



**AFM Annual Board Meeting
Minutes
May 24-25, 2023**

Place:
AFM Headquarters
Las Colinas, TX

Board of Directors:
(All Present)

Jose Luis Gallardo	Director
Gary Caloroso	Director (Vice Chair)
David Ruiz	Director (Chairman)
Jaime Rivas	Director
Ricardo Vega	Director (Treasurer)
Peter Shore	Director
Armando Lopez	Director (ex-officio)
Ron Campbell	Director (ex-officio – Secretary)

AMS:	Officially Present:		
Mathew Collins	Dolora Sillman	Stephanie Bazan	Miguel Molina
George Webster	Ilse Manaña	Ivonne Kinser	Ana Ambrosi
Katie Cook	Ron Campbell	Steve Klinge	Kevin Brosch
	Alvaro Luque	Brad Barker	Casey Beltran
	Stephany Browder		

APEAM and MHAIA Members and Guests

Julio Sahagun	Antonio Villaseñor	Juan Pablo Figueroa
Joe Nava	Jose Pardo	Monica Robles
Gabriel Villaseñor	George Henderson	Joaquin Urias
Gina Widjaja	Jorge Fernandez	Marco Hernandez
Jon Ullrich	Jesus Domingo	Ricardo Vega Jr.
Jacqueline Solares	Miguel Barcena	Dave Billings
Ileri Villicana Guillen	Dr. Antonio Ortiz	Aaron Acosta
Gahl Crane	Ivan Alejandro Oseguera	Elizabeth Ayala
Jorge Hernandez	Ramon Paz	Rafael Herrera
Miguel Barcenas	Gwen Jackimek	

Roll Call and Minutes:

Chairman Caloroso called the meeting to order, took the roll call, established a quorum and introduced Brad Barker to provide the antitrust policy to the board that is also incorporated into the agenda.

Gary Caloroso motioned to approve the minutes from the September board meeting and the motion was seconded by David Ruiz. There was no objection.

Treasurers Report

Miguel M. presented the financial statements for AFM for the period ending April 30, 2023.

- **Contributions:** Total, YTD April 2023, funding is \$64,112 under budget, as MHAIA has not hired an analytics position.
- **Spending:**
 - **Marketing:** Total spending is under Budget by \$1.695 Million or 3.2%. Marketing Direct drives most of the favorable balance, followed by Marketing Admin.
 - **General Administrative:** Total administrative expenses are under Budget by \$135.41K or 4.6%. There has been a delay in some salaries, wages, benefits, and operating expenses, and AFM is expecting some cost-avoidance savings.
- **Change in Net Assets:** Due to AFM spending at a lower rate than our Budget, AFM Change in net assets presents a favorable \$3.68 million balance.
- **Financial Position:** AFM has a strong balance sheet.
 - **Assets:** AFM presents a higher-than-budget Cash and Equivalents balance. This favorable balance is due to reduced expenses compared to the Budget and increased Total Liabilities.
 - **Liabilities and Equity:** AFM lists an increase in Total Equity as AFM spends less than budget.
- **Funding Allocation:** Generally, the funding allocation matches the agreed 2/3 MHAIA and 1/3 APEAM allocation rates. Any difference will be reconciled and adjusted during our year-end review.

