to be more that 1% of the total carbon footprint shall be taken into consideration unless evidence can be provided to demonstrate that such quantification would not be technically feasible or cost effective. (Emission sources estimated to constitute less than 1% may be excluded on that basis alone.)	V	Paragraph 4.2, 4.4
	f) The quantified carbon footprint shall cover at least 95% of the emissions from the subject.	V	Paragraph 4.4
	g) Where a single source contributes more than 50% of the total emissions, the 95% threshold applies to the remaining sources of emissions.	NA	
	h) Any exclusion and the reason for that exclusion shall be documented.	V	Paragraph 4.4
14	Where the subject is an organization/company or part thereof, ensure that:	NA	
	a) Boundaries are a true and fair representation of the organization's GHG emissions (i.e. shall include all GHG emissions relating to core operations including subsidiaries owned and operated by the organization). It will be important to ensure claims are credible – so if an entity chooses a very narrow subject and excludes its carbon intensive activities or if it outsources its carbon intensive activities, then this needs to be documented.	NA	
	b) Either the equity share or control approach has been used to define which GHG emissions are included. Under the equity share approach, the entity accounts for GHG emissions from the subject according to its share of equity in the subject. Under the control approach, the entity shall account for 100% of the GHG emissions over which it has financial and/or operational control.	NA	
15	Identify if the subject is part of an organization or a specific site or location and treat as a discrete operation with its own purpose, objectives and functionality.	NA	
16	Where the subject is a product or service, include all Scope 3 emissions (as the lifecycle of the product/service needs to be taken into consideration).	V	Paragraph 3.3
17	Describe the actual methods used to quantify GHG emissions (e.g. use of primary or secondary data), the measurement unit(s) applied, the period of application and the size of the resulting carbon footprint. (The carbon footprint shall be based as far as possible on primary activity data.) Where quantification is based on calculations (e.g. GHG activity data multiplied by greenhouse gas emission factors or the use of mass balance/lifecycle models) then GHG emissions shall be calculated using emission factors from national (Government) publications. Where such factors are not available, international or industry guidelines shall be used. In all cases the sources of such data shall be identified.	V	Paragraph 4
18	Provide details of, and explanation for, the exclusion of any Scope 3 emissions.	V	Paragraph 4.4
19	Document all assumptions and calculations made in quantifying GHG emissions and in the selection or development of greenhouse gas emission factors. (Emission factors used shall be appropriate to the activity concerned and current at the time of quantification.)	V	Paragraph 4.4
20	Document your assessments of uncertainty and variability associated with defining boundaries and quantifying GHG emissions including the positive tolerances adopted in association with emission estimates. (The statement could take the form of a qualitative description regarding the uncertainty of the results, or a quantitative assessment of uncertainty if available (e.g. carbon footprint based on 95% of likely greenhouse gas emissions; primary sources are subject to variation over time; footprint is best estimate based on reasonable costs of evaluation)).	V	Paragraph 4.5**Fout! V erwijzingsbron niet gevonden.**
21	Document Carbon Footprint management plan:	V	Paragraph 5
	a) Make a statement of commitment to carbon neutrality for the defined subject.	V	Paragraph 3.4
	b) Set timescales for achieving carbon neutrality for the defined subject.	V	Paragraph 3.4

	c) Specify targets for GHG reduction for the defined subject appropriate to the timescale for achieving carbon neutrality including the baseline date, the first qualification date and the first application period.	V	Paragraph 5
	d) Document the planned means of achieving and maintaining GHG emissions reductions including assumptions made and any justification of the techniques and measures to be employed to reduce GHG emissions.	V	Paragraph 5.2
	e) Specify the offset strategy including an estimate of the quantity of GHG emissions to be offset, the nature of the offsets and the likely number and type of credits.	V	Paragraph 6
22	Implement a process for undertaking periodic assessments of performance against the plan and for implementing corrective action to ensure targets are achieved. The frequency of assessing performance against the Plan should be commensurate with the timescale for achieving carbon neutrality.	V	Paragraph 5.2.3
23	Where the subject is a non-recurring event such as weddings or concert, identify ways of reducing GHG emissions to the maximum extent commensurate with enabling the event to meet its intended objectives before the event takes place and include post event review to determine whether or not the expected minimisation in emissions has been achieved.	NA	
24	For any reductions in the GHG emissions from the defined subject delivered in the period immediately prior to the baseline date and not otherwise taken into account in any GHG emissions quantification (historic reductions), confirm: • the period from which these reductions are to be included; • that the required data is available and that calculations have been undertaken using the same methodology throughout; • that assessment of historic reduction has been made in accordance with this PAS, reporting the quantity of historic reductions claimed in parallel with the report of total reduction.	NA	
25	Record the number of times that the declaration of commitment has been renewed without declaration of achievement.	V	Paragraph 3
26	Specify the type of conformity assessment: a) independent third-party certification; b) other party validation; c) self-validation.	V	Paragraph 3.1
27	Include statements of validation where declarations of commitment to carbon neutrality are validated by a third-party certifier or second party organizations.	V	Appendix B
28	Date the QES and have it signed by the senior representative of the entity concerned (e.g. CEO of a corporation; Divisional Director, where the subject is a division of a larger entity; the Chairman of a town council or the head of the household for a family group).	V	Paragraph 1
29	Make QES publicly available and provide a reference to any freely accessible information upon which substantiation depends (e.g. via websites).	V	Paragraph 1
30	Update the QES to reflect changes and actions that could affect the validity of the declaration of commitment to carbon neutrality.	V	Paragraph 1

