

Environmental and Social Review Summary (ESRS) Prize Capex – Regional

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1. General Information of the Project and Scope of IDB Invest’s Environmental and Social Review

Prize Holding Chile SpA (the Company or Prize) is a privately owned group of companies engaged in the production, processing, packaging and sale of fruit. Organized in Chile, the Company is expanding its operations to Peru and Mexico. Prize was founded as a company exclusively engaged in exporting activities and later expanded to fruit processing in 2011 (becoming one of the largest super food companies in Chile) and it grew as a super fruit farmer in 2016 with cherry, blueberries and stone fruits. At present, it processes over 70.000 ton of 10 different types of fruit, it exports to more than 30 countries and it is vertically integrated into the value chain. Its fruits come from its own crop fields in Chile, Peru and Mexico, as well as 300 outsourced producers. To continue with its sustainable growth, Prize aims at increasing its agricultural capital investments, which will entail acquiring land, planting blueberries and other species, and obtaining irrigation and processing equipment. These new investments will allow the Company to increase its supply of quality products to national and international markets.

The Environmental and Social Due Diligence (ESDD) was carried out in July 2024 and included reviewing the following issues, among others: (i) the Company’s Environmental and Social Management Systems (ESMSs); (ii) environmental and social (E&S) policies, plans and procedures, including occupational health and safety (OHS) aspects; (iii) the E&S impact assessments (ESIA) for the existing operations; (iv) information on water resources; (v) contingency plans; (vi) social baseline information; (vii) biodiversity information; (viii) contractor management audits and protocols; (ix) human resources policies, and (x) planning and execution of stakeholder engagement processes, including grievance mechanisms and social investment activities carried out by the Project.

The ESDD included visits to key Project sites, including fields and processing plants. During such visits, inspections and meetings were carried out with the management team and the E&S and OHS leaders. The Requinoa processing plant was visited, as well as the corporate offices and Los Gómeros field, both of them located in the O’Higgins region in Chile, together with the Aqu Anqa processing plant and adjacent blueberry fields located in the Department of Libertad, Peru.

2. Environmental and Social Categorization and Rationale

The Project has been classified as a Category B transaction as per IDB Invest’s Environmental and Social Sustainability Policy, since it may generate medium-intensity impacts and risks. The main E&S aspects related to the Project include: (i) water management, (ii) agrochemicals management, (iii) waste, (iv) soil quality, and (v) land acquisition.

The Performance Standards (“PS”) triggered by the Project are: (i) PS1: Assessment and Management of Environmental and Social Risks and Impacts; (ii) PS2: Labor and Working Conditions; (iii) PS3: Resource Efficiency and Pollution Prevention; (iv) PS4: Community Health and Safety; (v) PS6: Biodiversity; and (vi) PS8: Cultural Heritage.

Land will be acquired through voluntary transactions; therefore, PS5: Land Acquisition and Involuntary Resettlement is not triggered by the Project.

3. Environmental and Social Context

3.1 General characteristics of the Project’s site

The Prize Group and its related companies operate in the Center, Center South and South areas of Chile; at the coastal area in Peru, about 60 km north of Trujillo in the Department of La Libertad and, more recently in Zamora, in the State of Michoacán, Mexico.

Central Chile is characterized by mild climate. The climate conditions are moderate with rains mainly during the winter. The seasons are more defined and differentiated, and temperatures are lower than in the North of the country. Within this biogeographic macroregion, the distribution of precipitations increase from north to south; therefore, different phenomena and vegetation formations are present. The typical landscape of this ecosystem includes the so-called sclerophyllous forest with Mediterranean-type vegetation which has undergone intense deterioration, mainly due to human intervention. The transition to colder climates with more humidity starts southwards. The presence of precipitations distributed along the year enables an evergreen landscape, where tree species have perennial foliage¹.

The coastal area of the Department of Libertad, Peru, is characterized by a predominantly arid and subtropical climate with high atmospheric humidity. The region experiences warm temperatures around the year with an annual median of about 19°C to 24°C. Precipitation is scarce with most of the rains occurring during the “El Niño” phenomenon. The vegetation in this climate is poor, with xerophytic plants².

Finally, Zamora de Hidalgo is located in the northeast of the State of Michoacán in the Bajío Michoacano. Its average height is 1,566 m above mean sea level. The climate in Zamora is mild subhumid with a median annual temperature of about 16°C to 22°C. The rain season goes from June to September with an annual precipitation range of 700 to 1,000 mm³.

