



COOL FRESH INTERNATIONAL'S VISION ON CORPORATE SOCIAL RESPONSIBILITY

Cool Fresh International's primary objective is to be a 'First Choice' fresh produce company. In all that we do, we strive to provide professional services and added value, making it possible for our clients and suppliers to make their decisions effectively and to improve their productivity.

In achieving our goals, Cool Fresh International is committed to using high standards of professional conduct and ethics, and being a dedicated, responsible partner in society.

Cool Fresh International bases its company policies on various international social compliance conventions, such as:

- ILO Core Labour Conventions
- United Nations Conventions on children's rights
- United Nations Conventions to eliminate all forms of discrimination
- The United Nations Universal Declaration of Human Rights
- The United Nations Global Compact
- The OECD Guidelines for Multinational Enterprises
- Legislation of the European Community

The company has been certified in terms of the CSR Performance Ladder, as the IFS Broker certification.

The background

Cool Fresh International's fresh produce history stems from the 1950's, and for fifty years it performed the standard import/export functions. In 2001 the company's directors did a management buy-out, and in 2005 repositioned the company strategically in the international fresh produce arena.

Whilst the various entities in the Cool Fresh group have over many years succeeded in creating a dynamic international sales and marketing network, it became clear that the changing trading environment necessitated a whole new mindset. Besides a renewed focus on creating extensive penetration in the emerging world markets, Cool Fresh International saw the need for having its own added value supply chain facilities, to further develop a broad spectrum of services and facilities, and to create a strategy which would enable its clients to participate in sustainable social projects.

The philosophy of the group is to go beyond importing and exporting fruits and vegetables. With the support and knowledge of Cool Fresh local farmers achieve more crop volume and better quality products, and to improve the financial conditions of the farmers Cool Fresh International pre-finances their production activities.

By activating this strategy, Cool Fresh has in recent years created a business model which increases turnover and profits, decreases costs, and opens up new commercial and social investment opportunities for all concerned.

Freedom Fruit social marketing

In 2003 Cool Fresh International developed and introduced the "Freedom Fruit" brand to the benefit of its clients in the international wholesale and retail markets.

Freedom Fruit was structured in such a way as to generate turnover and profits from the sales of fruit, allowing each one in the chain to be rewarded for the value added and allowing a portion of the profits to be re-invested in self sustainable rural development projects with a social communal character.

In addition, the Freedom Fruit approach makes it possible for international retail clients to become directly involved in sustainable CSR without the traditional high levels of formalities and increased prices. The slogan 'Doing good by buying right' clearly illustrates the uncomplicated nature of the approach.

From the outset, the Freedom Fruit strategy was built around capturing the imagination and support of retailers and consumers. An advertising campaign utilising free publicity and point of sale is available to all clients.

Cool Fresh International's own products and the products from associated farmers are sold under the Freedom Fruit brand and are all about socially responsible (and measurable) business practices. Cool Fresh Invest specifically focuses on quality/honest fruit from certified farms.

Using this strategy, the company is currently managing a number of strong social projects in various countries.

- The Stars in their Eyes project (www.starsinthereyes.nl) is a flagship community development project in South Africa. Since 2007, Cool Fresh has been instrumental in training more than 500 community leaders in a dynamic social project, with more than 200 villages having been brought into the program.
- The 'Grape Settler' program in Namibia is responsible for empowering emerging farmers with the knowledge and skills required to become professional farmers.
- The 'Alta Gracia' project in Peru revolves around a new, professional packing facility for grapes, avocado and citrus, and is a partnership with a number of small growers who will be linked to the world markets.
- In China Cool Fresh International has assisted its suppliers with setting up social systems, in line with the requirements of the Business Social Compliance Initiative's guidelines.
- Cool Fresh International's partnership in Turkey often assists scholars who do not have financial means.

The Cool Fresh Group has experienced strong growth in recent years, and the shareholders believe that this is partly attributable to its focus on and involvement in corporate social responsibility.

Freedom Fruit products and packaging designs

During the past decade Cool Fresh International's product base has expanded rapidly. Not only does the company supply a complete range of 'standard' products such as grapes, apples, pears, stone fruit, citrus, mango and avocado from countries such as South Africa, Namibia, Peru, Chile, Marocco and Israel, it has also become a household name in supplying 'special' products.

The specialised items include pineapples from Costa Rica, melons and bananas from Ecuador, garlic and ginger from China, figs from Turkey, pomegranates from India - all form part and parcel of Cool Fresh International's extensive product offering.

Cool Fresh International/Freedom Fruit key success factors

- Top quality fruit from a producer base which is committed to CSR in the broadest sense;
- Fast and efficient logistics performed by own personnel;
- Strong branding with a focus on social investments;
- Flexibility in supplies through intensive producer involvement;
- A strong international market presence;
- Excellent skills of employees and all partners;
- Forming three-way partnerships with producers and clients to achieve a win-win relationship; and
- Innovation at production and packaging level, aimed at meeting supermarket needs.

The Cool Fresh Internal/Freedom Fruit Grower Code of Conduct

The Freedom Fruit growers guarantee that fresh produce which is supplied to international clients conform to the base requirements which apply to ethical trading.

- Employment is freely chosen;
- Freedom of association and the right to collective bargaining are respected;
- Working conditions are safe and hygienic;

- Child labour is not used;
- Living wages are paid;
- Working hours are not excessive;
- No discrimination is practised
- Regular employment is provided; and
- No harsh or inhumane treatment is allowed

The formal certifications of Cool Fresh International

- IFS Broker
- MVO Performance Ladder

Conclusion

Cool Fresh International has built a serious, global business in which we ensure that we remain professional and conduct all our business dealings with integrity. Obtaining the CSR Performance Ladder certification is an important part of our vision for the strategy for the future. Part and parcel of the next steps is to engage constructively in active dialogue with our stakeholders, and to discuss crucial CSR issues with them. For instance:

- With growers: the need for social involvement in their workers' communities
- With growers: the need to be serious about sustainable production, protecting bioversity and ensuring that pollution is minimised
- With our transport service providers: to ensure that the most environment-friendly transport systems are used;
- With our bank: to identify ways in which we can collectively bring CSR issues into the 'hearts and minds' of the broad public; and
- With our employees: by getting employees involved in our CSR activities, by asking each employee to commit to writing what contribution he/she can make to corporate social responsibility, and to commit himself/herself to a date by which this will be attained.