QES checklist			
N°	**Action**	**Check**	**Reference/Info**
1	Define standard and methodology use to determine its GHG emissions reduction.	V	Paragraph 5
2	Confirm that the methodology used was applied in accordance with its provisions and the principles set out in PAS 2060 were met.	V	Paragraph 5
3	Provide justification for the selection of the methodologies chosen to quantify reductions in the carbon footprint, including all assumptions and calculations made and any assessments of uncertainty. (The methodology employed to quantify reductions shall be the same as that used to quantify the original carbon footprint. Should an alternative methodology be available that would reduce uncertainty and yield more accurate, consistent and reproducible results, then this may be used provided the original carbon footprint is re-quantified to the same methodology, for comparison purposes. Recalculated carbon footprints shall use the most recently available emission factors, ensuring that for purposes of comparison with the original calculation, any change in the factors used is taken into account).	V	Paragraph 5
4	Describe the means by which reductions have been achieved and any applicable assumptions or justifications.	NA for year 1	Will be taken into account in the annual update of this document
5	Ensure that there has been no change to the definition of the subject. (The entity shall ensure that the definition of the subject remains unchanged through each and every stage of the methodology. In the event that material change to the subject occurs, the sequence shall be re-started on the basis of a newly defined subject.)	V	Paragraph 5
6	Describe the actual reductions achieved in absolute and intensity terms and as a percentage of the original carbon footprint. (Quantified GHG emissions reductions shall be expressed in absolute terms and shall relate to the application period selected and/or shall be expressed in emission intensity terms (e.g. per specified unit of product or instance of service)).	NA for year 1	Will be taken into account in the annual update of this document
7	State the baseline/qualification date.	V	Paragraph 3
8	Record the percentage economic growth rate for the given application period used as a threshold for recognising reductions in intensity terms.	NA	
9	Provide an explanation for circumstances where a GHG reduction in intensity terms is accompanied by an increase in absolute terms for the determined subject.	NA	
10	Select and document the standard and methodology used to achieve carbon offset.	V	Paragraph 6
11	Confirm that:	V	Paragraph 6
	a) Offsets generated or allowance credits surrendered represent genuine, additional GHG emission reductions elsewhere.	V	Paragraph 6
	b) Projects involved in delivering offsets meet the criteria of additionality, permanence, leakage and double counting. (See the WRI Greenhouse Gas Protocol for definitions of additionality, permanence, leakage and double counting).	V	Paragraph 6
	c) Carbon offsets are verified by an independent third-party verifier.	V	Paragraph 6
	d) Credits from Carbon offset projects are only issued after the emission reduction has taken place.	V	Paragraph 6
	e) Credits from Carbon offset projects are retired within 12 months from the date of the declaration of achievement.	V	Paragraph 6
	f) Provision for event related option of 36 months to be added here.	NA	

