



# SUSTAINABILITY REPORT 2023



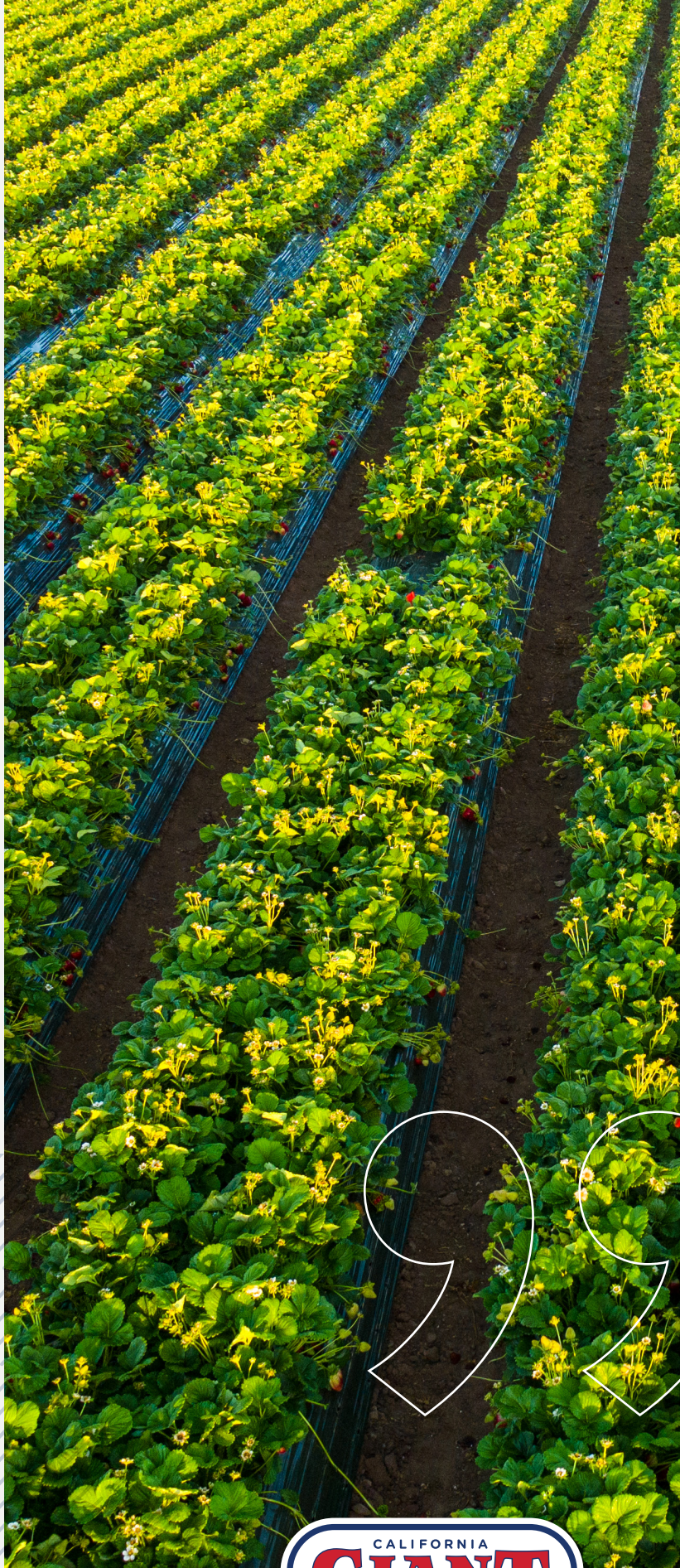


From the inception of our organization, sustainability has been at the core of our mission.

As founder of California Giant Berry Farms, I envisioned a company that excelled in delivering the best berry experience while operating in a manner that upheld environmental stewardship, social responsibility, and economic viability. Our triple bottom line of people, planet, and profit balances social, environmental and economic considerations for a holistic approach to true sustainability. This report serves as a testament to the strides we've made in integrating sustainable practices into every aspect of our business.

As we reflect on our journey, we are proud to share our very first sustainability impact report, which highlights achievements, challenges, and the roadmap for continued progress in creating a positive and lasting impact on the world around us.