Contribution	Amended					Spending	Amended				
	Actual-YTD Apr 30, 2023	Budget-YTD Apr 30, 2023	\$ Change- Act vs Budget	Actual-YTD Apr 30, 2022	\$ Change- Act vs PY		Actual-YTD Apr 30, 2023	Budget-YTD Apr 30, 2023	\$ Change- Act vs Budget	Actual-YTD Apr 30, 2022	\$ Change- Act vs PY
MHAIA	\$39,658,744	\$39,658,744	\$ -	\$40,722,693	\$ (1063,949)	AFM Marketing	\$ 44,974,568	\$ 46,530,002	\$ (1555,434)	\$ 41,772,957	\$ 3,201,611
APEAM	\$18,394,752	\$18,394,752	\$ -	\$15,248,167	\$ 3,146,585	AFM Marketing Admin	\$ 6,578,821	\$ 6,655,082	\$ (76,261)	\$ 5,642,568	\$ 936,253
MHAIA Com/Analytics	\$ 101,961	\$ 165,919	\$ (63,958)	\$ 123,084	\$ (21,124)	MHAIA Analytics	\$ 101,961	\$ 165,919	\$ (63,958)	\$ -	\$ 101,961
Other income (Interest)	\$ 4,795	\$ 4,949	\$ (154)	\$ 4,750	\$ 49	Total Marketing	\$ 51,655,350	\$ 53,351,003	\$ (1,695,654)	\$ 47,415,525	\$ 4,239,824
Total contribution	\$58,160,252	\$58,224,363	\$ (64,112)	\$56,098,693	\$ 2,061,559	General Admin	\$ 2,817,945	\$ 2,953,357	\$ (135,412)	\$ 2,986,812	\$ (168,867)
% Variance			-0.1%		3.7%	Total Expenses	\$ 54,473,295	\$ 56,304,361	\$ (1,831,066)	\$ 50,402,338	\$ 4,070,957
						% Variance			-3.3%		8.1%
Change in Net Assets	Amended					Financial Position	Amended				
	Actual-YTD Apr 30, 2023	Budget-YTD Apr 30, 2023	\$ Change- Act vs Budget	Actual-YTD Apr 30, 2022	\$ Change- Act vs PY		Actual-YTD Apr 30, 2023	Budget-YTD Apr 30, 2023	\$ Change- Act vs Budget	Actual-YTD Apr 30, 2022	\$ Change- Act vs PY
Net Change in Assets-CY	\$ 3,686,957	\$ 1,920,003	\$ 1,766,954	\$ 5,573,271	\$ (1,886,314)	Cash & Cash					
Retained Earnings	\$ 527,853	\$ 527,853	\$ 1055,707	\$ 5,873,219	\$ (5,345,366)	Equivalents	\$ 5,468,857	\$ 4,136,381	\$ 1,332,476	\$ 6,791,338	\$ (1,322,481)
						Other Assets (AR/FA)	\$ 4,711,243	\$ 3,221,962	\$ 1,489,281	\$ 4,630,577	\$ 80,666
Total Equity	\$ 4,214,810	\$ 2,447,856	\$ 2,822,661	\$11,446,491	\$ (7,231,680)	Total Assets	\$ 10,180,100	\$ 7,358,343	\$ 2,821,758	\$ 11,421,915	\$ (1,241,815)
						Total Liabilities	\$ 5,965,290	\$ 4,910,487	\$ 1,054,803	\$ 5,548,696	\$ 416,594
						Total Equity	\$ 4,214,810	\$ 2,447,856	\$ 1,766,954	\$ 5,873,219	\$ (1,658,409)
						Total Net Assets/Liabilities	\$ 10,180,100	\$ 7,358,343	\$ 2,821,759	\$ 11,421,915	\$ (1,241,815)

FY24 Budget

Miguel presented the Assumptions for the Fiscal Year 2023:

- **Salary and Wages Budget Assumptions**
 - During Fiscal Year 2023, AFM underwent a significant reorganization. For Fiscal Year 2024, AFM is not putting forth any proposals for new positions.
 - AFM has set aside a budget for a 4% merit increase for eligible employees. It's worth noting that in the past, the overall increase has not always reached 4% because it is determined by the individual annual performance of each employee.
 - The AFM budget includes a salary market adjustment for two employees: Allison Hamm, HR Manager, and Dunia Salguero, Sr. Accounting Manager.
 - The Budget incorporates the yearly salary expense for eleven positions that were employed in the Fiscal Year 2023.
- **Medical and Health Benefits**
 - Starting in January 2024, the AFM budget includes a 10% increase in Medical, Dental, and Vision benefits. In the past, actual increases have typically been between 8% to 8.5%.
 - The structure and design of the medical benefits package, including the High Deductible plan offerings, remain unchanged.

- **Retirement and Executive Retention Program**
 - As a component of the Budget, AFM offers a 7% contribution to the 401K plan. It's worth noting that when comparing years, Fiscal Year 2023 comprises six months with a 6% employer contribution and six months with a 7% employer contribution.
 - AFM's budget includes an executive retention program for eligible employees with a vesting period of five years. The percentage rate varies depending on the employee's job title.
 - The budget includes 162 deferred compensation programs with a vesting period of seven years. Senior executives are eligible for an annual amount of \$10,400, while associate directors can receive \$5,000 annually.
- **Marketing Admin and Operating Expenses**
 - The budget anticipates that AFM will resume regular business operations after COVID-19 and incur extra expenses such as rent and facing inflationary cost pressures.
 - Compared to the original FY23 budget, travel expenses have increased by 8%. Additionally, compared to the FY24 amendment budget, there has been a 23% increase in travel expenses.
 - The administrative expenses have increased by \$942K. This is because of the cost of renting the new office space, which is \$410K. There is also an increase of \$221K in depreciation due to lease improvements, which is a non-cash activity. Additionally, there is \$162K spent on board meetings as AFM is celebrating its 10th anniversary. Other administrative expenses have also increased due to inflationary pressure.
 - AFM is facing a decrease in capital investment of \$1 million. This is because our office expansion project has been completed.

