



Agroamerica  
Tropical Oil

# SUSTAINABILITY REPORT 2022

A future that is built to last







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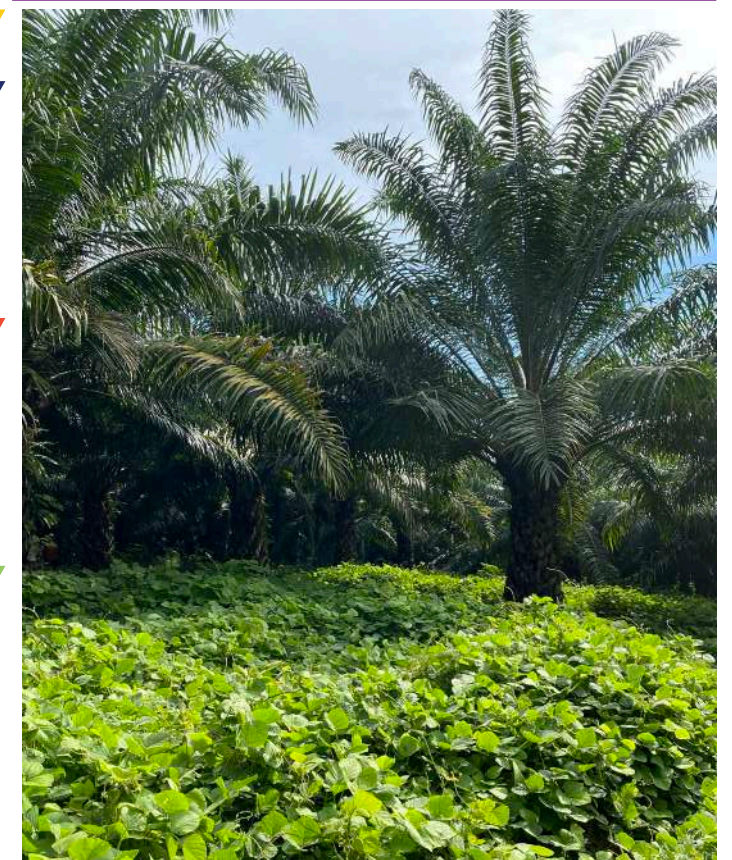
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# MESSAGE FROM OUR CEO

GRI 2-22

Fernando Bolaños,  
CEO AgroAmerica



## *Dear stakeholders,*

At AgroAmerica, we remain committed to our integrated regenerative approach. We firmly believe that our actions can make a difference. Our focus on regenerative agriculture aims to promote soil health, water conservation, increased productivity, biodiversity care, and to reduce carbon emissions into the atmosphere; all to achieve better economic and environmental outcomes that contribute to the prosperity and equality of our stakeholders.

As a company, we recognize that long-term partnerships and projects are the best way to continuously improve sustainability in our operations. At AgroAmerica, we have seen significant success with these practices.

Our partnership projects include restoring 250 hectares of mangroves by 2025. Mangrove forests play a key role in the fight against climate change because they are among the most carbon-dense ecosystems in the world. Through joint efforts, we have already restored 68 hectares in 2022, exceeding our initiative's goal and restoring more than what was reforested nationally in the past ten years. This ambitious project was highly recognized by the Guatemalan American Chamber of Commerce – AMCHAM, granting AgroAmerica the Grand Prize for Business Sustainability.





I would like to highlight the “RSPO Excellence Awards 2022” that AgroAmerica won in the Conservation Leadership category for our Maya Biosphere Conservation project in alliance with Wildlife Conservation Society, Solidaridad Network, and the National Council of Protected Areas to conserve more than 19,000 hectares including forest, water bodies and wetlands.

In recent years, we started a project to protect bees and other pollinators following our regenerative approach. Most of the food we eat depends on bees, so protecting them is protecting the planet. We promote their conservation and natural regeneration of biological corridors through macro sanctuaries.

We place nature and people at the center of our operations. Our employees feel safe and supported by our fair labor practices and our commitment to providing them with salaries that allow them to take care of their families, according to the IDH Salary Matrix. Our communities know that we care and work with and for them.

Local development is vital to companies’ sustainability, so we work with our stakeholders to enhance our social impact through community projects. In this context, our star social project in health continues to be our Human Development Center (HDC).

As part of our culture of continuous improvement and compliance, our operations received 39 audits from government entities and customers as part of our continuous improvement and compliance culture. We have maintained 11 international certifications that prove our high standards in production and sustainability. We were even honored by the Business Alliance for Secure Commerce for maintaining our BASC certification for more than 15 years.

We are proud to highlight the significant achievement of obtaining the RSPO Standards: Principles & Criteria and Supply Chain Certification Mass Balance in Panama’s operations. This accomplishment has led to a 100% certification of all AgroAmerica’s Tropical Oil Division operations.

In 2022, we carried out these and many other initiatives to build a better future with today’s actions.

Inspired by our original purpose, we are a world-class company that evolves and constantly adapts to turn challenges into opportunities that benefit us all. This is what makes us stand out in our industry. And that is the message we want to communicate to the world: we are doing well by doing good through sustainable evolution. Aligned with this conviction, 2022 marks the year our current sustainability approach became the platform that will shape the new ESG

Strategy to be developed starting and throughout 2023.

Our commitment to Environmental, Social, and Governance (ESG) will encompass many aspects beyond sustainability. We remain dedicated to fostering a more diverse and inclusive workplace, supporting neighboring communities, and positively impacting future generations.

***Thank you for your solid support in helping us evolve into a globally recognized sustainable company. Let’s keep up acting today to preserve our tomorrow.***

“ Through sustainable evolution we’re doing well by doing good ”



# OUR ESG HIGHLIGHTS 2022

## OUR GOVERNANCE

<b>1</b> Board of Directors as the leading body	<b>71</b> cases received through our Ethics Hotline, all handled and resolved	corporate policies, including anticorruption, ethics, human rights, and environmental care.
<b>25%</b> women in the Board of Directors	<b>7</b> meetings of the Ethics Committee throughout the year	<b>11</b> international certifications related to sustainability, security and operational global standards.
<b>50%</b> independent Board Members and <b>60%</b> non shareholders members	<b>39</b> audits from government entities and customers were implemented on our Tropical Oil operations	RSPO certified in Guatemala, Panama and Mexico
<b>11</b> Sustainable Development Goals to which we contribute	<b>517</b> interviewed employees through a labor environment survey by our Compliance Department	<b>24</b> strategic alliances including the World Economic Forum, UN Global Compact, Wild Conservation Society and the Climate Change Institute
<b>26</b> internal audits on ESG by our Compliance Department	<b>4,162</b> employees trained on	

## OUR OPERATIONS

<b>4</b> Tropical Oil Mills in Guatemala and Panama	<b>4</b> countries to where we exported and sold refined tropical oils	<b>5</b> Guatemalan independent producers of Fresh Fruit Bunches obtained the RSPO certification with technical and economic support from AgroAmerica
<b>1</b> Refinery plant in Mexico	<b>2,889</b> indirect jobs for small and medium-sized businesses that provide us with inputs for operations	<b>38</b> suppliers of Fresh Fruits in Panama are working to obtain the RSPO certification.
<b>1</b> Soil, Plant tissue and Water-focused Laboratory in Guatemala	<b>43</b> independent producers provide us with Fresh Fruit Bunches of Tropical (FFB) in Guatemala and Panama	
<b>7</b> Countries to where we exported and sold Certified Sustainable Crude Palm Oil and Certified Sustainable Crude Palm Kernel Oil		

## OUR PLANET

<b>4</b> environmental audits from governmental entities related with good practices.	<b>18</b> training sessions for responsible use of agrochemicals	<b>9</b> strategic alliances to foster reforestation
<b>3,245</b> employees trained on environmental practices, international certifications and policies	<b>Reuse</b> of pruning and by-products to maintain soil fertility and organic material from the tropical oil mills returned to the soil as organic matter.	<b>Award</b> received from Guatemalan American Chamber of Commerce for “Mangrove Ecosystem Restoration” project, which was awarded the Grand Prize to have restored <b>68</b> hectares of mangrove
<b>159</b> environmental training workshops	We use leguminous cover in our plantations to protect the soil from hydric and eolic erosion, improve humidity conditions, organic matter, and nitrogen-fixing efficiency	<b>+970</b> hectares in corporate areas
<b>27</b> environmental monitoring by specialized companies to guarantee internal compliance of conserved forest	<b>26.6</b> reforested hectares in farms, with <b>2,593</b> trees planted	<b>1</b> Forest Nursery with a capacity of <b>75,000</b> native seedlings
<b>556</b> employees trained in the responsible use of agrochemicals		<b>+33,600</b> native forest seedlings donated to reforest of riverbanks