**Bill Moncovich,**  
Founding Partner, Owner & CEO



# Welcome to California Giant Berry Farm's Inaugural Sustainability Report for 2023

A primary focus for California Giant Berry Farms is maintaining optimal berry freshness and integrity while minimizing our impact. As a family-owned company, we understand the importance of sustainability for the wellbeing of our employees, grower-partners, customers, and stakeholders. To address our impact, we're in the process of shaping our formal sustainability program and believe that transparency, accountability, and continuous improvement are essential elements of a robust program.



Our journey starts with our grower-partners who supply us with high quality berries, including conventional and organic strawberries, blueberries, blackberries, and raspberries. From there, it's a step-by-step process involving packaging, cooling, warehousing, sales, marketing, and distribution, all with a keen eye on food safety, quality and sound decision making along the way.

None of this would be possible without our dedicated employees and the support of our communities. California Giant is committed to having their back every step of the way through generous benefits packages, ongoing training and advancement opportunities.



We believe sustainability is the foundation for a thriving business, which is why our commitment to sustainability spans from our fields to our main office headquarters – and beyond. This report offers insights into our operations as a family-owned business and outlines our goals for the future.

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Over the last four decades, California Giant Berry Farms has established itself as a name synonymous with quality.

Originally founded in 1983 by Bill Moncovich, Pat Riordan, Frank Saveria and Red Bryant, California Giant Berry Farms started small. The quartet joined forces with a simple mission in mind—provide the best quality strawberries and give back to their community. Working under the name of New West Fruit Corp and packaging the brand’s cornerstone product—strawberries—with the California Giant label, their vision was to keep growing the company and become a major shipper, which is exactly what happened over the past 40 years.

# OUR STORY

Moncovich’s commitment to customer service is what led to the company’s growth and inevitable success. New West Fruit Corp formally transitioned to California Giant Berry Farms in 1998, and today the brand has evolved to offer a full line of organic and conventional strawberries, blueberries, blackberries and raspberries, while partnering with growers in North and South America to provide a year-round supply of quality fruit.



# OUR BUSINESS

Since the beginning, California Giant Berry Farms (California Giant, Inc.) has existed as a privately-owned family company, with Bill Moncovich as the sole owner today. The affiliated companies under California Giant Inc. include California Giant Cooling, LLC, and our international subsidiaries Giant Berry Farms de Mexico and California Giant Chile SpA.



## OUR MISSION

We deliver premium berries and nourish our communities.

## OUR VISION

We are the most resilient fresh berry company in the world. Employees, growers, customers, and stakeholders find value from our premium berries.

## OUR VALUES

### Community

From our family of growers across North and South America, to the office headquarters in Watsonville, CA—we support our local and farming communities.

### Quality

Our year-round all-season supply of berries represents the highest standards of quality and consistency.

### Philanthropy

We strive to make a difference in our community through The California Giant Foundation's philanthropic initiatives.

### Fairness, and Mutual Respect

Simply put – we treat others the way we'd want to be treated and apply this to all aspects of our business.

California Giant Berry Farms partners with growers and forges strong relationships that have spanned decades , providing influential dialogue on food safety, quality, and sustainable practices.

## As a packer-shipper, our key functions are:





# GROWING REGIONS

-  **Strawberries**
-  **Blueberries**
-  **Raspberries**
-  **Blackberries**





# GOVERNANCE



# MATERIALITY ASSESSMENT



In 2023, California Giant Berry Farms made significant strides in advancing our social and environmental sustainability.



During Q3, our leadership team conducted its first internal materiality assessment. Leveraging the Sustainability Accounting Standards Board's (SASB) framework, a team spanning all departments evaluated and identified our most pertinent material topics, considering their potential positive or negative impacts.

Looking ahead, we aim to expand this analysis to include external stakeholders and continue to assess potential impacts on our business, the environment, and our communities. This commitment underscores our ongoing dedication to sustainability and responsible business practices.

# SASB Internal Materiality Assessment Results



## ENVIRONMENT

Energy Management

Water & Wastewater Management

Ecological Impact



## SOCIAL CAPITAL

Product Quality & Safety

Customer Welfare

Selling Practices & Product Labelling



## HUMAN CAPITAL

Labor Practices

Employee Health & Safety

Employee Engagement, Diversity & Inclusion



## BUSINESS MODEL & INNOVATION

Supply Chain Management

Materials Sourcing & Efficiency



## LEADERSHIP & GOVERNANCE

Business Ethics

Systemic Risk Management

# SUSTAINABILITY COMMITTEE

In the latter part of 2023, we established our inaugural Sustainability Committee, which convenes monthly to design initiatives and track our progress.