Prize cultivates 1,427 ha in such areas—mainly blueberries and cherries. In La Libertad, Peru, the Company has hydroponic plantations of blueberries in 504 ha. In Zamora, Mexico, it has 143 ha of blueberry plantations. The remaining hectares are located in Chile. In addition, there are 3 processing plants: 2 in Chile (Requínoa and Chillán) and 1 plant in Peru (Aqu Anqa). The plant in Requínoa covers an area of 52,500 m², with a headcount of 2,500 workers and a processing capacity

¹ Library of the National Congress of Chile: <https://www.bcn.cl/siit/nuestropais/clima.htm>

² <https://proyectos.inei.gob.pe/web/biblioineipub/bancopub/Est/Lib0268/RESE%C3%91AH.HT>

³ National Institute of Statistics and Geography: https://www.inegi.org.mx/contenidos/app/mexicocifras/datos_geograficos/16/16108.pdf.

of 850 ton/day of cherries, 300 ton/day of walnuts and 440 ton/day of other round fruits. The plant in Chillán is located in an area of 9,400 m², with a headcount of 550 and a processing capacity of 110 ton/day of blueberries. Finally, the plant in Aqu Anqa, Peru, is located in an area of 4,800 m², with a headcount of 200 and a processing capacity of 110 ton/day of blueberries.

3.2 Contextual risks

Contextual risks related to social cohesion in Chile and Peru, and labor rights in Peru are identified.

As to social cohesion, the general unrest of the citizens could affect the Company's operations through demonstrations or strikes interrupting transportation and logistics causing delays in deliveries and putting the packaged products at risk. Moreover, political instability and the changes in policies and regulations could cause uncertainty upon planning and long term investments.

The Project could face challenges related to labor conditions such as the need to ensure that suppliers and contractors meet local labor regulations. In addition, it is important to consider that education gaps could make hiring professional and technical labor in the region more difficult.

4. Environmental Risks and Impacts and Proposed Mitigation and Compensation Measures

4.1 Assessment and management of environmental and social risks

4.1.a E&S Management System

Prize has implemented management systems to obtain some certifications in best practices for its plants and fields, food safety and quality management, supply chain and social responsibility, as per the requirements of the following certifications or standards: Brand Reputation Compliance Global Standards (BCRGS), Sedex Members Ethical Trade Audit (SMETA), Global Good Agricultural Practice (Global GAP), Food Safety Modernization Act (FSMA) and GLOBALG.A.P. Risk Assessment on Social Practice (GRASP). However, it will need to strengthen its risks and impacts identification procedures, plot selection and acquisition management programs, stakeholder engagement, among others.

4.1.b Policy

In 2023, Prize established a business sustainability policy applicable to all the personnel of the Prize Group, including its plants and fields in Chile, Peru and Mexico. This policy seeks to establish guidelines to operate sustainably, minimizing the environmental impact, promoting social responsibility and ensuring the economic feasibility of the Group's companies. It sets forth that environmental, social and economic standards and regulations in effect in the country in which it operates shall be complied with. Moreover, it mentions the responsibilities of each department indicating that the head of the Sustainability area is in charge of its implementation, supervision and update making sure that all collaborators understand and follow the established guidelines.

The policy was disclosed in a corporate newsletter and is kept in the internal library. The Client will set up a mechanism to disseminate the policy and its updates across the organization, including temporary workers or other external stakeholders such as contractors and communities.

4.1.c Identification of risks and impacts

The plant in Requínoa has in place an Environmental Impact Statement consistent with the regulatory requirements of the Chilean Environmental Impact Assessment System. The statement addresses the potential environmental impacts and determines that no material environmental impacts are expected⁴. Likewise, the Environmental Declaration of Activities for the agricultural estate Aqu Anqa (Peru) was approved in October 2023; such declaration identifies the potential environmental impacts of the Project and the prevention, mitigation and correction measures.

As to OHS, Prize has developed matrices to identify hazards and assess risks and controls, and they are available at the work positions.

Regardless of the compliance mechanism with environmental legislation, the Client will develop and implement a process to identify E&S risks and impacts in addition to those related to climate change, adaptation opportunities, and changes or extensions of the original projects for each of its locations.

4.1.c.i Direct and indirect impacts and risks

The potential direct impacts were subject to assessment in the applicable environmental instruments mainly in connection with: (i) alteration of the soil quality, (ii) alteration of the water quality, (iii) alteration of the air quality, (iv) increase in noise levels, (v) impact on water availability, and (vi) odor generation.

4.1.c.ii Cumulative impact analysis

The potential cumulative impact resulting from the extraction of water for agriculture is regulated by the National Water Authority (ANA, in Spanish) in Peru, the National Water Commission (Conagua) in Mexico, and the General Water Office (DGA, in Spanish) in Chile. Prize will submit the water use licenses granted by the related authority for the wells currently in process and for each new well related to the acquisition of land.