## OUR PEOPLE

<b>4,152</b> trained employees on more than <b>20</b> different topics	<b>1,520</b> workers have worked in the company for <b>5-15</b> years, showing job stability in the company.	Honorary mention from the Guatemalan American Chamber of Commerce for our education project in the AgroAmerica’s School
<b>146</b> employees participated in the literacy project during <b>2022</b> , from which <b>124</b> graduated	<b>144</b> employees’ children enrolled in AgroAmerica’s School in <b>2022</b>	During <b>2022</b> , all employees receive accident insurance, additional to the social security medical insurance
<b>876</b> employees graduated from literacy courses as of <b>2022</b>	<b>87</b> students participated in oral health days through the dental clinic of AgroAmerica’s Human Development Center	<b>3,907</b> trained employees through <b>34</b> workshops on occupational safety and health
All employees receive a living wage according to the IDH Salary Matrix		

OUR PEOPLE

**122** people in the Occupational Safety and Health committee

**97** OSH committee meetings in 2022

**32** OSH training sessions specifically for the OSH committee

**25** OSH brigades led by **315** employees

**21** evacuation, first aid and earthquake drills were conducted

**26** OSH government inspections

**32** internal promotions to fill in positions

**3,866** employees trained in human rights

**76** female employees form **3** gender committees

OUR COMMUNITIES

**94%** of communities' requests we received were answered positively

**74** communities identified near our operations

**850** local contacts of stakeholders, including community and religious leaders

**+150** community visits to strengthen the relationship with nearby communities

**1,462** stakeholders trained on different topics including preventing measures during the rainy seasons and Emergency Plan, in alliance with the National Coordinator for the Reduction of

Natural Disasters

**1,000** students trained on environmental topics and reforestation and conservation

**76** community management projects implemented in infrastructure, health, environment and education, in alliance with different stakeholders

**3** social monitoring assessments in Guatemala and Panama

**\$528,389 USD** investment in community management projects and the AgroAmerica's Human Development Center -HDC-

**+53,000** patients have been treated at the Human Development Center by 2022

**3,995** employees participated in preventive health programs at the HDC

**412** children and **223** women participated in the "Healthy mother and child" programs to reduce maternal and child mortality

**5,000** kits for oral health donated, along with training and educational materials provided by Colgate.

**1,542** children and adults participated in dental days

AGROAMERICA,  
A WORLD-CLASS  
CORPORATION

At AgroAmerica, we grow, export, and distribute tropical fruits, especially organic and conventional bananas, as well as natural ingredients and tropical oils. Additionally, we offer a portfolio of investments in leading high-tech agriculture, renewable energy, restaurants, and entertainment businesses.

1958

AgroAmerica was founded

We started our Tropical Oil Operations

1994

2008

We started operations in Panama

Membership subscription to Center for Corporate Social Responsibility - CentraRSE-

2009

2010

Attained Rainforest Alliance Certification

We started the living wage estimation in order to continue with the commitment to pay a living wage to employees

2011

2012

A memorandum of understanding was signed with the University of Colorado for the construction of AgroAmerica's Human Development Center

We obtained the RSPO IP certification in Guatemala

2014

2015

Our commitment to zero deforestation was formally established

We started operations in Mexico. International alliances were formed for the conservation of sustainable ecosystems and landscapes

2018

2020

We became a signatory of the UN Global Compact

Signed a mangrove conservation agreement with Rainforest Alliance

2021

2022

We won the RSPO Excellence Award in the conservation Leadership category. Our operation in Panama obtained the RSPO Supply Chain Certification Mass Balance.

# BUSINESS PRESENCE

GRI 2-1



## OUR GLOBAL PRESENCE

By the end of **2022** AgroAmerica has operations in **9** countries where we generate employment to **+12,000** direct jobs in the United States, Mexico, Guatemala, Panama, Ecuador, Peru, England, Netherlands, and German

We are the business unit of AgroAmerica, dedicated to producing and commercializing products derived from palm oil.

Our main activities are:



### AGROINDUSTRIAL SUSTAINABILITY

We implement practices that contribute to tropical oil's sustainable production and commercialization.



### CERTIFIED PRODUCTION

We carry out our production process with the highest quality standards, which are internationally certified, helping promote environmental, social, and economic development.



### TRACEABILITY

We have opted for the Identity Preserved (IP) chain of custody model, which guarantees customers that all fruit processed at the tropical oil plants is completed certified, thus ensuring traceability in the supply chain



#### MEXICO

1 Tropical Oil Refinery

**Subsidiaries:**

Agrocaribe Veracruz, Mexico



#### GUATEMALA

3 Tropical Mills

**Subsidiaries:**

Agrocaribe North Eastern Guatemala

Agroaceite South Western Guatemala



#### PANAMA

1 Tropical Oil Mill

**Subsidiaries:**

Agropalma de Inversiones, S.A.

Western Region of Panama





## OUR PRODUCTS TROPICAL OIL

GRI 2-1, 2-6

We serve the Food, Consumer Packaged Goods, and Personal Care Products industries. We are proud to export our products to seven countries, including the Netherlands, Italy, Germany, Mexico, the United States, Colombia, and Guatemala. We implement internationally certified practices that contribute to the sustainable production and commercialization of the highest quality tropical oil.



### OUR PRODUCTS

- ▶ Certified Sustainable Crude Palm Oil (CPO)
- ▶ Certified Sustainable Crude Palm Kernel Oil (CPKO)
- ▶ Certified Sustainable Refined, Bleached and Deodorized Palm Oil (CSRBD PO)
- ▶ Certified Sustainable Refined, Bleached and Deodorized Palm kernel Oil (CSRBD PKO)
- ▶ Certified Sustainable Palm Stearin (CSPS)
- ▶ Certified Sustainable Palm Olein (CSPOO)
- ▶ Palm Fatty Acids Distillate (PFAD)
- ▶ Vegetable Based Shortening
- ▶ Palm Oil Blends and Specialty Fats
- ▶ Vegetable Oil Based Food Ingredients



Foresta Foods is AgroAmerica's commercial brand for the distribution of sustainable and refined tropical oil sold as a raw material for food and personal care products.

!!  
Tropical Oil contains vitamins A and E, which help reduce cell damage, accelerating aging and the development of some diseases. Additionally, fatty acids in tropical oil are vital for building the cell membranes in the body, including bones, nerves, and the brain.

## OUR PURPOSE

GRI 2-23

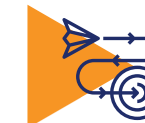
At AgroAmerica, we strive every day to contribute to the socio-economic development of the countries and regions where we produce world-class food and agro-industrial products.

Thanks to the teachings of our founder, we have been part of the development of nearby communities since the 1950s.



### MISSION

To be a world-class agro-industrial Corporation dedicated to providing its clients and the world, high-quality food with the highest international standards while contributing to the region's socio-economic development.



### VISION

To be a world-class agro-industrial Corporation in quality, productivity, profitability and Corporate Sustainability Strategy.



### OUR VALUES

**DILIGENCE** We seek discipline, effort and dedication in our work.

**TEAMWORK** Our team is fully committed to the company's objectives.

**HONESTY** We behave with integrity, transparency and ethics.

**PERSEVERANCE** Determination in what we are committed to accomplish.

**RESPONSIBILITY** We engage to fulfill our obligations and promote a responsible production based on a Corporate Sustainability Strategy towards our people, our communities and the environment.

**GENEROSITY** We seek for socio-economic development in the regions where we operate and benefit our stakeholders.





## OUR LEGACY

At AgroAmerica, we produce, transport, and distribute tropical fruits, as well as natural ingredients and sustainable tropical oils. Additionally, we have a portfolio of investments in leading high-tech agriculture, renewable energy, restaurants, and entertainment companies.

We operate in nine countries, providing over **12,000** direct jobs in the United States, Mexico, Guatemala, Panama, Ecuador, Peru, England, the Netherlands, and Germany.

We seek to transform the agroindustrial sector and maintain competitiveness through sustainable production, mainly from private farms.

We work every day to contribute to the socioeconomic development of the countries and regions where we produce the highest-quality food and ingredients for the world.