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This committee comprises key members of our leadership team, including our President, CFO, VP of Human Resources, Director of Sustainability, Director of Product Supply, Sr. Director of Operations, Director of Accounting, and Director of Marketing. Together, we're driving forward our commitment to sustainability and fostering positive change throughout our company and supply chain.

# STAKEHOLDER ADVISORY BOARD

In our ongoing quest to measure what truly matters, California Giant Berry Farms is prioritizing new initiatives that will best assess the impact we have on our communities. One of these initiatives includes the establishment of our inaugural Stakeholder Advisory Board. This board will comprise representatives from various segments of our community, including our company's owner, investors, employees, suppliers, growers, contractors, and customers.

The primary aim of this board is to facilitate a streamlined channel of communication between California Giant Berry Farms and its key stakeholders. Through this platform, we aim to foster open and free-flowing dialogue on crucial topics such as supplier capacity building needs, material topic assessments, sustainability strategy, and major business decisions.



By engaging with a diverse range of perspectives, we're confident that the Stakeholder Advisory Board will play a pivotal role in guiding our sustainability efforts and shaping the future of our company in a positive direction.

# PEOPLE AND CULTURE



## As a family-led company, we are family forward.

We value our communities, as the vast majority of our employees both live and work within a tight knit radius around our operations. We have many team members that have been with the company for over two decades, which contributes to the family feel of the company. Additionally, we are proud to support the philanthropic work our employees do through fundraising for our California Giant Foundation.

### 23%

of staff have  
been employed  
by California  
Giant for over  
20+ years

### 32%

of staff have  
worked for the  
company for  
over 10+ years

### 9.1 YEARS

is the average  
tenure of our  
employees

## EMPLOYEE ENGAGEMENT AND DIVERSITY

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*Working at California Giant for so long has been really rewarding for me. It's not just the job itself; it's about being with a company that genuinely wants to make a difference in our community. I feel proud and happy to work somewhere that puts its heart into what it does. Having the chance to contribute to our community through my job has been incredible. It's more than just work; it's about being part of a team that's really dedicated to helping others.*

**Anne Laatsch**, California Giant Procurement Analyst - since 1994



*What brought me to California Giant was knowing the dedication it had to its growers, employees and community. As the quality manager, knowing that “quality” is a big emphasis of the company’s culture makes me even more passionate about what I do. The work life balance that California Giant offers is amazing because of the great leadership we have. I’m happy to be part of the California Giant family where philanthropic initiatives make a difference in our community and being part of that is so rewarding.*

**Patricia Contreras**, California Giant Quality Manager - since 2023



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## EMPLOYEE SATISFACTION

In early 2024, we launched and received the results from our third round of employee engagement surveys, which was made available to all employees at California Giant Berry Farms Inc. The overall satisfaction result from this round was 8% higher than the average industry results with a combined score of 73%. While we are proud of these results, we are striving to continually ensure our employees feel supported by implementing initiatives that address employee needs and concerns, including offering competitive compensation and benefits, fostering a positive work environment, and providing opportunities for growth and development.

73%



## DIVERSITY

We recognize the importance of reflecting the diversity of the communities we serve and operate in. We strive to build a workforce that mirrors the rich backgrounds of our communities where we work. Our company workforce based in our Watsonville, CA headquarters, is made up of an equal or higher representation of underrepresented workers than our local communities, according to Santa Cruz census data.

**We celebrate our cultural makeup which shows through our employee led fundraising events and wellness program.**

# CALIFORNIA GIANT FOUNDATION



The California Giant Foundation was established in 2015 by the owner of California Giant Berry Farms, Bill Moncovich, as a 501(c)3 non-profit as a way to formalize ongoing support of local charitable organizations and causes. This provides the employees of California Giant an opportunity to give back to the community through organizations that are making a positive change in the health and wellness of current and future generations.



The support of the California Giant Foundation is defined by four pillars that serve as the inspiration for charitable gifts, event sponsorship, and partnerships.

These four pillars include:

## Nutrition

Encourage healthy food choices and increase food education through non-profit organizations and school programs.