	g) Credits from Carbon offset projects are supported by publically available project documentation on a registry which shall provide information about the offset project, quantification methodology and validation and verification procedures.	V	Paragraph 6
	h) Credits from Carbon offset projects are stored and retired in an independent and credible registry.	V	Paragraph 6
12	Document the quantity of GHG emissions credits and the type and nature of credits actually purchased including the number and type of credits used and the time period over which credits were generated including:	V	Paragraph 0
	a) Which GHG emissions have been offset.	V	Paragraph 6
	b) The actual amount of carbon offset.	V	Paragraph 6
	c) The type of credits and projects involved.	V	Paragraph 6
	d) The number and type of carbon credits used and the time period over which the credits have been generated.	V	Paragraph 6.1
	e) For events, a rationale to support any retirement of credits in excess of 12 months including details of any legacy emission savings, taken into account.	NA	
	f) Information regarding the retirement/cancellation of carbon credits to prevent their use by others including a link to the registry or equivalent publicly available record, where the credit has been retired	V	Paragraph 6.1
13	Specify the type of conformity assessment: a) independent third-party certification; b) other party validation; c) self-validation.	V	Paragraph 3.1
14	Include statements of validation where declarations of achievement of carbon neutrality are validated by a third-party certifier or second party organizations.	V	Paragraph 1
15	Date the QES and have it signed by the senior representative of the entity concerned (e.g. CEO of a corporation; Divisional Director, where the subject is a division of a larger entity; the Chairman of a town council or the vhead of the household for a family group).	V	Paragraph 1
16	Make QES publicly available and provide a reference to any freely accessible information upon which substantiation depends (e.g. via websites).	V	Paragraph 1

Entities should satisfy themselves that the QES			
N°	**Action**	**Check**	**Reference/Info**
1	Does not suggest a reduction which does not exist, either directly or by implication.	V	NA
2	Is not presented in a manner which implies that the declaration is endorsed or certified by an independent third- party organization when it is not.	V	NA
3	Is not likely to be misinterpreted or be misleading as a result of the omission of relevant facts.	V	NA
4	Is readily available to any interested party.	V	NA

Appendix B: Assurance letter SGS

Certificate is attached after page 28 of the QES statement.

Appendix C: Cancellation Statements

Transactie

ID Transactie:	NL32542
Transactietype:	04-00 Annulering van Kyoto-eenheden
Status transactie:	4-Voltooid
ID overdragende rekening:	NL-121-5027142-0-23 AFS Energy CERs
Type overdragende rekening:	Persoonstegoedrekening in nationaal register
ID ontvangende rekening:	NL-230-5018612-2-73
Type ontvangende rekening:	Vrijwillige annulering
Startdatum:	27/08/2021 10:04 CEST
Datum van goedkeuring:	27/08/2021 11:14 CEST
Laatste wijziging:	27/08/2021 11:14 CEST
Opmerkingen:	CO2 compensation for Fresh Fruit's Organic Bananas

Type eenheid	Project	Geldigheid	Aantal
CER	IN7873	Geldig	4,390

Transactie

ID Transactie:	NL32541
Transactietype:	04-00 Annulering van Kyoto-eenheden
Status transactie:	4-Voltooid
ID overdragende rekening:	NL-121-5027142-0-23 AFS Energy CERs
Type overdragende rekening:	Persoonstegoedrekening in nationaal register
ID ontvangende rekening:	NL-230-5018612-2-73
Type ontvangende rekening:	Vrijwillige annulering
Startdatum:	27/08/2021 10:02 CEST
Datum van goedkeuring:	27/08/2021 11:15 CEST
Laatste wijziging:	27/08/2021 11:15 CEST
Opmerkingen:	CO2 compensation for Fresh Fruit's Organic Bananas

Type eenheid	Project	Geldigheid	Aantal
CER	CN2170	Geldig	3,119

Certificate BE210096/2021b

Certificate of Carbon Neutrality

Carbon neutrality of Organic Banana product life cycle
achieved by Fresh Fruit Holdings inc.
for the application period 01/01/2020– 31/12/2020
with commitment to maintain till 31/12/2022

Fresh Fruit Holdings inc

has been assessed and certified as
meeting the requirements of

PAS 2060:2014

For the following subject
Organic Banana product life cycle

Lead Assessor: François Ducarme
Technical Reviewer: Silvia Martinez Mohedo

Issued by SGS Belgium NV
Parc Créalys -rue Phocas Lejeune, 4
B-5032 - Gembloux - Les Isnes
be.envi.services@sgs.com

Certificate Issue Date 24th September 2021

This Certificate is not valid without the full scope, criteria, conclusion and other details available on pages 2 to 4 of this Statement.