“  
**We have the best of both worlds:  
We are very corporate in our  
processes, but we have the agility  
and commitment of a family  
business**  
”

**Jose Roberto Montenegro, President of AgroAmerica Tropical Oil**

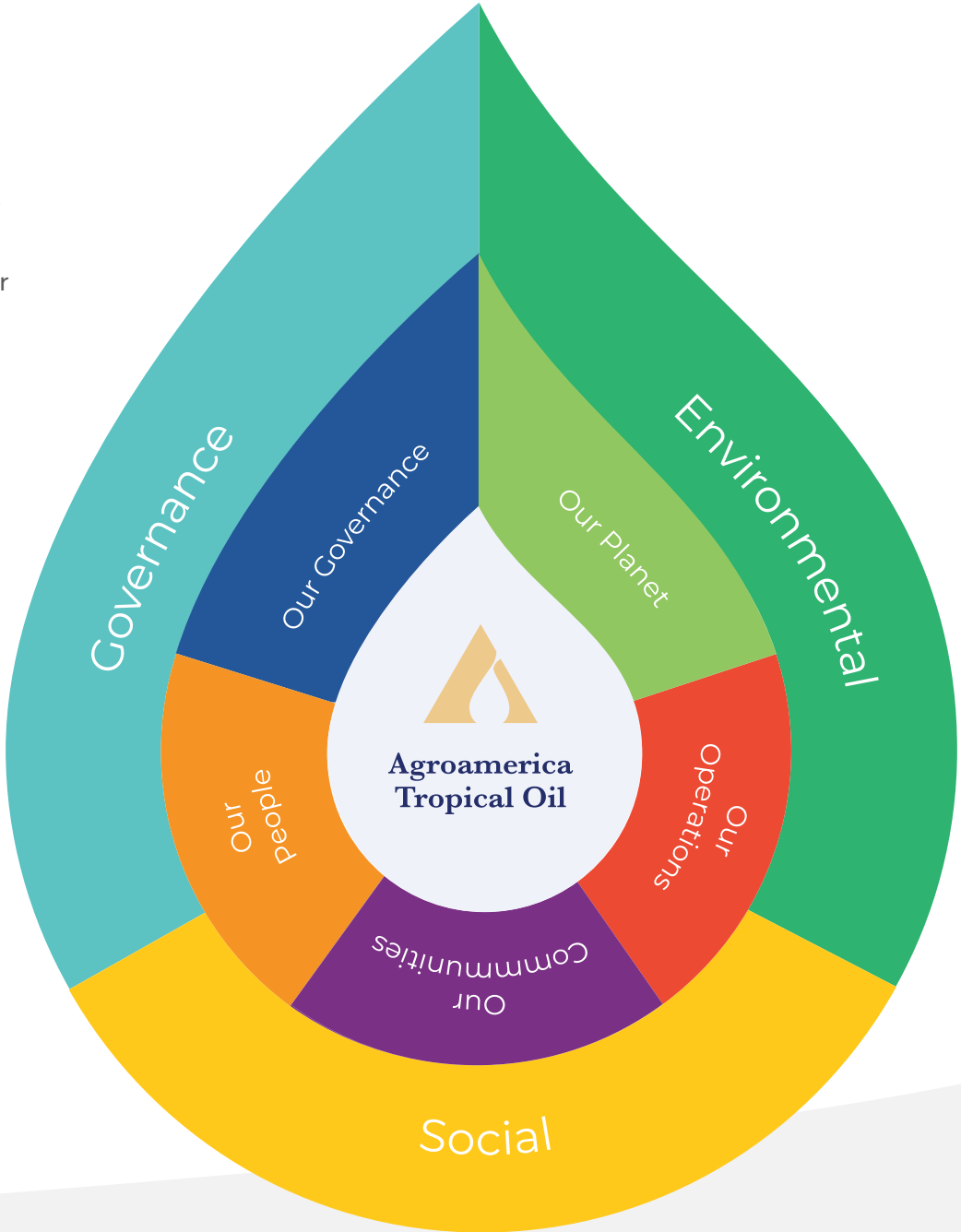


# SUSTAINABLE EVOLUTION: *OUR PATH TO ESG*

GRI 2-22, 2-23

In 2022, we kept working on the environmental, social, and governance issues relevant to our business. We focused on the five pillars of our sustainability strategy that guide reporting our performance.

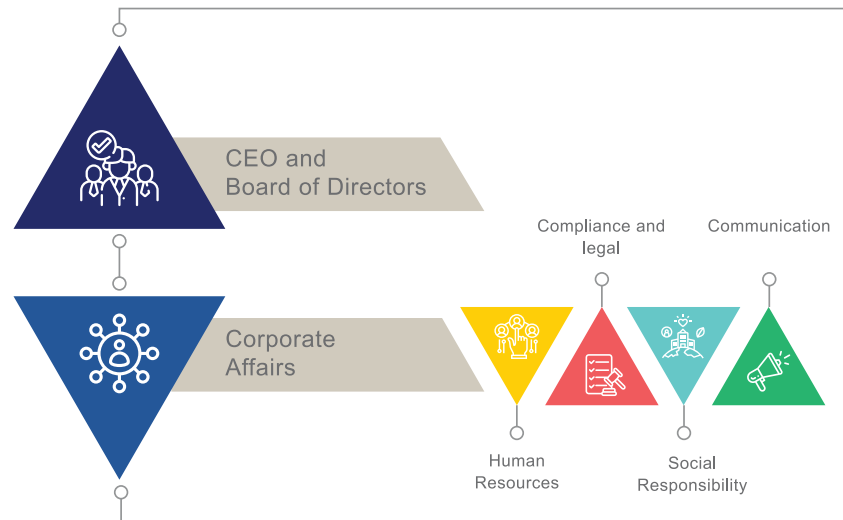
During 2022, our current sustainability approach became the platform that will shape the new Environmental, Social, and Governance (ESG) Strategy to be developed starting and throughout 2023.



This process will entail all of our employees' and business partners' commitment and dedication. Still, we are sure that our operative discipline and the relationships we have built throughout the years will catalyze this evolution process.

The Corporate Affairs of AgroAmerica leads the sustainability management under the CEO's supervision and the corporation's Board of Directors' mandate.

Our sustainability management is integrated with human resources, compliance and legal, corporate social responsibility, and communication areas representatives to ensure that each operation's strategy, programs, policies, and procedures are rigorously followed.




## POLICIES TO ENHANCE OUR SUSTAINABLE PERFORMANCE

### GRI 2-22, 2-23

The direct impacts and risks associated with our operations are identified and assessed annually to manage them effectively, ensure legal compliance, adhere to the standards and certifications we voluntarily commit, and reinforce our management in line with our continuous improvement commitment.

In addition to incorporating the main environmental, social, and economic impacts of our management

into the materiality map (as previously specified), we ensure that we have policies and management systems in place that address these impacts by aligning the management of offices and farms with the expected performance.

The content of our policies, as well as its execution, and compliance are addressed in the relevant material topics throughout the report.








### Environmental policies



-  Food Safety Policy
-  Policy on No Deforestation, No Peatland, and No Exploitation
-  Environmental Commitment and Management Policy

### Social policies



-  Human Rights Policy
-  Employee Confidentiality Policy and Trust Personnel Evaluation
-  Occupational Health and Safety Policy
-  Recruitment and Employment Conditions Policy
-  Land Rights Policy
-  Women's Rights Policy, Non-Discrimination, and Workplace Harassment
-  Equality and Non-Discrimination Policy

### Governance policies



-  Supplier Engagement Policy
-  Global Anti-Corruption Policy
-  Conflict of Interest Policy
-  Ethics Policy on Complaints and Grievances Management

# MATERIALITY PROCESS AND PRIORITY ISSUES






## GRI 3-1 to 3

In the ever-evolving landscape of Environmental, Social, and Governance (ESG) concerns, for us in Tropical Oil, it is highly relevant to identify, assess, and address the most relevant and pressing issues that significantly impact our stakeholders and long-term value creation.

The Materiality Analysis section of our ESG report is a testament to our commitment to responsible and sustainable business practices. We meticulously evaluate the intersection of stakeholder concerns and our strategic objectives to pinpoint and prioritize material ESG factors.