4.1.c.iii Analysis of alternatives

The expansion of crops in the Aqu Anqa project in Peru occurs in lands adjacent to the current operation, thus ensuring the same climate conditions and maintaining the efficiencies in both operations and transportation to the packing plant. No other alternatives outside the municipality or region where the current operation is located are considered.

⁴ Approved by Environmental Qualification Resolution No. 19 of June 4, 2021.

4.1.c.iv Gender risks

Gender risks in agriculture in countries such as Peru, Chile and Mexico include salary inequalities, as well as access to resources, including less female access to technical training and information to develop specific production skills. On the other hand, it is probable that the women’s workload is twice as much when combining agricultural tasks with domestic responsibilities. In addition, they may be exposed to precarious labor conditions, discrimination and different forms of gender violence—the latter both at the workplace and at home.

4.1.c.v Gender programs

At a corporate level, the workforce is formed by 45% of women while women in management or supervisory positions at a corporate level is 25%. In order to promote women to leadership positions, Prize will establish a program to train female workers in technical and leadership skills, thus encouraging their professional development.

Prize has developed policies against sexual and labor harassment, and violence at the workplace. The Internal Order, Health and Safety Rulebook establishes a procedure to investigate and penalize individuals in the event of sexual and/or labor harassment reports, including the definition of sexual harassment; it also describes the reporting, investigation and penalization mechanisms as well as the safeguards. In addition, the Rulebook ensures that all investigations are documented in writing and maintain the confidentiality of the records.

In Chile, it has recently initiated its participation in the Best Labor Practices Program with Gender Equity offered by the National Women’s and Gender Equity Service of the Government of Chile.⁵ It has also formed a Gender Equity Committee that will help to implement the gender equity policy to reduce the compensation gap, promote equal promotion opportunity, prevent harassment and discrimination, and promote an inclusive work environment. This committee is initially applicable to Chile, but there are plans to implement it in Peru in the near future and subsequently in Mexico.

Prize provides safe transportation to its workers with bus routes from and to the neighboring communities. At the plant, there are gender-separated restrooms and portable toilets which are placed in the fields. In Aqu Anqa, Peru, there is a lactation room.

4.1.c.vi Climate change exposure

Prize’s operations in the three countries are exposed to climate threats such as droughts or scarcity of water. Likewise, the climate change scenarios establish significant increases in extremely hot days for the years 2030 and 2050. The climate modeling results alert about an increase in the number of hot days per year, defined as those with maximum temperatures exceeding the 90 percentile.

⁵ The Program seeks to promote a cultural change in public and private organizations by implementing Chilean regulation NCh3262:2012 on “Management Systems – Gender equality and reconciliation of labor, family and personal life management” favoring the access, permanence and development of women in compensated labor market, enabling measures to eliminate gender barriers, gaps and inequities at the workplace.

This trend suggests a significant increase in the frequency of extremely hot days with potential effects on the plantations, the health of field workers and the demand for the energy necessary for cooling. Likewise, the present and future drought conditions impact the amount of water necessary for irrigation, adding pressures on the water resource considering its scarcity.

Prize is using technified irrigation systems with drip irrigation, and humidity sensors, and its main product, blueberry, is grown in pots with coconut fiber substrate, which which have better water retention properties. In addition, at the Putaendo field, Chile, solar panels were installed on reservoirs to reduce water evaporation as this is a high temperature region. Thus, the use of water from mainly underground sources is optimized. As to workers' health, the Company provides them with personal protection equipment that is suitable for solar protection and there are hydration stations close to the workplaces.

On the basis of the analysis carried out in conformity with the Implementation Approach of the Paris Alignment of the IDB Group, the transaction is aligned with the Paris Agreement.

4.1.d Management programs

Prize has developed a group of operational procedures to address mainly the risks related to human resources, OHS, food safety, waste and pesticide management. Prize will develop management programs to manage and mitigate the risks and impacts described in section 4(1)c of this document.

Prize will make sure that new plots are acquired in strict compliance with PS 5 through agreements negotiated at both parties' (buyer and seller) satisfaction and in accordance with commercial and trade laws effective in each country. Involuntary resettlement will be avoided both in connection with physical displacement (relocation and loss of dwelling home) and economic displacement (loss of assets or access to assets causing a loss in revenue or other means of livelihood).