Avocados From Mexico Admin Budget	FY2023 Budget- Amendment	FY2024 Budget	FY23 Budget VS FY24 Budget	
Marketing Administrative	8,091,020	9,021,074	930,054	11%
Marketing Admin	7,251,643	8,050,876	799,234	11%
Travel Expenses	566,826	694,698	127,872	23%
Marketing Admin Others	272,552	275,500	2,948	1%
Total Administrative	4,199,344	5,510,454	1,311,110	31%
Salaries Wages & Benefits	1,447,360	1,816,379	369,019	25%
Operating Expenses	2,751,984	3,694,075	942,091	34%
Total Adjustments	908,145	-338,650	-1,246,795	-137%
Depreciation	-205,773	-427,650	-221,877	108%
(+) Actual Capex	1,113,918	89,000	-1,024,918	-92%
Net Admin	13,198,509	14,192,878	994,370	8%

FY24 Budget Overview

Alvaro Luque presented AFM's FY24 budget overview with the following highlights:

- Import volume budget 2023- 2024: 2.62 billion lbs. (gross)
- Total AFM budget 2023- 2024: \$74.2 million (\$5.2 million/ 7.5% over vs projected FY23)
 - FY24 Carry Over: \$1.1 million
- Net Admin budget 2023- 2024: \$14.2 million (\$990K / 7.5% over vs projected FY23).
 - Net admin cost is 18.9% of total budget. Same as Forecast FY23 (18.8%).
- Marketing budget 2022- 2023: \$60.0 million (\$4.2 MM/ 7.6% over vs projected FY23).
 - Marketing & Trade investments represents 80.9% of our budget

Alvaro presented an investment chart comparing FY24 budget with FY23 projected and FY22 real. The most important highlight is that the marketing investment decline comes from the decision of pausing AFM's participation in the Super Bowl and moving E-comm to Shopper. The additional funds were transferred to Shopper, Trade and Foodservice for additional promotional support. In FY25, when AFM returns to the Super Bowl, marketing will recuperate these funds to cover for production, digital support and celebrity contract.

AFM BUDGET FY24 VRS FY23									
	FY24	MIH	FY23	MIH	FY22	MIH	DIFF 24-23	VS FY23	VS FY22
								%	%
MARKETING	\$22,745,000	37.9%	\$24,567,001	44.0%	\$25,875,000	48.9%	(\$ 1,822,001)	(7.4%)	(12.0%)
FOODSERVICE	\$ 5,470,000	9.1%	\$ 4,497,600	8.0%	\$ 3,901,102	7.3%	\$ 972,400	21.6%	40.2%
SHOPPER	\$15,642,449	26.0%	\$12,557,650	22.5%	\$11,991,692	22.7%	\$ 3,084,799	24.6%	30.4%
TRADE	\$10,060,000	16.7%	\$ 9,552,000	17.1%	\$ 7,365,322	13.9%	\$ 508,000	5.3%	36.6%
CC&C	\$ 2,550,000	4.2%	\$ 1,680,400	3.0%	\$ 1,569,998	3.0%	\$ 869,600	51.7%	62.4%
RESEARCH	\$ 3,549,080	5.9%	\$ 2,948,488	5.3%	\$ 2,171,900	4.2%	\$ 600,592	20.4%	63.4%
TOTAL	\$60,016,529	100%	\$55,803,139	100%	\$52,875,014	100%	\$ 4,213,390	7.6%	13.5%

Alvaro presented an analysis of investment per area, highlighting where the most important differences came from:

MARKETING	SHOPPER & TRADE	FOODSERVICE	CCC & PR
(\$1.82 MM VS YA) +1.56 M MEDIA (NEW AUDIO MEDIA GM & HM) +600K PRODUCTION (NEW GM & HM CAMPAIGNS) +\$410K EXPERIENTIAL (LA CALLE SE PUSO BUENA OOP & DIGITAL) +\$450K CINCO (CINCO DIGITAL CAMPAIGN) +\$250 PRODUCTION (CORE USES SHOOT) +\$653K CINCO TO CUATRO CAMPAIGN MEDIA +\$200K H&W DIGITAL MEDIA (GOODDEST PROGRAM) +\$240K EDUCATION CAMPAIGN (RECUPERATE) +\$400K DATA (NEW TRAGETING SETUP) -\$2.1 M SUPER BOWL PRODUCTION & CELEBRITY (NO SUPER BOWL) -\$1.08 M SUPER BOWL DIGITAL (NO SUPER BOWL) -\$1.41 M MEDIA (TV MEDIA CUT GM & HM) -\$235K DIGITAL AGENCY FEES (NO DCUSTOM, AGENCY FEE SAVINGS & CONTRACTOR) -\$217K EXPERIENTIAL (HOUSE OF GOODNESS) -\$370K BRAND CAMPAIGN DIGITAL (LESS CAMPAIGNS HOUSE OF GOODNESS) -\$450K CORE USES CAMPAIGN (NO CAMPAIGN) -\$500K ECOMM (TRANSFER TO SHOPPER)	+\$3.52 MM VS YA +\$508K FLEX FUNDS (MORE PROMOTIONAL ACTIVITY) +\$1.15 M MERCHANDISING (INCREMENTAL PORTABLES) +\$244K (TURKEY KITS) +\$418K PERIMETER (PARTNERSHIP) +\$480K (SGK NATIONAL) +\$350K WALMART (DIRECT MAIL & REUSABLE BAGS) +\$912K (ECOMM TAKEOVER) +\$130K CINCO (REINFORCED BIN MERCHANDISING) +\$100K CATALINA (TARGETED COUPONS) +\$276K EVENTS (PMA & REGIONAL) -\$351K SUPER BOWL (DIGITAL SUPPORT & SWEEPSTAKES) -\$766K NEPTUNE (GUAC N' TACOS AND H&W ALWAYS ON) -\$150K TPG (CONSULTANCY) -\$138K REG DIETITIAN (BARBARA RUHS)	+\$972K VS YA +\$167K PROMOTIONS (LTD REINFORCEMENT) +\$99K COLLATERAL (VARIOUS PROJECTS) +\$515K EXPERIENTIAL (NRA, GUAC HEAVEN, LAB RIPE, ETC) +\$150K EDUCATION (AI HC, LAB COMMERCIAL) +\$118K NON-COMM (ADDITIONAL PROMOTIONAL SUPPORT) +\$135K CONCESSIONS (LEVP) -\$98K AGENCY (CONTRACTOR & PLANNING)	+\$864K VS YA +\$431K H&W (SUPER GOOD NUTRITION CENTER) +\$350K OND (SUSAN G KOMENI/ CLIRE) +\$245K PR PROGRAMS (SPRINKLES, H&M, SONIC DNA) -\$300K SUPER BOWL (NO SUPER BOWL)
			RESEARCH & ANALYTICS
			+\$349K VS YA +\$376K CIRCANA RETAIL (IRI) & SUPPLY TRACK +\$200K U.S. HISPANIC DEEP DIVE (COLLAGE) +\$214K NIELSEN IQ & PRICE ELASTICITY +\$271 SECONDARY MERCHANDISING IMPACT +\$100K NUMERATOR +\$72K DATASSENTIALS +\$137K CIRCANA FOODSERVICE +\$270K FS DEMAND LANDSCAPE (KINETIC 12) -\$278K TECHNOMIC -\$186K TABS ANALYTICS & BA.51 \$556 UNIVERSAL SEGMENTATION

There were no major comments from the board for the FY24 proposed investment plan.

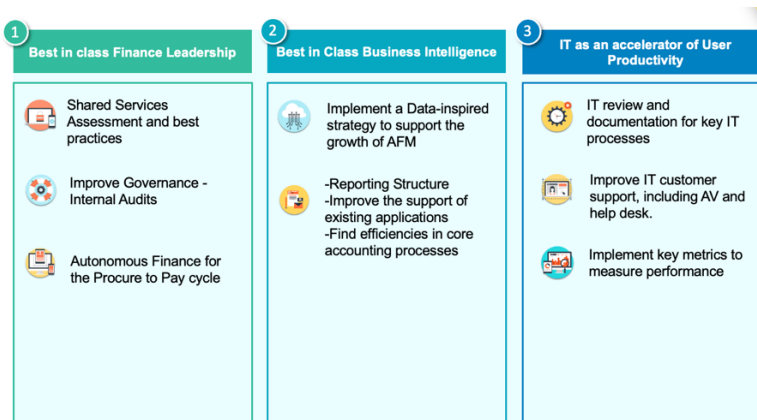
Office Expansion

Miguel presented the financial analysis for the new AFM office expansion: According to the estimate, the project will exceed the reserved amount by \$301K. This overage is due to the rise in labor and material costs and incorporating some optional changes to enhance the location's experience. However, savings in administrative operating expenses will balance out this cost increase.

Investment	Capex Presented to BOD	Proposal	Alternates	Total Proposal	Culinary Center	Grand Total	Reserve	Proposal VS Reserve
Tenant Improvement	\$150,653	\$182,426	\$59,499	\$241,925	\$270,006	\$511,931	\$300,000	\$211,931
Office Furniture	\$315,995	\$210,576	-	\$210,576	\$140,384	\$350,961	\$303,000	\$47,961
IT Services & Equipment	\$249,247	\$237,483	-	\$237,483	\$104,080	\$341,563	\$300,000	\$41,563
Total	\$715,895	\$630,485	\$59,499	\$689,984	\$514,471	\$1,204,455	\$903,000	\$301,455

Admin Plan FY2

During his presentation, Miguel highlighted the main objectives for his department in FY24, which include implementing best-in-class Finance Leadership, Business Intelligence, and IT systems to enhance user productivity.