### Environmental material issues

-  Water use
-  Climate change
-  Responsible use of agrochemicals and soil management
-  Waste management
-  Biodiversity, conservation, and landscape sustainability

### Social material issues

-  Working conditions
-  Training and culture
-  Fair wages
-  Gender and inclusion
-  Supply chain management
-  Quality and traceability
-  Occupational Safety and Health
-  Engagement with stakeholders
-  Community development

### Governance material issues

-  Corporate governance
-  Ethics and anti-corruption
-  Human rights
-  Certifications
-  Productivity and innovation





## OUR COMMITMENT TO OUR STAKEHOLDERS

### GRI 2-29

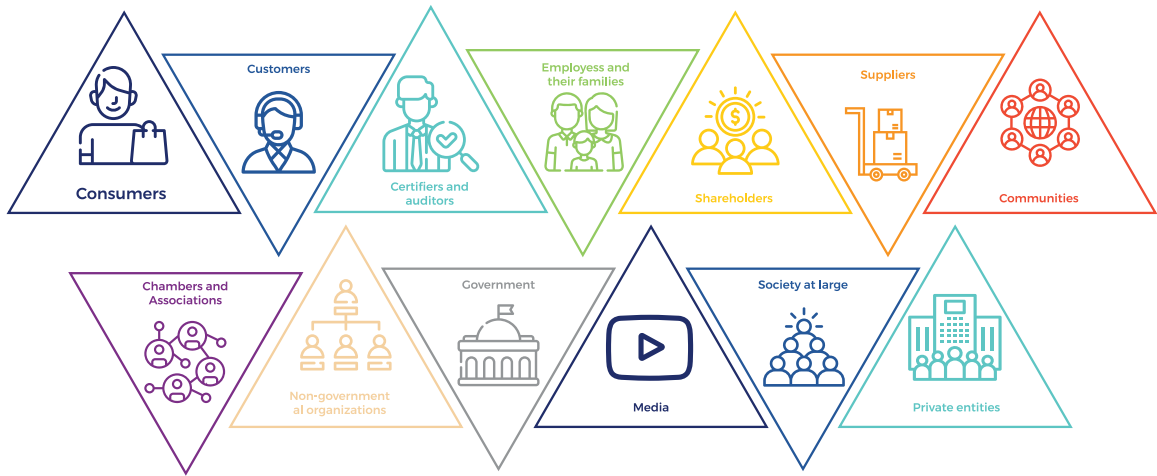
Since our inception, our founder, Fernando Bolaños Menéndez, has been guided by a philosophy of connecting with people through closeness to workers, communities, customers, and all those around the business. The table details our main stakeholders and the channels we use to communicate with them.



## COMMUNICATION WITH OUR STAKEHOLDERS

### GRI 2-29

Effective communication and dialogue with our stakeholders are essential for fostering close relationships and establishing meaningful connections with everyone involved. This has always been our CEO's approach when establishing close relationships with employees, communities, clients, and all other groups that that we identify as our main stakeholders.



### Communication channels with our stakeholders

	Shareholders' meetings		Newsletter Updates
	Client Visits and Communications		Digital Media
	Sustainability Reports		Community Visits
	Scheduled Visits to the Company		Stakeholder Meetings
	Operations		Participation in Multidisciplinary Committees
	Employee Training Programs		Internal and External Audits
	Negotiations with Labor Groups linked under the Principle of Free Association Ethical Guidelines		



## AGROAMERICA'S STRATEGIC ALLIANCES FOR A RESPONSIBLE OPERATION

### GRI 2-28

We possess a collaborative spirit and continue to forge partnerships in order to work hand-in-hand with various organizations, with the aim of enhancing our ability to generate positive impacts through our operations.

### ► Strategic Alliances and Memberships for Economic Development in the industry and region in which we operate

World Economic Forum	<a href="https://www.weforum.org/">https://www.weforum.org/</a>
Agexport Guatemala	<a href="https://export.com.gt/">https://export.com.gt/</a>
Guatemalan-American Chamber of Commerce (AMCHAM)	<a href="https://amchamguate.com/">https://amchamguate.com/</a>
Guatemala Industry Chamber	<a href="https://cig.industriaguate.com/">https://cig.industriaguate.com/</a>
Guatemala AgroChamber	<a href="https://www.camaradelagro.org/">https://www.camaradelagro.org/</a>
Guatemala Palm Growers Association	<a href="http://www.grepalma.org">www.grepalma.org</a>

### ► Primary Partnerships and Memberships for Social and Environmental Management

Global Compact	<a href="https://www.unglobalcompact.org/">https://www.unglobalcompact.org/</a>
Rainforest Alliance	<a href="https://www.rainforest-alliance.org">https://www.rainforest-alliance.org</a>
Solidaridad Network	<a href="https://www.solidaridadnetwork.org/">https://www.solidaridadnetwork.org/</a>
Wild Conservation Society:	<a href="https://guatemala.wcs.org/">https://guatemala.wcs.org/</a>
Roundtable on Sustainable Palm Oil	<a href="https://rspo.org/">https://rspo.org/</a>
University of Colorado Denver	<a href="https://www.colorado.edu/">https://www.colorado.edu/</a>
LandScale	<a href="https://www.landscape.org/join-us/#pc">https://www.landscape.org/join-us/#pc</a>
Seattle International Foundation	<a href="https://seaif.org/es/">https://seaif.org/es/</a>
Zoological Society of London, SPOTT	<a href="https://www.spott.org">https://www.spott.org</a>
Center for Corporate Social Responsibility Action	<a href="https://centrase.org/">https://centrase.org/</a>
Agrequima	<a href="https://agrequima.com.gt/site/">https://agrequima.com.gt/site/</a>
Foundation for Private Schools in Rural Areas	<a href="http://funcafe.org/ES/">http://funcafe.org/ES/</a>
Climate Change Institute	<a href="https://icc.org.gt/es/icc-2/">https://icc.org.gt/es/icc-2/</a>
Initiative for the Conservation of Mangroves: 'Save the Manchon'	<a href="https://www.salvemoselmanchon.org">https://www.salvemoselmanchon.org</a>
Company Focused on the Preservation of Pollinators	<a href="https://www.beehubguate.com/">https://www.beehubguate.com/</a>

Institutions and governmental authorities in the countries where we operate, focusing on matters related to education, food security, health, labor and social welfare, economy, environment, agriculture, and the preservation of protected areas.



# CONTRIBUTION AND PROGRESS ON THE SDGS

We have strategically aligned our sustainability objectives with the United Nations' Sustainable Development Goals (SDGs), utilizing them as a guiding framework to effectively address the world's most pressing issues. Upon evaluating our efforts, we are pleased to report that we have contributed to eleven of the seventeen SDGs during 2022, as illustrated in the accompanying chart.



# OUR CORPORATE GOVERNANCE

*FORGING A PRESENT  
THAT'S BUILT TO LAST*

GRI 2-9, 2-11, 2-28





# OUR CORPORATE GOVERNANCE

## FORGING A PRESENT THAT'S BUILT TO LAST

GRI 2-9, 2-11, 2-28

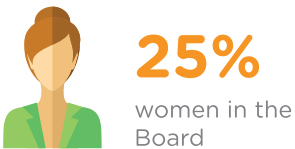
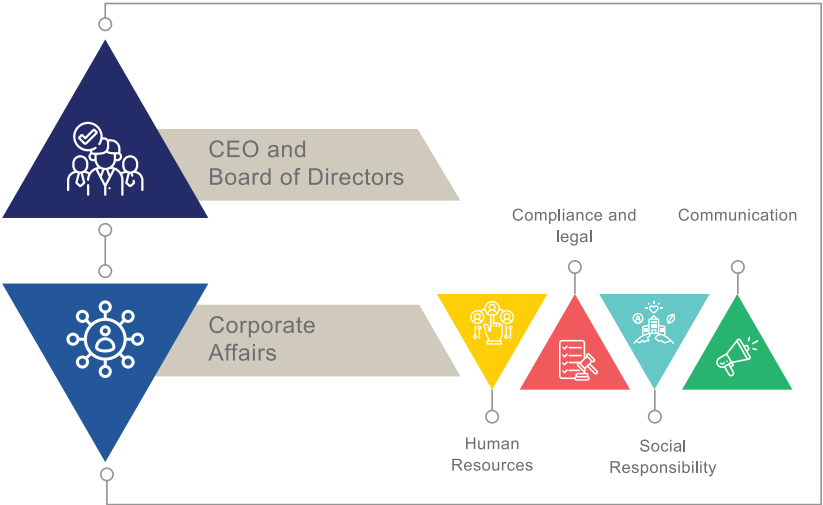
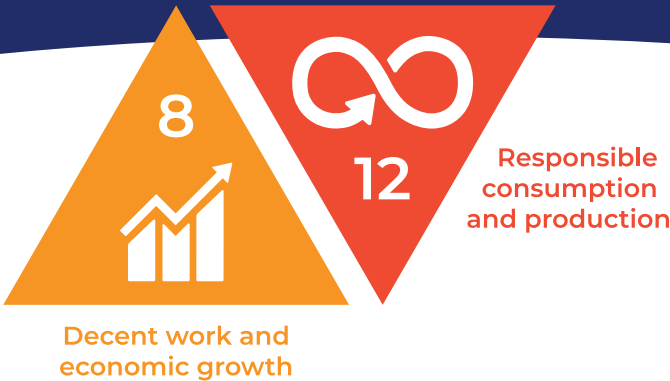
The Board, as the organization's highest governing body, is responsible for leading the company ethically and effectively to increase the trust and confidence of stakeholders and generate social and economic value.