Prize will develop and implement a plot selection and acquisition or lease procedure applicable to all the countries for the new plantations or plants which will: (a) prevent the physical or economic displacement of the individuals using such land or, when possible, anticipates and reduces to a minimum the adverse social and economic impacts arising from such acquisition or restriction of land use, by: (i) providing compensation for the loss of assets at replacement cost, (ii) guaranteeing that resettlement activities take place after the appropriate disclosure of information, consultation and informed participation of the affected individuals, and (iii) improving or reestablishing the livelihoods and standard of living of the displaced persons; (b) seek other options to carry out the works in the event of presence of critical habitats, legally protected or internationally recognized areas; (c) comply with the legislation and rights of indigenous peoples in each country and meets PS 7 requirements prior to starting the works if there are indigenous communities in the plots where the plantations or plants will be located; (d) if there are risks for the cultural heritage, in addition to complying with the relevant legislation of cultural heritage protection, (i) define the measures to minimize the impacts or risks on cultural heritage due to the location of the new works, (ii) hire competent professionals so that they may collaborate in identifying and protecting the cultural heritage, and (iii) have in place a chance finds procedure; and (e) ensure compliance with the specific regulations on the lease of *ejidos* (communal land used for agricultural purposes in Mexico).

4.1.e Organizational capacity and competency

The functions related to environmental, social and occupational safety management are the responsibility of different areas and levels within the organization, including plant managers, risk prevention supervisors, marketing and sustainability head, certification head, agricultural deputy manager, irrigation supervisors and field heads. In addition, in compliance with national regulations, Prize has in place a Joint Health and Safety Committee for its operations in Chile and an OHS Committee for Aqu Anqa in Peru.

Prize will assign to its organizational structure the functions related to planning, implementing and monitoring the ESMS, as well as climate risk and adaptation opportunities ensuring that the personnel in charge have the necessary knowledge, skills and experience to carry out their work.

4.1.f Emergency preparedness and response

Prize's Environmental Contingency and Emergency Prevention Plan seeks to define and implement actions to prevent negative impacts and establish an immediate response plan in the event of contingencies. The Plan covers specific procedures for fires, emission of toxic gases, dumping and spilling of polluting substances, failure or malfunctioning of units and equipment, extreme weather conditions, odors, noise, vectors, roadkills of fauna, and ammonium leaks, among others. Each section details the preventive and emergency control measures. The Company has in place a team of emergency responders subject to training programs. In addition, drills are held periodically and their results are recorded.

4.1.g Monitoring and review

Prize will develop a compliance matrix with its key performance indicators (KPI) to measure E&S, OHS and labor aspects at each location as well as the compliance with all the legal and contractual requirements of their operations.

Prize is subject to external audits periodically for its certifications, including Global GAP and SMETA.

Prize will establish a mechanism to ensure the management of corrective actions arising from inspections or internal audits and drills, among others.

4.1.h Stakeholder engagement

The development of environmental instruments for the Chile and Peru plants has governed the engagement of authorities and stakeholders. Within such legal framework, Prize implemented a Citizens Engagement Plan ⁶, using as dissemination mechanisms billboards put up at busy areas and posts on social media. At the Requinoa plant in Chile, an ad was broadcasted on the media with a summary of the Project and information to request opening a process to get the citizens involved. However, no requests to open the process were received as established in the Chilean regulation.

⁶ Established in Supreme Decree No. 018-212-AG and Ministry Resolution No. 0168-2020 MINAGRI.

Prize will develop and execute a Stakeholder Engagement Plan consistent with the risks and impacts of the Project and its development stage, and adjusted to the characteristics and interests of the affected communities, including mainly the stakeholders with whom the use of water is shared. The Stakeholder Engagement Plan will include differentiated measures to allow for the effective involvement of the groups or individuals identified as disfavored or vulnerable.

4.1.i External communication and grievance mechanisms

4.1.i.i External communication

Prize plans to draft its first sustainability report, which should be published in 2025. In its website it reports the main commitments with the communities, collaborators and the environment. In addition, it has active social media (Facebook, Instagram, LinkedIn) where it reports the activities of its regional operations.

4.1.i.ii Community grievance mechanism

In Chile, Prize has made available on its website and through a QR code a channel to receive inquiries, grievances and suggestions as set forth in its Compliance Model and Code of Ethics. Through this channel users may file labor, environmental, food safety and other types of grievances. Both Company employees and external individuals, including communities, may access this channel, which is available to the public. Prize will make sure of maintaining a similar mechanism to take care of grievances in its operations outside Chile, taking the local characteristics into account, and will advise the local communities about them.