HR

Allison Hamm presented a recap of some of the most important programs for FY24 in her department:

- To continue reinforcing AFM's Culture Map, the company is unveiling new internal marketing assets and wall décor and will continue working with Gallup for FY24 through the development of a playbook to reinforce internal values and a workshop to develop a company action plan to bring to life AFM's Values and Operating Guidelines.
- As part of the program, Allison will be certified as a Strengths Coach to continue reinforcing this practice in AFM. Strengths will be used into AFM's ongoing recruitment program and Performance Reviews.
- New Baseball Cards format and program to launch in June 2023.
- New AFM performance Appraisal process will be launched in AMBO in June 2023 to keep track in the system of employee's performance reviews and use them for development and training plans.
- New DEI Strategy and plan to be launch in FY24
- Updated compensation assessment through Insperity to understand how AFM's workforce is compensated vs similar positions in the market and identify possible compensation gaps.
- New exit interview trends tracker and internal HR paperwork audit.
- Best Places to Work submission for AFM

Allison presented the updated language for the Cell phone policy that AMS asked for including the FOIA language: “Text, and voice messages stored on cell phone devices are subject to the Freedom of Information Act (FOIA) requests when sent or received in the transaction of the public business, regardless of who owns the device.”

Ron Campbell asked Kevin Brosch to give his opinion on this matter. Kevin did an initial assessment of the situation, and he will go back and do some additional review on the situation before having a proper response to AMS on this matter. For the time being, the old cell phone policy is in place.

Corporate Communications & Crisis

Ana Ambrosi the Communications & Crisis plan including the Thought Leadership initiatives to create a positive narrative for the Mexican industry.

The plan includes a release in October 2023 of AFM’s impact on the industry (tied to the 10th Anniversary celebration) and another one in April 2024 centered on consumption, sales/ demand and usage trends to be released ahead of Cinco.

To support the sustainability pillar AFM will develop a workshop with the Crisis Committee and other board members to follow up on the Pollination project and create the sustainability framework for the Mexican avocado industry and the commitments and metrics for the future. Also, to sustain a positive narrative in the Avocado Institute site, the company will work with Triple Pundit for a sponsored content series and will focus the editorial push on two priority topics for FY24: water management and forest conservation.

Research & Analytics

Steve Klingele presented the recent launch of The Grove, that is AFM’s new knowledge center platform ran by Bloomfire, that includes all our custom and syndicated research, company analytics and other key sources of external information that will keep the company informed and aligned for the future.

Also, Steve presented two big initiatives to keep a better tracking of the company results that are already implemented and will have a bigger impact in the years to come: Continuous Tracker (CMT) through Prodege and Nielsen IQ Discover.

For FY24, Steve presented a plan that will focus on four action areas:

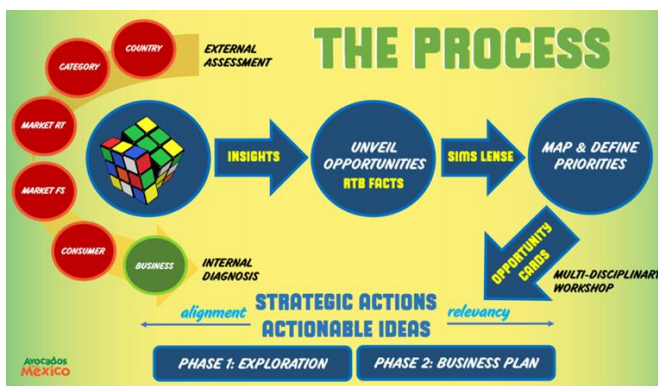
- MAINTAINED PARTNERSHIPS: Hall & Partner annual tracker, Kantar and Acematrix copy testing, Brandformance through Zappi, DIY research with Quantilope and MarketCast post SB evaluation.
- EXPANDED PARTNERSHIPS: Nielsen IQ adding Dollar Channel and e-com. Numerator adding new segmentation to panel.
- TRANSITION PARTNERSHIPS: Moving away from Technomic to consolidate FS services under Datassential for menu tracking, also for volume tracking, moving away from Technomic and 84.51 to concentrate in new partner Circana (IRI +NPD)
- NEW PARTNERSHIPS:
 - o Kinetic 12 to develop Foodservice Demand Landscape for the future.
 - o Curion for testing fresh avocados vs processed.
 - o Game Changer to test secondary merchandising impact in store.
 - o NIQ to test avocado price elasticity
 - o Collage Group to do a Hispanic Deep Dive analysis.

AFM Planning

Alvaro Luque presented AFM's planning process based on opportunities. This is the second year AFM is using this methodology for planning and it is a process that starts in December and ends in May.

This year the process included for the first time and multidisciplinary workshop and a dedicated focus on key opportunity areas based on company pillars, including: brand, education, health & wellness, core uses, tentpoles, promotions, business and thinking capabilities.