Our governance framework, processes, and actions are intended to ensure achieving desired outcomes that support and enable the short-, medium-, and long-term value creation process at Tropical Oil.

The Board collectively recognizes and assumes its primary governance role and responsibilities. It acknowledges that its execution enables informed approval, strategy monitoring, and a deliberate focus on Tropical Oil's positive societal and environmental impact.

The Corporate Management of AgroAmerica leads sustainability management for AgroAmerica's divisions under the CEO's supervision and the corporation's board of directors' mandate.

Our sustainability management is integrated with human resources, compliance and legal, corporate social responsibility, and communication to ensure that the strategy, programs, policies, and procedures are rigorously followed in each operation.



### ETHICS AND INTEGRITY

We continue to work with the highest ethics, transparency, and integrity requirements stipulated in our Code of Ethics, which governs the behavior of the people who are part of the company and those who relate to it. Implementing the Code of Ethics is associated with three corporate policies: the Global Anti-Corruption Policy, the Ethics Policy on Complaints and Grievances Management, and the Conflict of Interests Policy.

The implementation of our Code of Ethics is aligned to three policies that foster compliance with it:

- ▶ Ethics Hotline on Complaints and Claims Policy
- ▶ Conflict of Interests Policy
- ▶ Global Anticorruption Policy

The Code of Ethics mandates reporting any violation through established procedures, including claims and complaints outlined in the Ethics Line Policy.

The Ethics Hotline remains the primary channel for filing complaints and is accessible to employees, customers, suppliers, communities, and other stakeholders. Complaints are resolved within three months from the date of filing.

#### HIGHLIGHTS

- 71** cases were received through our Ethics Line, with all of them handled and resolved
- 7** meetings of the Ethics Committee throughout the year
- 4,162** employees trained on the Code of Ethics
- 3** policies related to compliance with our Code of Ethics

### DUE DILIGENCE

With over 2,847 suppliers, we are responsible for monitoring and ensuring that they adhere to the strictest production and commercialization standards. The registration of every supplier must adhere to the procedure outlined in the Supplier

User Manual, utilizing the "Request for creation and registration of suppliers" and declaring any conflict of interest with any employee via the "Declaration of possible conflicts of interest."

#### HIGHLIGHTS

- Through our DDS (Due Diligence System), **240** suppliers were assessed regarding their ESG performance, and **13** were denied, since they were non-compliant with our standards.

COMPLIANCE

We have a robust compliance program in place to mitigate all operational risks and maintain a strong culture of discipline and adherence to regulations to offer our customers and nearby communities the highest quality standards.

HIGHLIGHTS

<b>39</b> audits from government entities and customers were implemented on our operations of Tropical Oil	<b>26</b> internal audits on ESG by our Compliance Department	<b>4,162</b> employees trained on corporate policies, including anticorruption, ethics, human rights, and environmental care, among others
	<b>517</b> interviewed employees through a labor environment survey by our Compliance Department	

CERTIFICATIONS AND ALLIANCES

We have a collaborative spirit and continue to forge alliances to work hand in hand with various organizations to improve our ability to generate positive impacts through our operation.

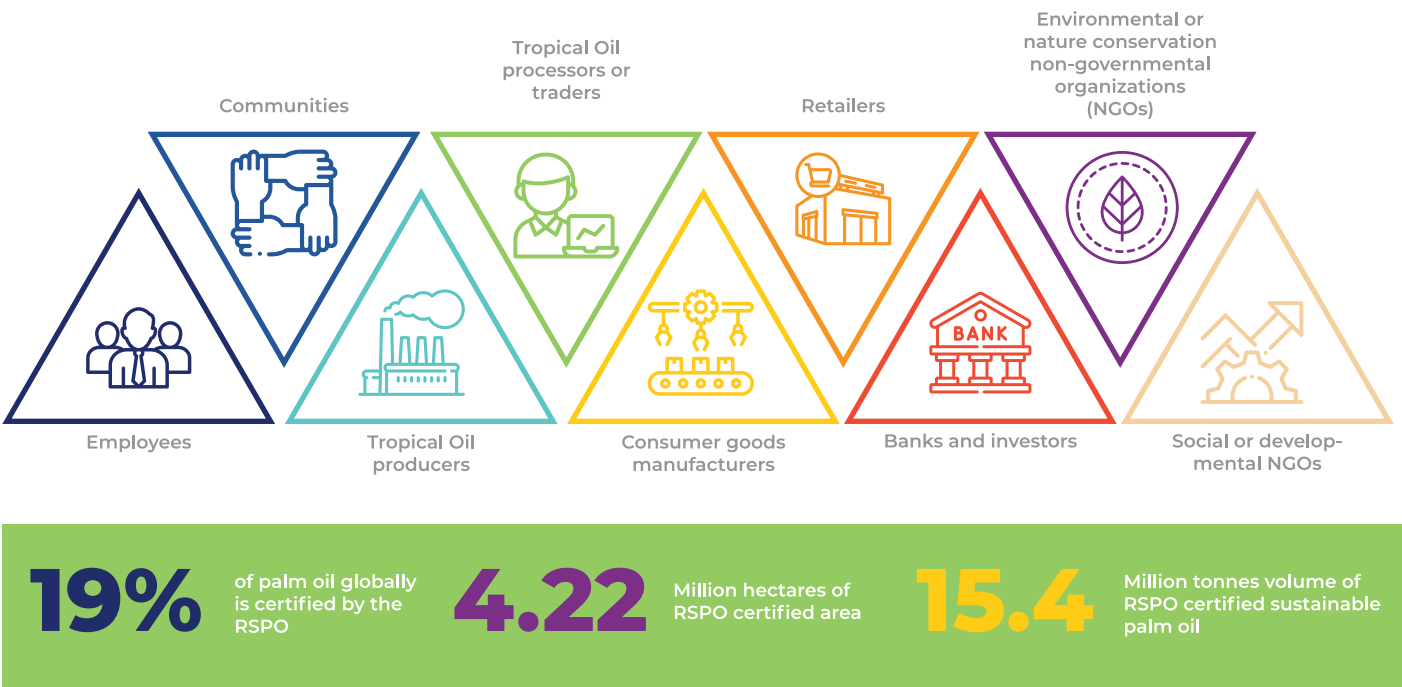
HIGHLIGHTS

We hold <b>11</b> international certifications confirming our global commitment to the highest operational standards. Among these is the RSPO IP (Round table for Sustainable Palm Oil) certification in Mexico, Guatemala, and Panama; also Business Alliance for Secure Commerce for all Tropical Oil Mills in Agrocaribe operations.	In <b>2022</b> , our processing plant in Panama obtained de RSPO Supply Chain Certification Mass Balance, meaning that <b>100%</b> of the Tropical Oil Division is certified by the Roundtable on Sustainable Palm Oil (RSPO).	Conservation Society, Climate Change Institute, the World Economic Forum, UN Global Compact, among others for economic development and Corporate Social Responsibility purpose.
	A total of <b>24</b> alliances with diverse government agencies and other national and international organizations such as the Wild	<b>100%</b> of our Tropical Oil Mills in Guatemala and Panama are KOSHER certified

The RSPO, Round Table on Sustainable Palm Oil is a not-for-profit organization with voluntary members. It is focused on bringing together stakeholders across the palm oil supply chain to develop and implement global standards for sustainable production.

Making the palm oil sector sustainable involves

everyone in it. That is why the RSPO represents the whole industry. With thousands of members worldwide from every link of the palm oil supply chain, we operate through consensus, ensuring all our stakeholders have a voice and share responsibility to protect our Standards. These stakeholders include:



SUCCESS STORY

TROPICAL OIL: A GLOBAL RECOGNITION FOR OUTSTANDING ACTIONS TOWARDS CONSERVATION  
RSPO EXCELLENCE AWARD

The Mayan Biosphere of Guatemala is home to a rich biodiversity, natural ecosystems, and natural heritage that requires preservation. In 2022, AgroAmerica, the Wildlife Conservation Society, Solidaridad Network, and the National Council of Protected Areas signed a formal agreement to execute the conservation project in the area.

The conservation project aimed to monitor endangered species' population and their habitat, protect natural ecosystems like forests and wetlands, and implement socio-environmental management initiatives through alliance strategies. Thanks to the project's efforts, 60 macaws were released, and the El Paso Caballos community joined the project to protect biodiversity through early warning systems for forest fires and macaw monitoring.