4.2 Labor and working conditions

4.2.a Working conditions and management of worker relationships

4.2.a.i Human resources policies and procedures

Prize has in place a Code of Ethics establishing the ethical and business conduct standards. The Code of Ethics is applicable to all of the companies in the Prize Group, all directors, executives and employees of Prize Holding Chile SpA at all its local and foreign companies, in addition to all of the parties relating to them (suppliers, contractors, business partners, etc.). It also has in place internal work rulebooks for all Group companies establishing labor conditions, the workers' and the Company's rights and obligations, including guidelines on non-discrimination and equal opportunity, investigation and penalization of sexual or labor harassment reports and, finally, OHS matters.

Prize has recently published the Corporate Ethics and Human Rights Policy, which is in the process of being disseminated and is applicable to Prize Group companies in all the countries where it operates, has relations with customers, suppliers, producers and internal and external stakeholders. The objective is promoting guidelines to prevent risks regarding conducts contrary to human rights

establishing commitment on equality and non-discrimination, family integrity, health and safety, working conditions and freedom of movement and determination.

Particularly, in the operation in Peru, several specific policies were established on non-discrimination and equal opportunities, as well as on protection of the workforce: Non-Discrimination Policy, Discrimination and Sexual Harassment Policy, Labor Integration for Immigrants Policy and Human Rights Policy, and best social practices. In addition, there is in place a policy related to hiring pregnant women establishing that the hiring process does not entail inquiring about whether female personnel are pregnant. Likewise, there is a policy prohibiting and preventing child labor.

On an annual basis, Prize reviews the policies related to non-discrimination and equal opportunities, child labor and forced labor, ensuring that they are applied in each of the locations in which it operates, as well as their effectiveness and awareness by the interested parties.

4.2.a.ii Working conditions and terms of employment

Prize meets national labor legislation, including social security and healthcare. In Chile, the workweek is 44 hours consistent with national regulations. On the other hand, Peru's workweek is 48 hours while in Mexico the workweek is 42 hours, Monday through Saturday. There is no accommodation at the facilities, but there is transport available to the nearby towns where the workers live.

4.2.a.iii Workers' organizations

There are no unions at any of the Group companies. In accordance with national legislation, there is full freedom of association and no obstacles were identified to do so. OHS committees were formed in conformity with legal requirements.

4.2.a.iv Non-discrimination and equal opportunity

The Companies' internal regulations ban arbitrary discrimination based on race, gender, and sexual orientation, among others. In addition, they establish a procedure to report and resolve cases in which the principle of equal compensation is not observed.

4.2.a.v Retrenchment

The main production plant of the Prize Group, located in Requínoa, has different lines of production processing different types of fruit throughout the year. This strategy leads to the redistribution of the workforce guaranteeing the operational continuity.

In the event of collective retrenchment in any of the operations, Prize will analyze the retrenchment alternatives and, if necessary, it will develop and implement a retrenchment plan aligned with PS 2.

4.2.a.vi Grievance mechanism

The channels available to receive inquiries, suggestions and grievances are: (i) its website <https://prizesuperfruits.com/canal/>, (ii) in person through the Compliance Officer, (iii) QR available at industrial plants and fields. Through this mechanism users may file labor, environmental, food safety and other types of grievances. Collaborators may also follow up on their grievances with an identification code of the grievance. Responsibilities and the investigation period were established along with setting the confidentiality of the process, the possibility of submitting anonymous grievances and non-tolerance towards acts of retaliation.

4.2.b Protecting the workforce

4.2.b.i Child labor

Prize has in place control procedures to ensure that no child labor is used. The Internal Order, Health and Safety Rulebook establishes the conditions for hiring teenagers with the appropriate age to work in accordance with national regulations. However, the Client's information shows that, in practice, at present no teenager with the appropriate age to work is hired.

4.2.b.ii Forced labor

Prize has in place hiring procedures ensuring the ban on forced labor. Moreover, in its Human Rights and Good Social Practices Policy, Prize Aqu Anqa discloses its firm commitment to complying with and having others comply with its policy based on the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO) and the United Nations Global Compact. To this end, it makes sure to respect the right to work freely and does not promote forced or compulsory labor.

4.2.c Occupational health and safety

Prize has OHS programs in place in compliance with national regulations, including identifying hazards in the different work areas, such as physical, chemical and biological hazards, as well as establishing prevention and protection measures. The operations have risk prevention specialist personnel engaged on an ongoing basis. In addition, specific procedures related to risk control, identification of hazards and risk assessment, training and development, investigation and analysis of incidents, and emergency preparedness and response were established. Likewise, health programs are developed which are focused on controlling the agents causing occupational diseases. Periodic assessments are carried out on noise, vibrations, manual cargo handling, occupational musculoskeletal conditions, exposure to pesticides, and cold, heat, light-induced and psychosocial stress; action plans are drafted on the basis of the results of such assessments.