## Food Insecurity

Support to local hunger-based organizations such as Meals on Wheels and local Food Bank programs that seek to significantly decrease the number of hungry families in the community.

## Prevention & Awareness

National and local support is given to organizations that affect change by educating and increasing awareness about prevalent diseases.

## Community

Support of local health and fitness initiatives that benefit employees of California Giant Berry Farms and their families including non-profit organizations, community sports programs, and more.



To provide even more support to these causes and local organizations, California Giant staff plans and executes a variety of fundraising events throughout the year.



Such events include raffles, Bunko night, Photos with Santa, monthly department-led fundraising activities, and the revered community event: Skirt Steak BBQ.



The annual Skirt Steak BBQ was initiated by California Giant sales staff in 2006 and provides funds for the causes, charitable and community service organizations that the company's philanthropic non-profit supports. What began with a lunch for about 50 people has transformed into a community-wide beloved tradition and is now one of the largest fundraising events put on by the staff of California Giant.



At year-end, all funds are generously matched by Bill Moncovich and distributed to non-profit beneficiaries across our growing communities. Since The California Giant Foundation's inception in 2015, **it has invested over 1 million dollars in community non-profits.**

**The Foundation's monetary donations in 2023 totaled approximately \$75,000.**

In addition to the California Giant Foundation's formal 501(c)3, California Giant, Inc. supports community and employee initiatives on a case-by-case basis. In 2023, supplemental support totaled \$213,139.48.





# FOOD SAFETY & TRACEABILITY



## FOOD SAFETY

California Giant Berry Farms goes above and beyond standard guidelines to proactively mitigate risks associated with microbial, chemical, and physical contamination.

As an industry leader, regulatory compliance is a top priority, and we exceed national and international food safety rules to ensure our berries are grown, packed and distributed in the safest possible manner.

## COOLERS AND PACKHOUSES

Our cold storage facilities, blueberry packing houses and supply chain partner's distribution centers adhere to all FDA requirements and industry standards by implementing Good Manufacturing Practices (GMP). We have a quality management system that ensures safe product handling and consistency with a review process that ensures continuous improvement. All employees are trained on GMP principles, relevant procedures, and hygiene practices to ensure that our facilities are properly calibrated for optimum cooling and performance to ensure quality and freshness.

## GROWING OPERATIONS

Our food safety team ensures all our growers are in compliance with local, state, and federal food safety regulations, as well as industry standards. California Giant Berry Farms growing operations are all certified under the Global Food Safety Initiative (GFSI) with at least one of the following certifications: PrimusGFS, GlobalG.A.P., and USDA National Organic Program.



We conduct unannounced Good Agricultural Practices (G.A.P.) audits from a third-party certifying body regardless of where the berries are grown, shipped, or stored. Food safety and G.A.P. trainings are consistently deployed with growers, harvest crews and foremen to ensure we grow and harvest the safest berries for you.



The main principles of GlobalG.A.P. focus on water, worker health and hygiene, field sanitation, packing facility sanitation, transportation, and traceback and recordkeeping.



# QUALITY

At the heart of California Giant Berry Farms' success is our dedication to quality and freshness that begins in the field with our selection of the best tasting and hardiest cultivars.

When planted, field inspections help identify and address issues such as pests, diseases, quality issues and other growing conditions. By assessing berries at the source, we make informed decisions to ensure the quality and safety of the berries before they enter the supply chain. Our field inspectors are continuously inspecting fruit in the field and finished product to help ensure the best possible quality fruit.

Once at our cooler docks, trained quality inspectors take samples from every incoming lot and conduct a thorough inspection of the berries and packaging materials used. Through Glasschain QA, we streamline the inspection process across all regions by automating data collection, reducing the risk for human error, and enabling real-time monitoring of analysis. This leads to a faster detection of defects or non-compliance issues to ensure our high-quality standards and waste reduction.