Certificate BE210096/2021b - continued

Brief description of Certification Process
SGS has been engaged by Fresh Fruit Holdings inc. to provide independent assurance that the Declaration Achievement of Carbon Neutrality of Organic Banana product life cycle for the application period 01/01/2020 - 31/12/2020 with Commitment to maintain till 31/12/2022 as presented in its Qualifying Explanatory Statement is in accordance with the requirements of PAS 2060:2014 (Specification for the demonstration of carbon neutrality). The assessment has been performed by SGS in accordance with ISO14064-3:2019.

Scope
The scope of assurance covers the QES which includes the Fresh Fruit Holdings's demonstration of achievement of carbon neutrality for the period of 1st January 2020 to 31st December 2020 and commitment to maintain carbon neutrality till 31st December 2022.

The carbon neutrality claim covers the life cycle of banana produced in Dominican Republic by Fresh Fruit Holdings and put on the market in Europe :
• Stage 1: Farming, cultivation and packaging (including land use change),
• Stage 2: Handling at distribution centre,
• Stage 3: Oversea transport,
• Stage 4: Ripening and transport to retail,
• Stage 5: Retail and consumption.

The 5 plantations involved in the supply chain and the carbon neutrality claim are clearly defined in the QES and cover a total of 360 ha (Paradise, Momibanano, Julietta, Banagreen Mao, Banagreen Martin Garcia).

End-of-life assumption : it is assumed that the banana peels are selectively discarded as green waste. If the banana peels happen to end up with general waste (potentially in landfill) emissions would be higher and product would not be carbon neutral. This restriction of scope is clearly mentioned in QES.

Exclusions: Carbon sequestration due to land use change (resulting in carbon being removed from the atmosphere) are included in the scope only for the above-ground compartment. Additional carbon sequestration in soil is not included in the assessment because no reliable monitoring methodology is in place at this time. This exclusion is conservative because it is estimated that the carbon stock in the underground compartment is increasing due to land use change to perennial plantation and use of organic fertilizer.

Baseline date: 1st January 2020
Qualifying date 1 : 1st January 2021

Types of GHGs included: CO_2, N_2O, CH_4, HFCs PFCs and SF_6.

Criteria
Verification of GHG emissions (before offset) is undertaken against the requirements of GHG Protocol's Product Life Cycle Accounting and Reporting Standard.
Certification of carbon neutrality is undertaken against the requirements of PAS 2060:2014.

GHG emissions verified in the application period 01/01/2020-31/12/2020 (before offset): 7 509 $tCO_{2\,eq}$ per year - 0.488 kg $CO_{2\,eq}$ per kg banana.

Offsetting of the residual GHG emissions:
The offsetting of the residual GHG emissions associated to the PAS 2060 was carried out through 7 509 carbon credits generated by the following CDM (Clean Development Mechanism) projects :

- CN2170 (CECIC HKC Danjinghe Wind Farm Project, China)
- IN7873 (27.3 MW Wind energy farm at Mokla Rajasthan by HZL, India).

Roles and responsibilities
Fresh Fruit Holdings, assisted by its consultant Encon, is responsible for the organization's GHG information, the development and maintenance of records and reporting procedures, including the quantification of the carbon footprint, the carbon management program, the offsetting strategy and the presentation of the information in the QES.

SGS is responsible for

- Verifying the GHG emissions of calendar year 2020 (before offset) against the requirements of GHG Protocol's Product Life Cycle accounting and reporting standard.
- Certifying carbon neutrality of the subject matter against the specifications of PAS2060:2014 and issuing an independent opinion on the Carbon Neutrality Declaration provided by Fresh Fruit Holdings for the application period 01/01/2020 – 31/12/2020 as presented in its Qualifying Explanatory Statement.

Level of Assurance
The level of assurance agreed is limited.

Materiality
The materiality required of the verification was considered by SGS to be below 10%.

Conclusion
SGS concludes with limited assurance that there is no evidence that the Company's declaration of carbon neutrality presented in the Qualifying Explanatory Statement is not in accordance with the requirements of PAS 2060:2014 Specification for demonstration of carbon neutrality for the application period 01/01/2020 - 31/12/2020 (declaration of achievement), with commitment to maintain till 31/12/2022.

This statement shall be interpreted jointly with the Qualifying Explanatory Statement of Fresh Fruit Holdings as a whole.

Forward action request

The calculation of carbon footprint involves emission factors from Ecoinvent version 3.5 (released in 2018 and current at the time of initiating the work). In the meantime, new versions have been released and the latest one to date is 3.7.1. For the calculation of the next carbon footprint, the company should make sure they update the calculation factors to the latest available, in order to maintain compliance with the requirements of PAS2060.