Workers are provided with PPE based on the nature and risks of their position. Prize will develop measures to reinforce the use of hearing protectors at the positions with high noise levels including the walnut processing line at the Requínoa plant.

4.2.d Provisions for people with disabilities

Prize contracts people with disabilities, who account for 3% of the headcount. The Company will consider the incorporation of universal design principles into the design, construction and operation (including emergency and evacuation plans) of new buildings as well as in the restructuring, expansion or refurbishment actions in the existing facilities, so as to maximize the use of all premises by all potential users, including people with disabilities.

4.2.e Workers engaged by third parties

The persons engaged in Prize's different operations at both field and plants are directly hired by Prize Group companies, including the security service. Only the personnel providing occasional services are hired by third parties. The Code of Ethics and Conduct, as well as the OHS procedures, are applicable to contractors and other third parties.

4.2.f Supply chain

Prize's supply chain is a mixed model of own operations and collaborations with external producers. In Peru and Mexico, all the plantations are owned by the Company, which guarantees the consistency of production and quality standards. On the other hand, 24% of the processed fruit in Chile is from the Company's own land while the remaining 76% is sourced by more than 320 external producers located in the Center, Center South and South regions of the country. At present, the Company is focused on strengthening its supply network by developing the suppliers' assessment process. Prize will develop and implement such supplier assessment mechanism to include an analysis of child and forced labor risks, as well as of significant worker safety issues.

If IDB Invest provides financing for Prize's solar power generation projects, the Company will analyze the traceability of the supply chain of the solar panels to verify the absence of forced labor or child labor in its manufacturing process.

4.3 Resource efficiency and pollution prevention

4.3.a Resource efficiency

4.3.a.i Greenhouse gases

Prize quantifies the greenhouse gas (GHG) effect of its operations considering scopes 1, 2 and 3 in conformity with ISO 14064. In 2022, one of its companies, Proservice, was the first in the Group to obtain the "Huella Chile" quantification seal from the Ministry of the Environment of Chile for the operations in its main plant in Requínoa. At present, the Company is working to obtain the 2023 quantification seal for such plant in order to increase the scope of certifications. Scope 1 and 2 emissions relate to 4,438 tons of CO₂ eq in 2023 and, with the projected increase in agricultural

production, they are expected to increase to 7,040 tons of CO₂ eq in 2024. Prize will submit the 2023 and subsequent quantification results including the three scopes.

At the Requínoa plant, electric power is obtained from the grid from the Chumaquito and Bypass Quinta stations; in addition, there are six back-up diesel generators: four 250 kVa generators supplying maintenance, reception and cold storage areas, one 500 kVa generator supplying the walnuts line, and one 160 kVa generator supplying the crane workshop, walnut calibration, warehouse and cracker. The plant has two boilers and four gas burners for the walnut drying process; the latter only work during the five or six weeks when this production line is in operation. The Chillán plant also obtains its electric power from the electric grid and from a combustion generator of 500 kW. Finally, the Aqu Anqa plant in Peru obtains its electric power supply from Hidrandina; in addition, the packing has four diesel generators, three with 447 KW and one with 177 kW, supplying the main process and/or areas of the plant.

On the other hand, in its project portfolio, Prize is promoting the implementation of alternative energy projects through the use of solar panels at the crop fields in Peru and Chile.

4.3.a.ii Water consumption

The Group's main water consumption is related to irrigation. To make sure that the resource is used efficiently, the Company identifies the irrigation risks for each crop based on the field's humidity sensors, information of the plant's breathing capacity and trial pits, if applicable. Drip irrigation technified systems were installed at the fields. Particularly, in Peru, Mexico and Putaendo, Chile, crops are grown using the hydroponic method in 40-litre pots with coconut fiber substrate, which is good for water retention. This prevents excessive irrigation and nutrient leaching.

The processing plants in Chile obtain their water supply mainly from underground sources, by virtue of the related use licenses and the licenses for the use of irrigation waters granted by the General Water Office (DGA). In Mexico, the Company holds a concession for underground water use granted by the National Water Commission (Conagua).

At present, Prize's Aqu Anqa operation uses underground water obtained from six wells registered with the National Water Authority. The extracted water is treated in two osmosis plants with a maximum capacity of 200 m³/h and 800 m³/h, respectively, to ensure the quality of the irrigation water to grow blueberries. The plant entails efficiencies of 70% to 80%. The filtered water is stored in reservoirs. The brine is used for road wetting to control air emissions and is provided to neighboring asparagus-growing fields, unrelated to Prize, thus optimizing the use of the resource.