**GIANT BERRY FARMS**

Your strawberries were grown in **WATSONVILLE, CA**

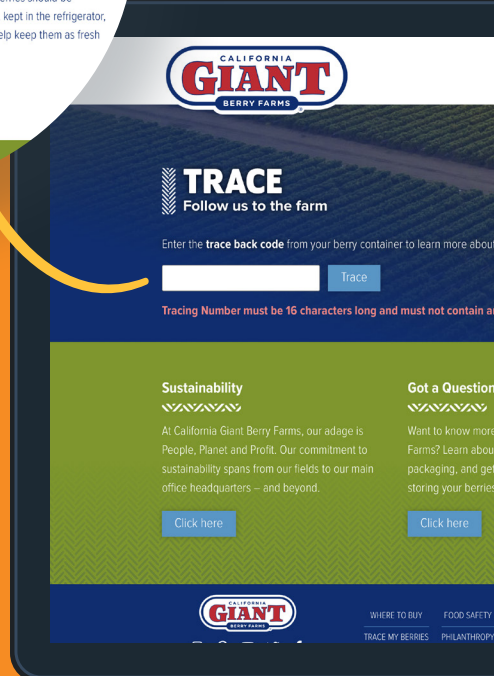
In addition to farming, Watsonville is also where our headquarters has been located since we opened our doors for business over 35 years ago. This region can claim the most acreage and the longest strawberry growing season in the state. We love it here and hope you enjoy our "home grown" berries.

- ✓ **Product Name:** 1lb California Giant Strawberries
- ⌚ **Shelf Life:** On average, fresh strawberries should be enjoyed within 2-3 days of purchase, kept in the refrigerator, and only washed prior to eating to help keep them as fresh as possible.

# TRACEABILITY

Our blockchain application, through IBM Food Trust, allows for real-time tracking of food products from farm to fork. This provides a detailed record of every step in the journey, including origin, processing, storage, and transportation. With this information readily available, any quality issues can be quickly identified and addressed and by optimizing storage and transportation conditions, blockchain can contribute to reducing food waste throughout the supply chain.

Try it at [calgiant.com/trace](http://calgiant.com/trace)



# OPERATIONS



A greenhouse gas (GHG) inventory provides a detailed record of emissions from various sources, allowing us to pinpoint areas for reduction. This information is vital for setting goals, tracking progress, and informing policies to curb climate impact.

Based in Watsonville, CA, our operations stretch from the Pacific Northwest to Chile in South America and include corporate buildings, coolers, and packhouses.



In 2024, we intend to set our operational boundary and baseline our energy use, water use, and GHG footprint (Scopes 1 & 2) in order to continually build a strategy based on increasing efficiencies and lessening impacts.

The inventory typically categorizes emissions into three scopes:

## SCOPE 1

covers direct emissions from an organization’s own activities, like fuel combustion in factories.

## SCOPE 2

includes indirect emissions from purchased electricity, heating, and cooling.

## SCOPE 3

considers all other indirect emissions across the entire value chain, from material sourcing to product disposal.



## PACKAGING

While all of our packaging is recyclable, we realize that not all plastic is actually recycled. We are committed to working with vendors and within our industry to find innovative environmentally friendly packaging solutions.

### A few of our packaging initiatives include:

- ✓ Transitioning to washaway labels that eliminate adhesive residue that inhibits recyclability.
- ✓ Providing recycling instructions on all labels through How2Recycle.
- ✓ Aligning with vendors that use post consumer PET and are working towards using 100% recycled plastic materials.
- ✓ Piloting heat seal technology which reduces plastic up to 30% per clamshell.



# COLLABORATIVE SOLUTIONS IN PLASTIC MULCH REDUCTION

We have taken a collaborative approach to addressing a critical environmental challenge: plastic pollution from agricultural practices and ocean health. Plastic films used in agriculture, known as mulch films, play a valuable role in crop production. However, due to California's unique geography with watersheds draining directly into the ocean, these films pose a significant threat to marine ecosystems. Natural factors like wind and water can easily transport plastic debris, introducing harmful pollutants into the ocean.



## Exploring Biodegradable Mulch Films

In collaboration with Satsuma Farms and California Giant, the California Marine Sanctuary Foundation (CMSF) is investigating the potential of soil-biodegradable mulch (BDM) films as a sustainable alternative to traditional polyethylene (PE) mulch. BDMs offer a promising solution by minimizing plastic waste at the end of their lifespan. Studies indicate that these films can biodegrade up to 90% within two years, significantly reducing their long-term environmental impact.