Alvaro and the team presented the final opportunities and strategic actions by area for FY24 that are driving AFM Business Plan plus a general flow on how the planning process works:



12:00 PM AFM Board Adjourns for the day.

9:30 May 25, AFM reconvenes

Marketing Update

Alvaro Luque explained to the board that AFM has been in every Super Bowl since 2015, except one year (2021) and announced that 2023 would be the second year that the company will sit out of the event. The decision is based on three considerations:

- 1- CBS is not a very effective partner for AFM from the media perspective.
- 2- New creative agency needs time to successfully develop new brand campaigns for AFM.
- 3- FY24 is a key year to accelerate extra resources on accelerating avocado demand.

As a response for not investing on the Super Bowl, Stephanie Bazan presented the new partnership agreement with the CFP (College Football Playoffs) to support AFM's OND campaign. The partnership will make AFM the official avocado of the CFP and the first and only produce brand in history to become a partner. Stephanie explained what the National sponsorship deal will include:

The infographic features the Avocados Mexico logo (with the tagline 'ALWAYS GOOD') and the CFP logo (with the tagline 'THE OFFICIAL AVOCADO OF THE COLLEGE FOOTBALL PLAYOFF'). Below the logos, it states: 'National Sponsorship with the CFP provides AFM extensive activations and exclusive exposure to a very elite group of passionate college football fans and supporters.' The benefits are categorized into three colored boxes: a pink box for 'SHOPPER', an orange box for 'PR', and a green box for 'MARKETING & MEDIA'. Each box contains a list of specific activities and support provided by the partnership.

SHOPPER	PR	MARKETING & MEDIA
<ul style="list-style-type: none">• College Football Playoff logo and name usage on all external promotions, marketing, packaging and advertising• Consumer facing contests and sweeps• Internal incentives• Digital and social support• Hospitality	<ul style="list-style-type: none">• College Football Playoff logo and name usage on all external communications• Event activations• ESPN activations• Bowl Season / naming sponsor	<ul style="list-style-type: none">• ESPN Media/digital integration

BRAND:

Kelly Burke presented the creative for the new TV campaign Make it Better that includes the production of new ads for General Market and Hispanics. New campaign will launch in October 2023.

Jovanny Martinez presented the new media plan for General Market that has an investment of \$10 MM with a total reach of 62% and a frequency of

5.4. As part of the new campaign AFM is launching the first ever media partnership with ESPN for College Football that includes: in game spots (linear and streaming), audience targeted CTV, Tailgate Week sponsorship and Game Day integration with Good Morning America. The ESPN partnership also allows to leverage Disney+ platform to balance the media exposure on women.

On top of the ESPN partnership, AFM will have media presence in connected TV platforms like Hulu, Peacock, Tubi, Samsung and others, plus a streaming audio buy on Spotify, SXM and Pandora.

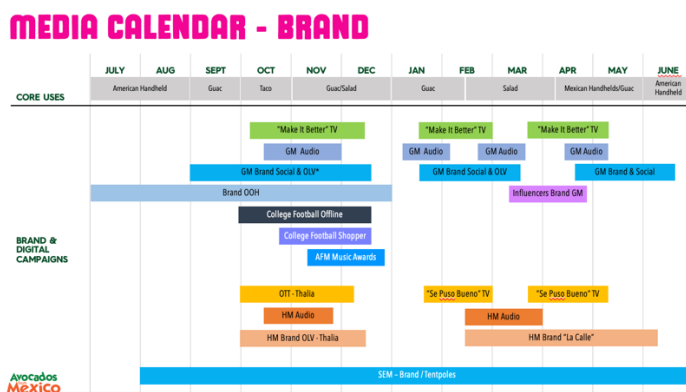
AFM will also keep the Times Square giant billboard going for the rest of 2023, aligning the message to our key company campaigns.

Kelly Burke presented different programs to support AFM's the brand building efforts:

- Make it Better with the Jingle auto-tune digital experience
- National collab with Sprinkles cupcakes
- Audio disruption program for podcasts
- The AFM Awards to support our new sonic DNA through Tik Tok

To support Hispanic marketing, Kelly presented the new brand concept Se Puso Bueno, that will have two new TV ads this fiscal year and the experiential event La Calle Se Puso Buena that is based in creating avocado murals in Hispanic communities in the country and amplifying the event through digital marketing.

Jovanny Martinez presented the Hispanic media plan that includes a total investment of \$1.7 MM with a reach of 59% and a frequency of 5. The plan will be focused on connected TV through platforms like Telemundo, Univision, Sling, Tubi and Pluto and complemented with a streaming audio investment. Jovanny shared the total media plan for the brand in FY24:



As part of the Hispanic plan, Ana Ambrosi presented a program for Hispanic Heritage Month using the partnership with Hispanic Star, where

AFM will launch a nation-wide search for aspiring Hispanic chefs, offering grants to put towards their culinary education.