Considering the future extension of crops and the increase in the age of the plantations, Prize started the formalities for new wells which will only be used after obtaining the related licenses. As the Project advances, Prize will annually submit the licenses for the new wells jointly with the water balance of the operation.

4.3.b Pollution prevention

Prize's operations are carried out using a responsible approach to preventing pollution in several key aspects. Controls were established to handle pesticides at the fields, which minimizes the risk of polluting the soil and leaching underground waters. Also the use of drip fertigation guarantees an efficient distribution of water preventing excess irrigation and nutrients wash-out.

In Peru and Mexico, blueberries are hydroponic crops. Since they are not dependent upon the soil substrate, soil erosion and degradation are minimized. This type of crop growing favors a more precise application of pesticides and fertilizers, thus protecting the soil and water resources.

The Requinoa plant has an industrial liquid waste treatment plan related to walnut washing and dehusking. The plant has a system for physico-chemical treatment and works 30 days a year at the same time as the dehusking process, based on demand. The use of the wastewater (90 m³/day) is authorized for irrigation and road wetting. During the short season, this wastewater has been monitored and differences have been found with the parameters in the national regulations for irrigation water⁷. Prize is performing studies to adjust the physico-chemical treatment so that the exceeded parameters can be reduced; therefore, it will present and implement improvements for the 2025 season.

No industrial wastewater is generated at the Chillán or Peru plants; instead only sanitary wastewater is generated, and the appropriate authorizations exist for further sanitary treatment and disposal by infiltration.

The Project's operation generates emissions from fugitive, mobile or fixed sources. Fugitive sources correspond to vehicle traffic on paved or unpaved roads. The mobile sources relate to the internal combustion of running vehicles in the roads, while fixed sources refer mainly to electric power generators. As to the air emissions of particulate matter, the Project avoids controlled field fires and monitors the dust generated by machinery during road wetting.

4.3.b.i Wastes

Prize has established waste management programs for its plants and fields, including the identification of the sources and types of wastes, implementation of green points, use of hazardous and non-hazardous wastes storage areas, accumulation and management requirements, information material and management of emergencies related to waste spills. The Company keeps records and certificates of the disposal of wastes based on their characteristics. Organic agricultural wastes are reused, whenever possible, mainly for cattle feeding, while recyclable wastes, such as cardboard and plastic, are earmarked for recovery.

Prize will make sure to enhance the workers' awareness in waste segregation at the clean points.

⁷ NCh 1333 Requirements of water quality for different uses – Irrigation water requirements.

4.3.b.ii Hazardous materials management

Prize has in place a procedure to manage chemical products, with basic rules, definitions, reception criteria, labeling, storage and transportation. Moreover, it uses warehouses for chemical inputs in accordance with current environmental regulations.

Prize will make sure to: (i) guarantee that hazardous wastes are stored at duly authorized sites, including the wastes yard of the Requínoa plant; (ii) maintain the elements to contain spills available at all the sites where hazardous substances are used and hazardous wastes are stored, including maintenance shops; and (iii) ensure that the chemical substances used in the process of the osmosis plant at the Aqu Anqa plant are appropriately safeguarded in adverse environmental conditions.

An ammonia refrigeration system is used at the Requínoa plant. Prize has established a procedure in the event of ammonia leaks and it has included it in its training plan. Moreover, it performs preventive maintenance tasks in the refrigeration systems, including fine tuning the ammonia sensor. Prize will assess the safety of the refrigeration systems and compare the results to the applicable international standards, such as the ones of the International Institute of All-Natural Refrigeration (IIRA).

The Aqu Anqa plant uses R507 freon refrigeration system, a hydrofluorocarbon which, although not contributing to reducing the ozone layer, has great global warming potential (GWP) and substantial supply and use restrictions, as well as prohibitions for new equipment. In the light of potential extensions or changes in the refrigeration equipment, Prize will prepare an analysis of alternative refrigerants with less GWP.

4.3.b.iii Management and use of pesticides

Prize has identified the main pests affecting its crops and has prepared integrated pest management programs. The integrated management program also includes ethological control to monitor pest populations. No Ia and Ib products are used in accordance with the toxicological classification of the World Health Organization (WHO). However, it does use pesticides under classification II of the WHO, but with the appropriate handling controls. The Company uses phosphine, a highly hazardous pesticide, in walnut storage, which is applied by third parties. Prize will meet the risk management requirements for fumigants described in the Exceptional Use Policy of the Rainforest Alliance⁸ and will work on the gradual elimination of the use of highly hazardous pesticides in conformity with Chilean regulations. There are detailed records of the phytosanitary applications and information is kept on the safety of the pesticides used. Tank mixing and filling take place in specific areas, with spill control measures and the personnel handling these substances wearing appropriate PPE. Triple washing processes are in place and the wash water is used in the fields or eliminated as hazardous waste. Prize will make sure to store all pesticides in conformity with the FAO's International Code of Conduct on Pesticide Management and implement the necessary safety measures to control unauthorized people's access.