## Making Mulch Films Recyclable

In partnership with The California Marine Sanctuary Foundation (CMSF), Monterey Bay National Marine Sanctuary (MBNMS), Andros, Flipping Iron, ALBA, Driscoll's, Good Farms, and Naturipe Farms, recognizing the limitations of traditional recycling due to post-use contamination by soil and organic matter, this collaborative project aims to significantly reduce contamination levels in used mulch films, making them more readily recyclable.





# FARM FOR THE FUTURE



# Our commitment to providing the best berries spans decades, with land stewardship, integrated pest management, and cultural practices at the forefront of our grower's farming methods.

We are proud to offer Fair Trade USA™, SCS Sustainably Grown and Bee Better certified products.

Our growers first line of crop defense is the practice of Integrated Pest Management (IPM), a strategy that uses pest biology and environmental factors to determine the best management actions to minimize pest damage. By working with nature first and utilizing beneficial organisms and best practice cultural controls, our growers create safe programs to address pest mitigation.



Strawberry growers use bug vacuums in their fields as part of their integrated pest management strategy.



All of our US growers are PrimusGFS or GlobalG.A.P. certified and in accordance with all state, county, and federal regulations for soil, water, pesticide use, and worker safety and hygiene. To ensure similar standards are met in Mexico and South America, all of our growers are GlobalG.A.P. certified, a globally recognized standard that addresses the entire agricultural production process, promoting responsible practices across: food safety, IPM, energy and waste management, and workers' health, safety, and welfare.





## HIGHLIGHTING OUR GROWERS

**California Giant Berry Farms  
Grower, California, USA –  
Providing conventional and  
organic strawberries since 2008.**

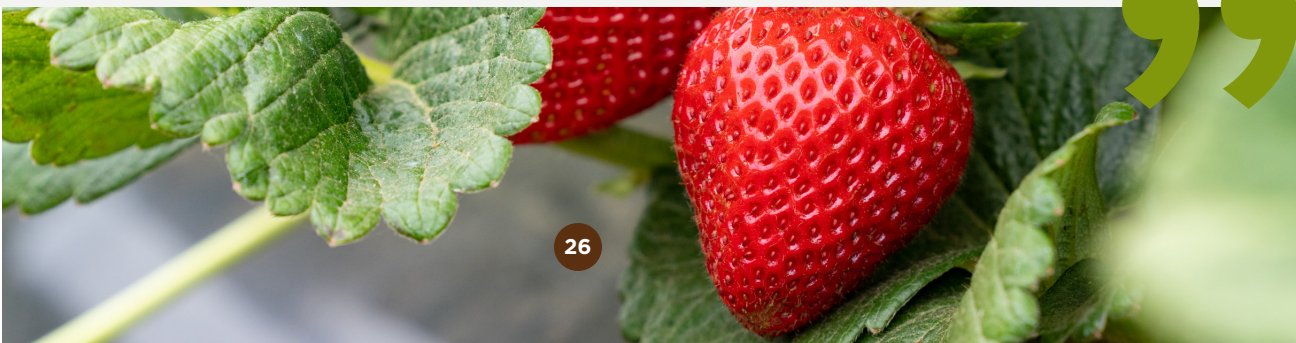


**Rich Uto**, Owner/Grower - Satsuma Farms

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*You have to have your numbers and understand them in order to make sound decisions to move forward. It's a big reason we decided to pursue both the Sustainably Grown certificate from SCS Global Services and Fair Trade USA™ certification. When I began farming, I knew record keeping was important, but it wasn't until I started working through these types of frameworks that I had my big 'aha' moment and all the data came together to provide a 360 view of my farm operations and our surrounding impact. Certified Sustainably Grown is a holistic view on your people, financials, and environmental impacts; while Fair Trade USA™, with its worker premiums, ensures we are supporting our people in ways that are meaningful to them.*





Alfredo Sandoval, Grower - Las Palmas Ranch

California Giant Berry Farms Grower,  
Mexico – Providing organic raspberries  
and blackberries since 2019.