Stephanie Bazan presented a new packaging design and layout that could be flexible enough to accommodate different types of programming and messages but will give a more consistent look to the AFM brand in the point of sales. Also, Stephanie presented an update on the AFM sticker program launching in the summer months, that includes two types of stickers, one for U.S. importers and another for Mexican packers. Up to now, there's 23 companies confirmed that will support the new sticker rollout.

To end up the brand section, Kelly Burke introduced the new AFM Brand Book and distributed live copies of it to the board members.


HEALTH & WELLNESS:

To support the Super Good H&W concept, Kelly Burke presented a new brand program using chefs and consumers to build the best healthy avocado recipes. The program called the Super Goodest Avocado recipe Battle will launch in March for healthy nutrition month. Also AFM is launching a new recipe generator tool using artificial intelligence to look for healthy avocado recipes based on the highlighted nutritional benefits of the fruit.

For shopper, Dianne Le presented the H&W plan that includes dedicated promotions with Albertson's and Food Lion and a re-usable bag program with Walmart including the brand nutritional messages.

Dianne presented the new Susan G Komen partnership for FY24 that will take the promotion to a National level. The program will include dedicated bins, packaging, loyalty offers, circular ads and marketing digital media support.

Stephanie Bazan explained that in order to complete the Susan G Komen program drive and have second string H&W component in OND, AFM will be sponsoring for the first time a College Football bowl, taking ownership of the Cure Bowl at Orlando in December 2023. The Cure Bowl will have a nice tie with AFM's female target and will help raise funds that can be directed to the Susan G Komen organization. This is what the sponsorship rights include for the company:

CURE BOWL ENTITLEMENT			MEDIA VALUE: \$350,000
<p>#1 - Entitlement/ Naming Rights</p> <ul style="list-style-type: none"> Entitlement/Ownership, Naming Rights and Category Exclusivity Name/logo integrated into official bowl logo Naming rights/usage of event marks w/ Retail pass-thru rights 	<p>#2 - In-Stadium Brand Integration</p> <ul style="list-style-type: none"> Brand Logo integrated throughout stadium, on the field, goal posts, sidelines, and more! :30 video board commercials Participation in pre-game coin toss & post game trophy presentation 		
<p>#3 - TV & Radio</p> <ul style="list-style-type: none"> Six (6) :30 TV commercial units during live broadcast, TV billboards with :05 reads, four (4) national radio spots, and more! "Bottom-line" mentions on ESPN family of networks in December 	<p>#4 - Tickets & Hospitality</p> <ul style="list-style-type: none"> Set amount of all-access sideline passes, one (1) luxury suite with 40 seats West club tickets, sideline level tickets, endzone/corner seats, and premium parking passes 		<p>#5 - Digital & Promotion Assets</p> <ul style="list-style-type: none"> Integrated logo on bowl website, event websites, press backdrop, ESPNevents.com, etc. Social media campaigns Integrated Logo & sponsor logo present at all event functions

Ana Ambrosi explained that the Communications team will work on a consumer PR program called the Super Good Rally that will have a good cadence of brand messages from October to December highlighting all these women-driven sponsorships using a cancer survivor celebrity that will drive the messages and support the fund-raising event through the college bowl.

For Healthy Nutrition Month, the PR team will launch a Nutrition Center pop-up event in Los Angeles with a celebrity endorsement that will reinforce the fact that avocados are a Super Good fruit based on all the nutritional benefits associated including the main health driver: Good Fats.

EDUCATION:

Dianne Le presented the Education program for FY24 that includes the following activities:

- Walmart partnership: Direct mail postcard delivery, in-store channel strips initiative linking to short education videos and OPD with a reusable bag bounce back offer. All this will complement the education efforts through the universal bag QR code that directs consumers to AFM’s education site with Walmart.
- Always-On communication program in-store through Neptune with top chains like Ahold, Food Lion and Albertson’s that will include for the first time, loyalty offer savings for the consumers to scan in the point of sales.
- Education packaging bags for Aldi (2 waves) and Costco (3 waves)

Stephanie Browder presented the Foodservice education program that will include the reinforcement of the education digital platforms (AVO U), the use and promotion of the new AVO Lab, education newsletters and custom employee training programs for key clients.

CORE USES:

Dianne Le presented the programs that will support the core uses pillar, starting with HEB Avo-Worthy week that will launch in April 2024 and complementing with a Guac & Tacos program in Stop & Shop for the post Cinco timing.

To support this pillar in Foodservice, Stephanie Browder the guac innovation program for Mexican and American focused restaurants and the launch of the new immersive tradeshow experience Guac Heaven that will focus on showcase guac creativity, innovation and sales development. Guac Heaven will be launched in the NRA Show in Chicago in 2024.

