



November 13, 2023

Since 1997, Calavo has complied with all laws, rules, and regulations pertaining to the exportation and importation of avocados from Mexico to the United States.

For example, the exportation and importation of avocados are enforced by Mexican and US Government agencies such as the United States Department of Agriculture, (**USDA**), Animal & Plant Health Inspection Service (**USDA—APHIS**), Mexican Secretary of Agriculture and Rural Development (**SADER**), Mexican Ministry of Agriculture, Livestock, Rural Development, Fish and Food (**SAGARPA**), and the United States-Mexico-Canada Agreement (**USMCA**) which governs environmental and human rights.

Also, since 1997 Calavo has been a member of the Association of Producers, Packers, and Exporters of Avocados of Mexico (APEAM)

Land Use/Deforestation

Even though APEAM is not responsible for monitoring land use and/or modifications, APEAM and its registered producers, packers and exporters follow all U.S. and Mexican laws, rules, and regulations, including those related to environmental matters. It is outside APEAM's scope to determine land use policies beyond those imposed by the Mexican government or international treaties like the USMCA.

The avocado industry in Mexico is committed to the environment and sustainable development of the avocado growing regions. Industry cooperates with both local and national governments in Mexico to create food certification programs that protect and sustain the land, environment, and fair treatment of the workers in our industry.

Extensive studies, by the World Rainforest Movement and the Universidad Don Vasco have found that the most prominent deforestation has taken place in highlands where avocados are not grown and, most importantly, cannot be grown. The expansion of avocado acreage is due to primarily the conversion of rain fed agricultural land, not forests (Bravo Espinosa, 2014). Similarly, in the two

municipalities with the largest expansion of avocado acreage, that land was previously used primarily for corn production (De La Tejera, 2013).

Reforestation and Conservation

APEAM does not have the jurisdiction to determine or set forest conservation policies beyond those imposed by the Mexican government or international treaties like the USMCA.

The avocado industry in Mexico is committed to the environment and sustainable development of the region. APEAM has developed and supports environmental initiatives that work towards maintaining a flourishing and diverse environment. Industry has supported various **extensive reforestation** programs, planted more than 3.4 million plants and pine trees and reforesting approximately 6,600 acres throughout Michoacán since 2011.

In 2022, APEAM commenced a forest preservation program that focuses on preserving over 1.3 million acres. The program includes educating, training, and equipping forest brigades; implementing a fire warning system in the avocado growing regions; creating a biological corridor; responding to requests to fight fires; developing environmental policies; and developing research aimed at the sustainable development of soil and water. As part of this work, APEAM has formed alliances with several regional, state, national and international partners who share our goal of protecting and preserving forests in Michoacán. APEAM has also created 18 forest brigades that have helped to control more than 120 fires.

Through MHAIA's partnership with Forests for Monarchs, more than 1.4 million trees have been planted covering 3,150 acres across 66 communities in Michoacán and MHAIA strives to plant at least one million more trees in and around the biosphere and watersheds of Michoacán.

Additionally, APEAM has been working with the government of Michoacán region to establish agricultural and environmental limits for the future growth of the avocado harvesting areas.

Water Use

As a non-governmental association, it is outside APEAM's ability to determine water use policies beyond those imposed by the Mexican government or

international treaties like the USMCA. Even though APEAM is not responsible for monitoring the use and exploitation of water, APEAM and its registered farmers and packers comply with all U.S. and Mexican laws, regulations and regulations, including those related to environmental matters.

The avocado industry in Mexico is committed to the environment and sustainable development of the region. Research shows that approximately 61% of the avocado orchards in Michoacán rely on rainfall and natural, seasonal irrigation. Another 36% utilize sustainable, high-tech irrigation such as drip irrigation and micro-sprinkling, adding up to 97% of avocado orchards in the region that depend primarily on sustainable irrigation practices.

To help reduce avocado agriculture's water use, APEAM has created several systems and initiatives including:

- A system of 42 weather stations, distributed along the avocado regions and 12 probes to measure soil humidity. These monitoring systems help to determine the amount of water for each orchard and how often they must be irrigated. Thereby, reducing the avocado water use.
- A soil preservation program that prioritizes orchards in steep areas with slopes over a 15% angle, which are at high risk for water erosion.
- A comprehensive water footprint study, currently in the works, to ensure a sustainable future.
- APEAM's reforestation program promotes the regeneration of aquifers, such as the Cupatitzio River.

Human Rights

In partnership with the USDA and Mexico's Department of Agriculture, APEAM ensures its registered farmers and packers comply with all local, state and international laws, rules and regulations as well, including the USMCA – which has the strongest and most far-reaching labor provisions of any trade agreement.

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