⁸ Rainforest Alliance. Exceptional Use Policy: Granted Exceptions and their Conditions for Using Rainforest Alliance Prohibited Pesticides, Version 1.6.

4.4 Community health, safety and security

4.4.a Community health, safety and security

Prize applies pesticides on the ground. Pesticides are not air sprayed. Prize will make sure that the standards in the FAO's Guidelines on Good Practice for Ground Application of Pesticides are incorporated into its procedures.

4.4.a.i Infrastructure and equipment design and safety

The access to plants and fields depends on their location; however, the plants in Requínoa and Aqu Anqa are close to major paved roads, which makes transporting machinery, trucks and vehicles related to agricultural projects easier. In order to control the dust generated in unpaved roads, Prize takes measures such as road wetting.

4.4.a.ii Hazardous materials management and safety

Prize will establish and implement measures to prevent and control the community's exposure to pesticides in accordance with PS 3, especially for the homes located by the fields and pesticide dosing sites.

4.4.a.iii Ecosystem services

Prize will develop and implement a sustainable water management plan, including the watershed context; to such end, it will use international standards such as AWS or other standards recognized internationally.

4.4.a.iv Emergency preparedness and response

Prize will make sure the community is considered upon updating the existing emergency preparedness and response procedures and to include the communication mechanisms with local authorities and emergency response institutions.

4.4.b Security personnel

Prize hires security personnel directly, including female personnel, who are mainly in charge of monitoring and protecting the assets, personal and real property at each Company site, as well as protecting the workers at such sites. Prize will make sure that the security personnel have been adequately trained in the following issues, among others: (i) requirements to engage in private security guard services; (ii) human rights, non-discrimination and prevention of gender-based violence; (iii) action principles, mainly preventive and deterring, with the use of force as the last resort; and (iv) actions to be carried out to notify events to authorities.

4.5 Biodiversity

4.5.a General

Prize currently grows crops on lands which have been previously altered by human activity. The financing proposed will be mainly earmarked to acquire land to develop blueberry plantations; consequently, the use of the land could be altered. To such end, Prize will implement the related management system that guarantees a minimum impact on the biodiversity, ensuring this component is incorporated into the risks and impacts identification.

4.5.b Protection and conservation of biodiversity

As part of the due diligence process, a desk analysis was performed to assess compliance with the PS 6 in the three countries; it was confirmed that Prize's sites are not located in protected areas of key biodiversity areas (KBA), even considering a 5-km buffer. However, there are threatened species (endangered or critically endangered) such as *Numenius borealis*, *Rhinoderma darwini*, *Bombus dahlbomii* and *Laterallus jamaicensis* in Chile, and *Campephilus imperialis*, *Nelsonia goldmani*, *Leptonycteris nivalis*, *Thamnophis melanogaster*, *Procambarus digueti*, *Tetrapleurodon geminis* and *Rhynchopsitta pachyrhyncha* in Mexico. In Peru, where financing will be provided for expansion works, an endemic and extremely rare species, *Tomopeas ravus*, was identified with only thirteen records in the country. Prize will (i) perform a sampling focused on this species over a week during the dry season (June or July) and wet season (January or February) at the expansion lands within the appropriate habitats for the species. Through this action, it will rule out or confirm its presence and develop a training program for workers on biodiversity in the area, the ban on hunting, etc.

4.5.c Supply chain

As part of the suppliers assessment process, Prize will draft a georeferencing-based traceability procedure to identify the risks related to the primary fruit suppliers allowing for (i) identifying the source of the supply, and (ii) limiting the acquisitions to only suppliers who can prove that they have not generated deforestation.

4.6 Cultural heritage

4.6.a Protection of cultural heritage in project design and execution

At the Department of La Libertad, Peru, research has revealed archeological settlements in the Project area. In order to begin with the ground leveling tasks and implement the agronomic design for blueberry growing, Prize has requested the related archeological remains clearance certificates (CIRA) and has submitted archeological monitoring plans. Prize will guarantee that the related CIRAs are requested and the statutory requirements are met for all the new land for more crop growing or facilities. It will also design a chance finds procedure to be applied if cultural heritage is found.

5. Local Access of Project Documentation

The documentation related to the project may be accessed using the following link:

<https://prizesuperfruits.com/>