The Round Table on Sustainable Palm Oil -RSPO- recognized the project's success and awarded the "2022 Conservation Leadership Award" to the Mayan Biosphere conservation project. The RSPO Excellence Awards acknowledge RSPO members' sustainability solutions to address industry sustainability challenges and expand the value chain.

Our CEO, Fernando Bolaños, stated that their business model focuses on regenerating the earth and its resources. As part of their sustainability commitments, AgroAmerica participated in the conservation project in one of Guatemala's most important biodiversity areas.

"We have reaffirmed our commitment to exceed environmental and social expectations, drive positive impact, and lead conservation projects in the countries where we operate".





CERTIFICATIONS DETAILS OF THE RSPO STANDARDS IN GUATEMALA, PANAMA, AND MEXICO

AgroAceite (Guatemala)

Principles and Criteria (P&C)
Supply Chain: Identity Preserved (IP) Model
Since 2019

Agrocaribe (Guatemala and Mexico)

Principles and Criteria (P&C)
Supply Chain: Identity Preserved (IP), Segregated and Mass Balance model
Since 2014

Agropalma de Inversiones, S.A. (Panama)

Principles and Criteria (P&C)
Supply Chain: Mass Balance Model
Since 2022

OTHER CERTIFICATIONS

Certification	Details	Certified since	% of farms that hold the certification	Countries with the certification
KOSHER	Compliance with Judaism food requirements	2013	100% of Tropical Oil mills and the Refinery plant	Guatemala, Panama and Mexico
BASC - Business Alliance for Secure Commerce	Logistics and International Trade Chain	2013	66% of Tropical Oil mills	Guatemala
GMP – Good Manufacturing Practices	Provides consumers and retailers with assurance that the product is manufactured utilizing industry best practices	2016	33%	Guatemala
ISCC EU PLUS in Guatemala	Sustainability certification scheme for biomass and bioenergy	2022	100% of operations	Guatemala
HALAL	Islamic law compliance	2020	Refinery plant	Mexico
ISO 14001	International Standard on Environmental Management System	2019	Refinery plant	Mexico
FSSCC 22000	Food Management System aligned with ISO	2019	Refinery plant	Mexico

HUMAN RIGHTS

We respect the rights of all human beings, particularly those who comprise our stakeholder groups.

We firmly believe that by respecting and promoting human rights, we minimize risks that may impact our operations, foster genuine loyalty among our stakeholder groups, and transparently reduce costs and access and serve international markets.

Our Human Rights Policy was updated in 2021 to ensure clarity and focus on our commitment to respecting the rights of all individuals who work with us, our clients, our communities, and other stakeholder groups surrounding our business. This policy frames our actions for the prevention, protection, and remediation of any human rights violations within the scope of our operations.

HIGHLIGHTS

**3,866** employees trained in human rights

**32** internal promotions: **9%** women

**144** women working in Tropical Oil operations represent 3% of the total workforce in the Tropical Oil division

“ Respecting human rights is essential to a fairer, more socially inclusive world ”





## AGROAMERICA: RANKED AS ONE OF THE WORLD'S MOST TRANSPARENT TROPICAL OIL COMPANIES

A new assessment carried out by the Zoological Society of London (ZSL) has ranked AgroAmerica as one of the top 10 most transparent producers, processors, and traders of tropical oil in publicly disclosing their policies, operations, and commitments to environmental, social, and governance (ESG) best practices.

The results were published by the renowned Sustainability Policy Transparency Toolkit (SPOTT) platform at [www.spott.org](http://www.spott.org), along with the ranking of globally evaluated companies.

This is the third consecutive year that AgroAmerica has ranked within the world's top 10 most transparent tropical oil companies, receiving a score of 88.9% in the latest evaluation of the Sustainability Policy Transparency Toolkit (SPOTT) published by ZSL, based in the UK.

Our CEO says the company has participated in this initiative for five consecutive years, during which they have focused on improving their practices to assume new and increasingly demanding commitments.

Among the most notable results, AgroAmerica obtained a score of 100% in the "Sustainability Policy and Leadership" category and 97.1% in "Community, Land, and Labor Rights" for their strong commitment to sustainable business practices and respect for the rights of all collaborators, nearby communities, and stakeholders.

"Through the SPOTT assessment, we demonstrate our commitment to effective and purpose-driven ESG management for the benefit of our stakeholders and the planet. The dedication and commitment of our collaborators to a transparent, sustainable, and responsible operation have allowed us to achieve great results. We continue to work under a culture of continuous improvement, through which we have distinguished ourselves in the market by providing the world with natural and sustainable food and ingredients of the highest quality," says Mr. Bolaños.

The SPOTT platform promotes corporate transparency by reporting on companies' policies, practices, and commitments on environmental, social, and governance issues. It evaluates 180 indicators grouped into ten categories:

- ▶ Sustainability Policy and Leadership
- ▶ Land Bank, Mapping, and Traceability
- ▶ Certification Standards
- ▶ Deforestation and Biodiversity
- ▶ High Conservation Value (HCV) and High Carbon Stock (HCS) assessments
- ▶ Peat, Fire and GHG Emissions
- ▶ Water, Chemicals and Pest Management
- ▶ Community, Land and Labor Rights
- ▶ Smallholders and Suppliers
- ▶ Governance and Grievances

The assessment measured and compared companies' progress towards sustainable production and marketing of tropical oil over time. In this way, SPOTT incentivizes the implementation of best corporate practices by tracking transparency. Investors, buyers, and other key actors worldwide use SPOTT evaluations to manage ESG risk, inform stakeholders, and increase transparency in multiple industries.

## OUR OPERATIONS

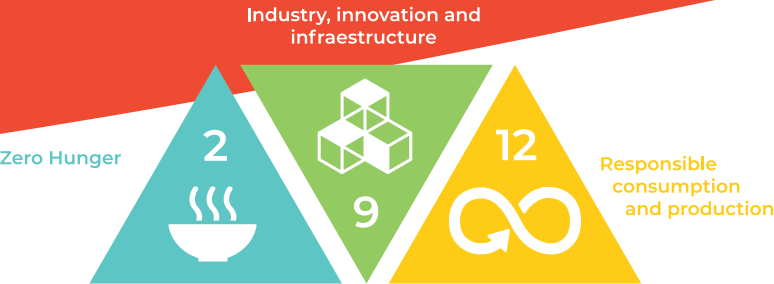
*PAVING THE WAY TO  
AN ESG-FOCUSED  
PERFORMANCE*





# OUR OPERATIONS

PAVING THE WAY TO AN ESG-FOCUSED PERFORMANCE



Our operations encompass a strategic pillar that aims to include innovation and productivity, quality, traceability, and optimal supply chain management in our production and commercial processes.

We guarantee the quality of our products and generate greater trust in our customers through complete traceability.

## INNOVATING FOR A BETTER FUTURE

GRI 2-29

We innovate to fulfill our mission of becoming one a world-class food company in terms of productivity.

At the same time as a transversal theme, innovation is of fundamental importance because it is a means of achieving sustainability with maximum productivity.

Through innovation, we are able to create high-nutrient value products while utilizing resources

We focus on traceability to manage quality, safety, environmental, social, and governance risks across the entire production chain, from agricultural production until products reach the final customer.

At the same time, we improve productivity and comply with food safety regulations.

efficiently and responsibly.

Our commitment to material circularity has allowed us to significantly reduce our carbon footprint while simultaneously generating employment opportunities and contributing to the economic development of the countries in which we operate.

## GLOBAL PRESENCE OF OUR PRODUCTS

Foresta Foods serves as AgroAmerica's premier commercial brand, specializing in the distribution of tropical oil and sustainably produced, refined, bleached, and deodorized (RBD) palm oil. This high-quality raw material is designed for both human consumption and integration into personal care products.

### HIGHLIGHTS

- 4 Tropical Oil Mills in Guatemala and Panama
- 1 laboratory specialized in soil, plant tissues and water in Guatemala
- 7 countries to where we exported and sold Certified Sustainable Crude Palm Oil and Certified Sustainable Crude Palm Kernel Oil
- 4 countries to where we exported and sold Refined Tropical Oils
- 1 refinery plant in Mexico

## USES OF TROPICAL OIL

Crude Sustainable Palm Oil: Primarily utilized as a base ingredient for producing consumable goods including, but not limited to, baking margarine, industrial applications, cooking oil, confectionery fats, and chocolate products.

Crude Sustainable Kernel Oil: Predominantly employed for creating non-edible items, encompassing items such as soap, detergents, cosmetics, lubricants, printing inks, shampoos, toothpaste, candles, and other related products.

Refined, Bleached, and Deodorized Sustainable Palm Oil (RBD): The RBD process effectively removes fatty acids, moisture, and impurities, yielding products such as olein and stearin.

