



## **No Deforestation, No Peat and No Exploitation Policy**

**Policy No. 9**

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## **OBJECTIVE**

AgroAmerica Corporation is aware that deforestation and other unsustainable practices have consequences for people and the environment. We work closely with producers, traders, processors, Non-Governmental Organizations, companies, financial institutions and other stakeholders in the industry to protect biodiversity and communities. We contribute to the transformation of the industry by developing this policy.

## **PRIOR ASSESSMENT:**

Prior to planting on any of the corporation's property, a previous internal environmental assessment must be conducted to determine the viability of the project; and if necessary, any person or stakeholder must be informed about the new plantation. The corporation is committed to prior free and informed consent.

The detailed provisions in this policy are mandatory and apply to:

- All the operations, whether owned or leased, that the corporation manages regardless of its commercial participation;
- All third parties that are our suppliers or with whom we have business relationships, focusing on independent producers.
- All banana and palm crop operations. If there is any certification, audit or regulation for a specific crop, that standard will be used for the other operations, if applicable and if it does not cause discrepancy.

## **DEFINITION**

AgroAmerica Corporation recognizes primary forests, as well as those of medium and high density, besides regeneration forests as high carbon stock forests. Lands that previously had another agricultural suitability are not considered high carbon stock.

In addition, the corporation understands and supports the fact that research and development is based on fundamental principles of ecological landscape conservation that aim to identify and protect as many forests with high carbon stocks as possible.



As for tropical forests, they have large carbon reservoirs. The amount of carbon they store varies depending on the type of plants, soil and other geographical factors.

## CONTENTS

### NO DEFORESTATION

#### No new plantations in high carbon stock (HCS) forests.

AgroAmerica Corporation recognizes primary forests and the biodiversity found within them, as well as those of high and medium density, and regeneration forests as high carbon stock (HCS) forests. High carbon stock areas do not apply to plantations in production.

We understand and support the studies currently underway to identify areas with high carbon stocks (HCS) that must and can be protected.

We are involved as much as possible with the studies to be conducted and will implement the methodology through the high carbon stock approach (HCSA). In addition to this, prior to implementation in a high carbon stock area there will be an expert review and the advisory participation to governments, communities and non-governmental will be allowed.

These provisions apply to all of the corporation's operations, especially all palm oil operations.

#### Protection of areas with high conservation value (HCV).

We are committed, through the HCV methodology, to identify and protect HCV areas at all of our properties and within our global supply chain under the scope of this policy.

On the banana crop, the standards and the good crop practices will be maintained in the HCV areas, according to the certifications we have been accredited with and those we acquire.

In the case of palm crop, the best international practices will continue to be implemented in the identification and management of HCV areas in accordance with Principle 7.12 of the "RSPO Principles and Criteria for the Production of Sustainable Palm Oil 2018". And the new plantations will comply with the RSPO New Planting Procedure, November 2015.



In the event that principles, criteria and procedures are updated in any of the certifications or audits that have been adopted, the corporation will act in accordance with them.

We will work with the relevant authorities and take strong measures to protect fauna and flora, especially those categorized as rare, threatened and endangered species. Hunting, collection, extraction and trafficking of wildlife species in the areas of our operation is strictly prohibited.

## Mitigation of air pollution and greenhouse gas emission.

We are committed to:

- Maintain our commitment not to use burning as a practice for preparation of new plantations, replanting or any other development.
- Identify and report on the progressive reduction of greenhouse gas (GHG) emissions in our own operations.
- Use appropriate tools to regularly monitor and report progress, such as the RSPO-endorsed Palm GHG Tool or its equivalent.

## **NO NEW PLANTATIONS ON PEAT**

We acknowledge that we do not have any peat crops and we commit ourselves not to carry out new plantations on peat in the event that they were identified in previous studies. Peat stands for a soil that contains more than 65% organic matter, regardless of the depth.

## **NET-ZERO EMISSIONS**

AgroAmerica Corporation is aware of the environmental crisis that is being experienced worldwide. Within this crisis is climate change, which is largely caused by the emission of greenhouse gases, mainly by CO<sub>2</sub> (carbon dioxide), which is caused by the constant activity carried out by the human being worldwide.

Based on the above and in order to improve our environmental practices, we are committed to seeking new measures and strategies in all natural ecosystems to reduce carbon dioxide, as well as other greenhouse gases, controlling the emission of these gases and obtaining as a result, when possible, a zero carbon footprint balance.



**When implementing new measures or strategies, the following actions must be considered:**

- Implementation of consumption control measures that allow the employee to have a range of emissions that are emitted in a semi-annual and annual basis.
- Conduct training for employees to raise awareness about the use of light vehicles, among other factors that generate greenhouse gases, both at the corporate level and in their homes.
- Replacement of equipment and/or electrical appliances that generate less energy consumption.
- Promote reforestation.
- Carry out any other plan required by any public entity or certification in order to get carbon neutralization.

## **NO EXPLOITATION OF PEOPLE AND COMMUNITIES**

- Respect and Support for the Universal Declaration of Human Rights;
- We are committed to upholding and promoting the Universal Declaration of Human Rights of all its employees, indigenous peoples, local communities and anyone affected by its operations under the scope of this policy;
- To respect and recognize the rights of all workers, including contract, temporary and migrant workers.

We are committed to ensuring that the rights of all people working in any operation covered by the scope of this policy are respected.

## **PRINCIPLES**

The following principles are basic elements that will be implemented within the framework of this policy:

- **Zero tolerance for child labor;**
- **Not to promote forced labor and servitude;**
- **Occupational safety and health;**
- **Occupational accident insurance;**
- **Salaries equal to or greater than the established minimum;**
- **Respect and non-discrimination;**
- **Sexual abuse and harassment prevention.**



## **RESPECT FOR CUSTOMARY LAW**

We verify that the places where we have developed our productive projects are not properties for communal or collective use, nor have indigenous people been displaced. In addition, the customs and traditions of indigenous peoples have not been affected. However, if there is any customary right that could be violated, the corporation is willing to know and correct, in order to comply with the violated right if the case is proven and apply the just compensation procedure.

Free, Prior and Informed Consent ensures a sustainable production as the crop is established in areas free of conflict or land appropriation. The corporation's new plantations will comply with the RSPO New Planting Procedure, November 2015.

In addition, we will try to ensure that the information is provided in formats and languages related to the affected stakeholders and it is also committed to open a transparent negotiation for all joint management activities.

## **SUPPLIERS**

We believe that through innovation, constructive dialogue and close cooperation among the industry's key players and stakeholders, it is possible to transform the industry as a responsible partner for the environmental and economic welfare of the countries in which it operates.

As a consequence, all companies that are linked to our operations through the provision of products and services must comply in the implementation of the provisions of this policy.

## **STAKEHOLDER PARTICIPATION**

We value stakeholder input and will strengthen bonds with local and international Non-Governmental Organizations, communities, governments, employees, experts and other stakeholders to contribute implementing this policy. We seek to receive your input on performance and supplier review; it will be promptly researched and actions will be taken upon stakeholders who violate this policy.

We will work along with governments, companies, communities, non-governmental organizations and other stakeholders to support the adoption of public policies that facilitate and promote a rapid industrial change free of deforestation and exploitation.