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*Agriculture is a very important economic sector for us, and our farm has been handed down generationally from our grandparents. Thus we feel committed to providing the best quality organic berries, minimizing the use of agrochemicals, and highlighting an integrated farming system that strives for sustainability, the enhancement of soil fertility, and biological diversity.*

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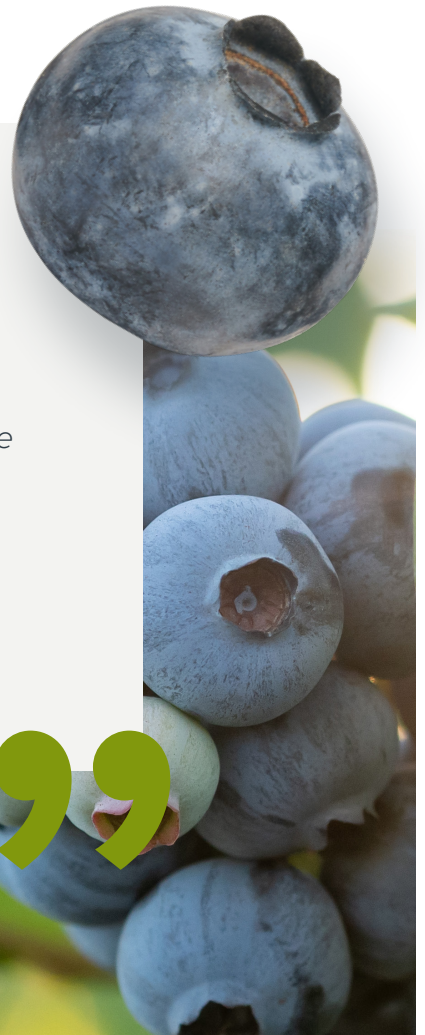
**California Giant Berry Farms Grower, Oregon, USA – Providing organic blueberries since 2014.**

Julie, Alfred, and John Dinsdale,  
Owners/Growers - McKay Creek Farms

“



*As an organic grower, we believe that soil is not just a growing media requiring chemical inputs to grow crops but a living network that needs to be protected and nourished. Restoring the soil’s natural biology reduces inputs and creates a healthier, more sustainable future for our farm. We partnered with Natural Resources Conservation Services and Tualatin Soil and Water Conservation District to create a farm conservation plan, including conservation plantings, irrigation efficiency, wildlife habitat, cover crops and pollinator habitats.*



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## FUTURE ENDEAVORS

We are committed to transparency in our sustainability efforts and acknowledge the importance of quantifying our environmental impact. We have plans for measuring and addressing our impact both on an enterprise level as well as in the field. In addition, we are committed to continued improvement in our packaging, addressing recyclability, recycled content, and non-plastic solutions.

## IMPROVED FIELD DATA

We intend to further our grower partnerships by gaining a better understanding of on-farm practices. We are onboarding a new field data collection platform this year to provide real time and year end reporting. Our platform will allow for a review of daily field practices and inspections uploaded directly by our growers, providing constant, beneficial information directly to our growers and our food safety, quality, and responsible sourcing functions.



## PACKAGING

We are committed to working with our vendors to achieve clamshells that use 100% recycled content as well as within our industry to find innovative environmentally friendly packaging solutions. We will provide more data about post-consumer recycled PET content in our packaging in our next annual report.

## SETTING OUR OPERATIONAL BOUNDARY AND MEASURING OUR FOOTPRINT

We will establish a baseline for our enterprise energy consumption and associated GHG emissions, with the intention to set reduction targets and develop initiatives to achieve those targets.

# IN CLOSING



As we reflect on our sustainability journey at California Giant Berry Farms, we find ourselves inspired by the mutualism between our commitment to social sustainability and environmental stewardship and our vision of becoming the most resilient fresh berry company in the world. Our pursuit of sustainability isn't merely a noble endeavor—it's a strategic imperative that aligns seamlessly with our overarching vision of resilience in the face of challenges.



## We are energized by the strides we've made, however recognize that our work is far from complete.

Our vision for the future is one of continued growth and innovation in sustainability.

Our goal is clear: to further integrate sustainable practices into every facet of our business, cultivating a culture of resilience that permeates every decision we make. We will continue to invest in cutting-edge technologies, forge strong partnerships with our grower-partners and communities, and prioritize the well-being of our employees—all with an eye towards building a future that is not only sustainable, but thriving.

As leaders in agriculture, we understand the profound responsibility we carry—to steward the land, to nurture our communities, and to pave the way for future generations. With unwavering dedication and a steadfast commitment to our core values, we are confident that California Giant Berry Farms will emerge as the most resilient fresh berry company in the world, setting a new standard for sustainability and success in our industry.

**Joe Barsi**, President



CORPORATE HEADQUARTERS

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