These refined components are suitable for human consumption and serve as essential raw materials in formulating personal care products.

## WE PERFORM: HAND IN HAND WITH OUR VALUE CHAIN

We concentrate on securing a supply chain that includes our feed suppliers, fresh fruit, crude oil, and other components. In accordance with our Supplier Engagement policy, our suppliers must share our values and guiding principles in order to do a good job. We recognize our responsibility to ensure a chain of sustainable value that extends beyond our operations; therefore, we conduct audits that allow us to verify, among other criteria, working conditions, environmental aspects, and human rights.

### HIGHLIGHTS

- 2, 889 indirect jobs for small and medium-sized businesses that provide us with inputs for operations



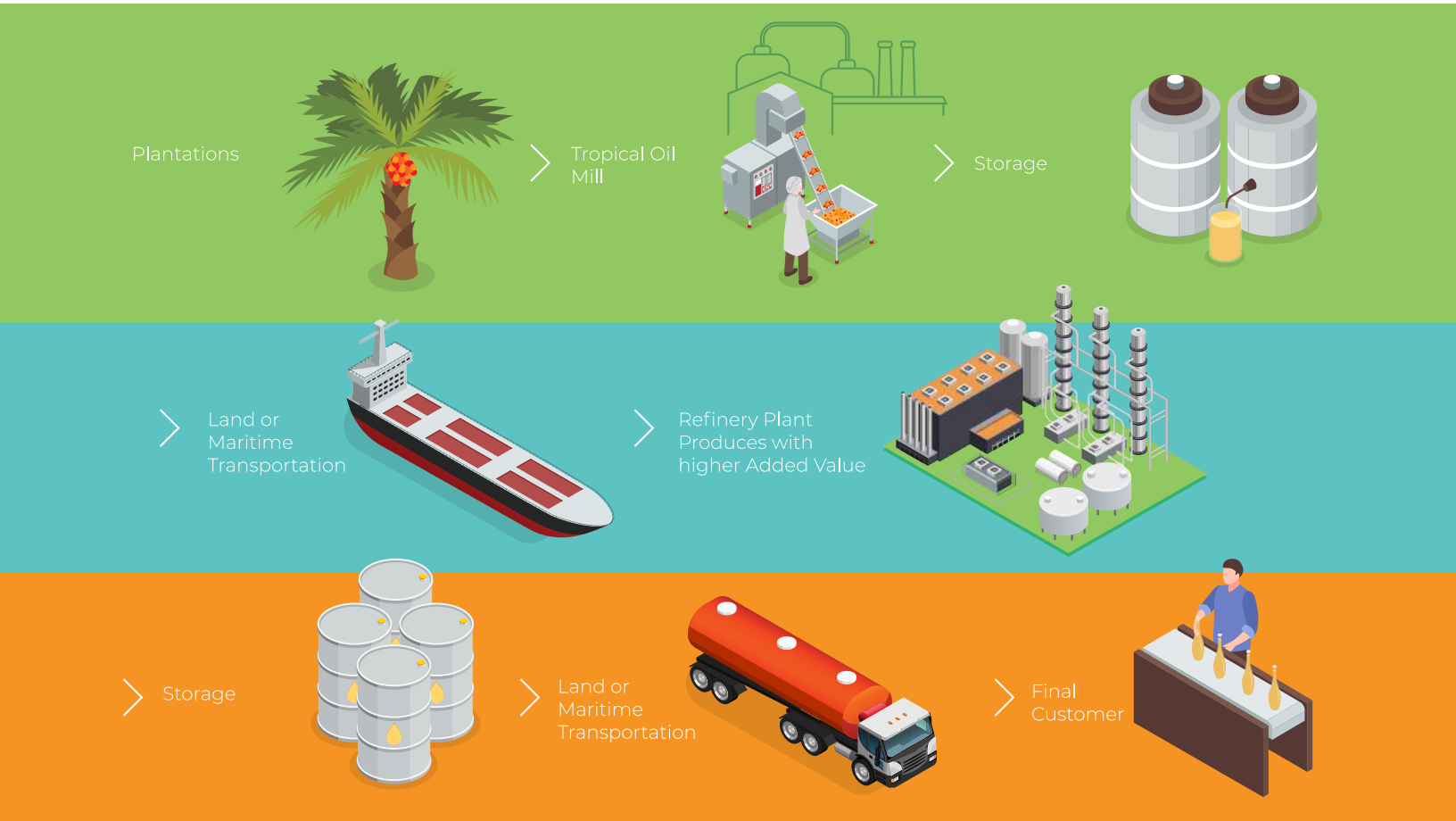
OUR SUPPORT FOR INDEPENDENT PRODUCERS

At AgroAmerica, we have an Independent Producer program to foster their development and growth. We make sure our independent suppliers comply with the environmental, legal, occupational health conditions of the farm, and compliance with AgroAmerica’s social and environmental policies are evaluated, such as child labor, forced labor, non-discrimination, no deforestation, and no burning. Once the field evaluation is completed, the results are analyzed, and an action plan is established for continuous improvement of the producer’s farm.

**In 2022 alone, we had**

- 43** independent producers who provide us with Fresh Fruits Bunches of Tropical Oil (FFB) in Guatemala and Panama
  - 5** independent producers provide us with Fresh Fruits Bunches and obtained the RSPO certification with technical and economic support from our subsidiary AgroCaribe in Guatemala.
  - In Panama, we have **38** independent producers enrolled in a program to support them in obtaining RSPO certification.

We acknowledge our responsibility to oversee a sustainable value chain that extends beyond our operations. To this end, we ensure the implementation of audits that enable us to verify labor conditions, environmental aspects, human rights, among other examples, specifically targeting suppliers with the greatest impact and/or risk in these areas.



THE INDEPENDENT PRODUCERS PROGRAM  
LEAD BY AGROPALMA DE INVERSIONES S.A.

We are focused on developing a strategy to benefit a group of thirty-eight independent producers who are crucial to AgroPalma de Inveriones, S.A.’s supply base. This initiative aims to assist small-scale producers in adopting sustainable practices and complying with RSPO standards, ultimately promoting responsible palm oil production. Our certification strategy will be implemented in close collaboration with the small producers to ensure effective adoption and successful certification.

At Agropalma de Inveriones, S.A., we are dedicated to driving positive change in the industry and contributing to a more sustainable future. In Panama, we have 38 suppliers of fresh fruits who are in the process of building their capacity to obtain RSPO certification. Since our Panama operation has already achieved certification, we are intensifying our support for independent producers to achieve RSPO certification within three years.

As part of our Independent Producer Support Program, we provide annual support to independent producers to help them achieve RSPO certification. This program ensures greater traceability and transparency in our supply chain, which is essential for responsible palm oil production.



ADDING VALUE TO TROPICAL OIL

In 2019, our company successfully acquired a refining facility in Veracruz, Mexico. This acquisition allowed us to provide high-quality, value-added products to our industrial-based customers. Our refining process is entirely physical, using steam distillation to extract fatty acids without introducing harmful chemicals like sodium hydroxide or sodium carbonate. We follow a comprehensive procedure that includes a preliminary degumming phase, bleaching, and deodorization before shipping in bulk or packaging.

Recently, our Refinery became a partner of CLAM, an association of companies in Veracruz City, Mexico. CLAM promotes and ensures workplace safety, Industrial Hygiene, Environmental Protection, and Civil Defense. As a member, we have received support in coordinating preventive actions for the benefit of workers, complying with environmental regulations, and complying with Industrial Safety and Civil Protection regulations at our facilities. Additionally, CLAM provides training to members on topics necessary for intellectual growth, skill development, and knowledge updating.

We have participated in several CLAM projects to contribute to the community, such as the “Safe Schools” program and the “Let’s Plant 10,000 Trees” campaign.

Our Refinery facility values diversity, safety, and personal development among our employees, essential elements of our value offer to attract and retain talent.