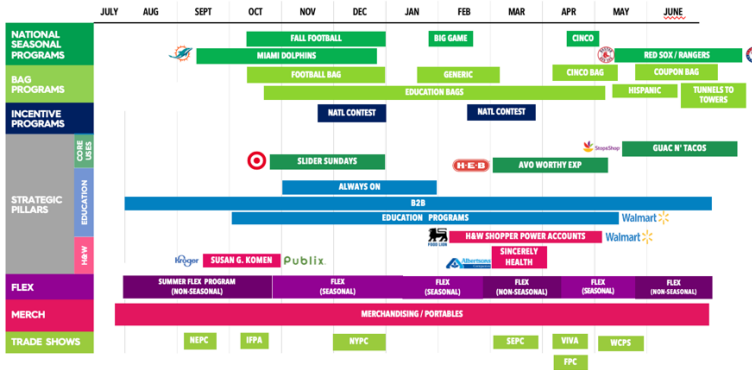
TENTPOLES:

Kelly Burke presented the new company concept for OND Guacgating that focuses on celebrating home gating experiences through avocados and guacamole. Using that concept, Dianne Le presented the OND shopper program that will be anchored on the CFP partnership, including the use of the famous CFP trophy. The promotion includes innovative merchandising solutions, promotional offers, digital marketing support and the launch of a new digital promotional partner Aisle that will give consumers cash back rewards when they buy Mexican avocados. The program also includes the launch of 2.5 million thematic bags with a coupon program and a trade incentive program for key accounts using CFP tickets.

Kelly Burke presented the new AFM Super Bowl concept The Better Bowl that is aimed to reinforce the idea that guacamole makes not only a better snack bowl for the game but make the general Super Bowl better. To support this concept, Stephanie Bazan presented Jesse Palmer as the new celebrity partnership that will be the face of all the promotional elements for the Super Bowl and will be used to develop marketing and consumer PR campaigns around the event.

The shopper and Foodservice teams presented some preliminary programs and ideas to support the Cinco and Summer timeframes. The objective for Summer 2024 is to hold the retail accounts that moved to Mexico in 2023. To complement the Post Cinco activity, Kelly Burke presented a new idea called Cinco to Cuatro that will create a program to incentivize avocado usage after Cinco and up to Fourth of July, including a good support for Memorial weekend. 2024 will be the first year to test this new initiative and the objective is to make it much stronger for the future. Stephanie Bazan shared the annual Shopper and Trade promotional calendar for FY24:

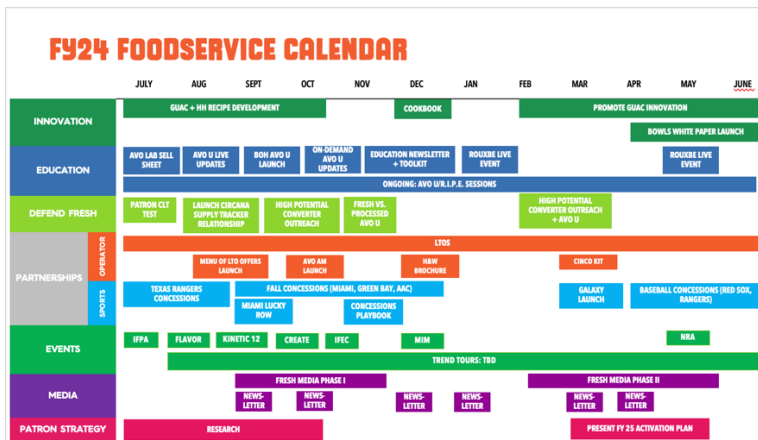
FY24 SHOPPER & TRADE CALENDAR



Dianne Le presented the total thematic bag program for the year that will include more than 15 million bags divided in 6 programs: SGK, CFP Football, Super Bowl, Cinco, Summer and Education.

To support AFM’s promotional program, Dianne Le presented the annual coupon plan that will deploy more than 47 million coupons throughout the different promotional tentpoles and events. The team objective is to have 50% of those coupons targeted to lapsed or medium buyers.

Stephanie Bazan presented the work plan for the IIPA show in October 2023. For the first time, AFM will take a 60x50 booth that will showcase all the promotional programming and will have a large VIP area to meet clients. Stephanie presented the client interactions for FY23 where the trade and shopper team were able to meet more than 60 retail accounts. Stephanie Browder presented the Foodservice calendar including all the promotional and brand activations for the channel:



New Business:

There being no additional business Jaimy Rivas motioned to adjourn until the following day to seat the new board and officers. The motion was seconded by Gary Caloroso. There was no objection.

I certify that the above is a true and accurate statement of the May 24-25, 2023 AFM Board of Directors Meeting.

Respectfully Submitted

Ron Campbell
Secretary, AFM