**65 employees of which 28% are women in the refinery plant**



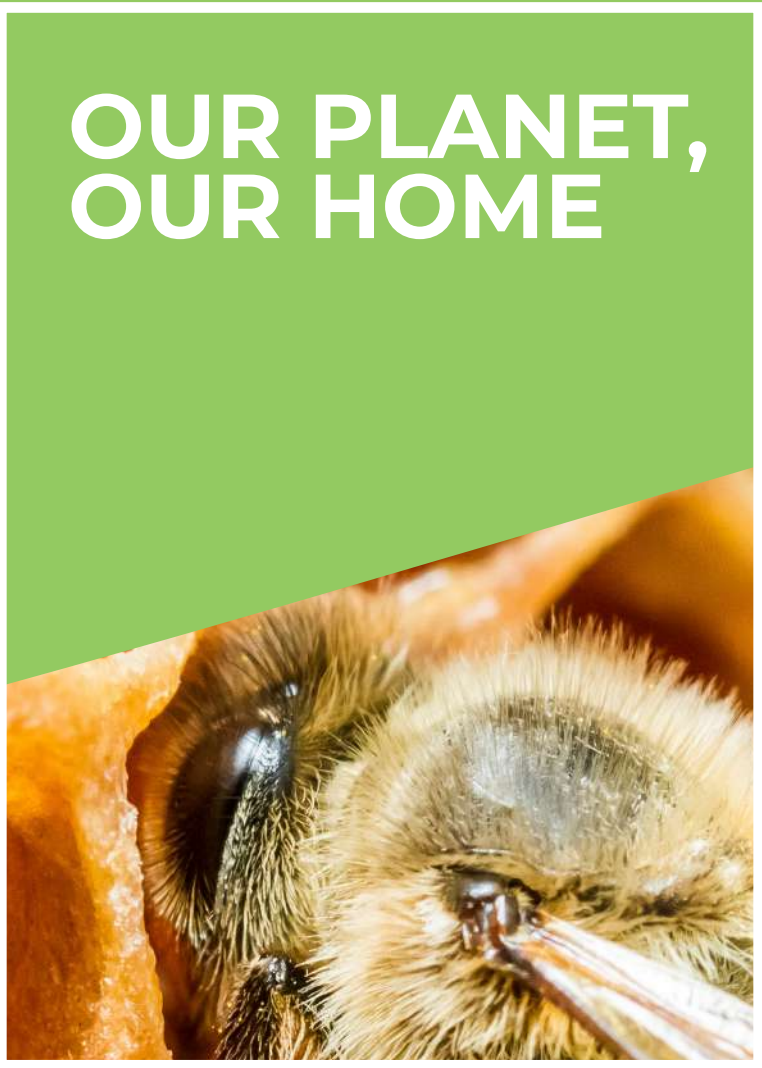


**COMPLIANCE**

By the end of the year 2022, our Refinery facility had undergone 12 environmental monitoring procedures that were carried out by outside businesses. These processes concerned the effective utilization of water, energy, and waste management.

The manufacturing facility now satisfies the requirements of several international certifications, including Kosher, Halal, ISO 14001, and FSSC 22000.

**“ Compliance with international standards and certifications is a core component of our business ”**





# OUR PLANET, OUR HOME



Our planet is facing some big environmental challenges. Our main goal is preserving and restoring natural resources, caring about soil health, and enhancing biodiversity by adopting a regenerative agriculture approach. This plan focuses on reducing synthetic inputs, increasing crop diversity, cover crops, and conservation tillage practices. It contributes to increasing soil carbon sequestration while improving the resilience of food systems.

The Environmental Action Plan adopts a regenerative approach and is aligned with our Environmental Commitment and Management Policy. With this, we emphasize the precautionary principle, looking for ways to prevent and minimize negative impacts on the environment and ensuring the implementation of timely and effective measures in any possible event.



## Responsible performance for a healthy harvest

We firmly believe regenerative agriculture is to create a self-sustaining system where the land is treated with respect and care. This approach involves the use of natural processes to build soil health, increase biodiversity, and create a resilient and sustainable system.

4 environmental audits from governmental entities related to food safety and licenses	3,245 employees trained in environmental practices, international certifications, and policies	159 environmental training workshops	27 environmental monitoring by specialized companies to guarantee internal compliance
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## GIVING BACK TO REGENERATE THE SOIL

In 2022 we continued working towards a better performance to protect our soil. Providing training on the responsible use, transportation, handling, and application of agrochemicals is essential to ensure safety and protect the environment. We seek the best alternatives for agrochemical products based on their environmental impact.

### In 2022 we had

556 employees trained in the responsible use of agrochemicals	We use leguminous cover in our plantations, to protect the soil from hydric and elaic erosion; with the leguminous cover we also contribute with organic matter, improve humidity conditions, and improve nitrogen-fixing efficiency.	We implement a proactive work scheme and “precision agriculture” thanks to our Soil and Foliar Tissue Analysis Laboratory (AGROLAB).
18 training sessions for responsible use of agrochemicals	We reuse organic matter from plantations pruning to maintain soil fertility and reduce the need for agrochemical products.	Our ongoing and real-time soil analysis enables us to make quick and timely nutrition decisions. Committed to regenerative agriculture, we aim to innovate significantly in soil management.
We reuse organic matter from plantations pruning to maintain soil fertility and reduce the need for agrochemical products.	We adhere to the national legislation of the countries in which we operate and follow international standards through the certifications we hold. We strive to find the best agrochemical alternatives based on their environmental impact.	
By-products of the Tropical Oil Mills sent to the soil as organic matter.		

## Conservation and biodiversity GRI 304-1 to 4

We contribute to the conservation of biological diversity by applying a regenerative agriculture approach, sustainable landscapes, and a No Deforestation, No Peat, and No Exploitation Policy. In addition, we seek to restore intervened areas to create positive impacts on the flora and fauna where we operate and other high-value habitats. A fundamental part of our strategy is consolidating strategic alliances that enable the implementation of conservation initiatives and projects.

### In 2022 we had

Agroaceite: 36 species of flora and 125 species of fauna	Agropalma de Inversiones, S.A.: 127 species of flora and 193 species of fauna considered of interest in the List of Threatened Species, the Red List of Threatened Species of the IUCN, and the International Trade List of Endangered Species of Wild Fauna and Flora CITIES	26.6 reforested hectares in farms, planting a total of 2,593 trees	908.26 hectares of forests and riparian zones were preserved in Tropical Oil operations during 2022
Agrocaribe: 60 species of flora and 276 species of fauna		979 hectares conserved in corporate areas	





SUCCESS  
STORY

## SUSTAINABLE LANDSCAPE PROGRAM: PROTECTING THE PLANET IN SOUTHWESTERN GUATEMALA

During 2020, the development process of the LandScale tool in the landscape of southwestern Guatemala was initiated, which included five municipalities (Coatepque Quetzaltenango, Champerico, and Retalhuleu in Retalhuleu; and La Blanca and Ocos in San Marcos). The tool, as such, managed to establish the baseline conditions of the landscape through its holistic analysis. This analysis allowed for the cohesion of the different actors in the landscape (private, governmental, social and municipal sectors), generating an action plan to improve landscape sustainability.

In the framework of the implementation of the Action Plan, two exchanges of experiences on restoration mechanisms and sustainable practices have been developed: 1) Petén (May 2022) and cane production (August 2022). The group's interaction has allowed for the development of a series of actions among partners, such as restoration of degraded areas, restoration of mangrove areas, improvement of capacities, strengthening of nurseries, family orchards, support in land preparation, potable water systems, etc.

This has been possible thanks to the leadership of the following partners:



Solidaridad



Instituto Nacional de Bosques  
Más bosques. Más vida



Instituto Privado de Investigación  
sobre Cambio Climático

As a group, we have established that during 2023, we will continue to work and invest in the development of the following actions: restoration of degraded areas, implementation of silvopastoral and agroforestry systems, biological monitoring of the landscape, good agricultural practices, mangrove restoration, exchange and learning of experiences, pest and disease monitoring, water management, pollinators, increase in plant production (Vendejo nursery), and iguana farms for communities.

The implementation of the actions and intervention strategies in the landscape can be monitored through the results of the annual implementation of actions, and it is expected that the LandScale tool will be used to evaluate the impacts on the sustainability of the southwestern landscape of Guatemala.

## STRATEGIC ALLIANCES TO FOSTER REFORESTATION: AGROAMERICA'S FOREST NURSERY

Reforestation is essential for ecosystems in Guatemala and around the world. With the support of prestigious organizations such as Landscale and Rainforest Alliance, and in coordination with the Climate Change Institute, the Ministry of Agriculture and the National Forest Institute, the AgroAmerica forest nursery was officially inaugurated in 2020.

This date was marked in our history as we inaugurated a nursery with a capacity of over 100,000 trees. These trees will be used to reforest riverbanks, farm areas, and communities near the operations zone in southwestern Guatemala. Our environmental, socio-environmental, and non-deforestation management policies are implemented in this valuable project. During 2022, the nursery has donated over 33,600 forest seedlings, which have already been used to reforest riverbanks, municipal and public areas.

### Tree species diversity

Within these **+33,600** donated trees, a variety of tree species can be found, such as Arepín, Cedar, Plumio, Oak, Mahogany, Almond, Puntero, Melina, Palo Blanco, and Matilisgate.

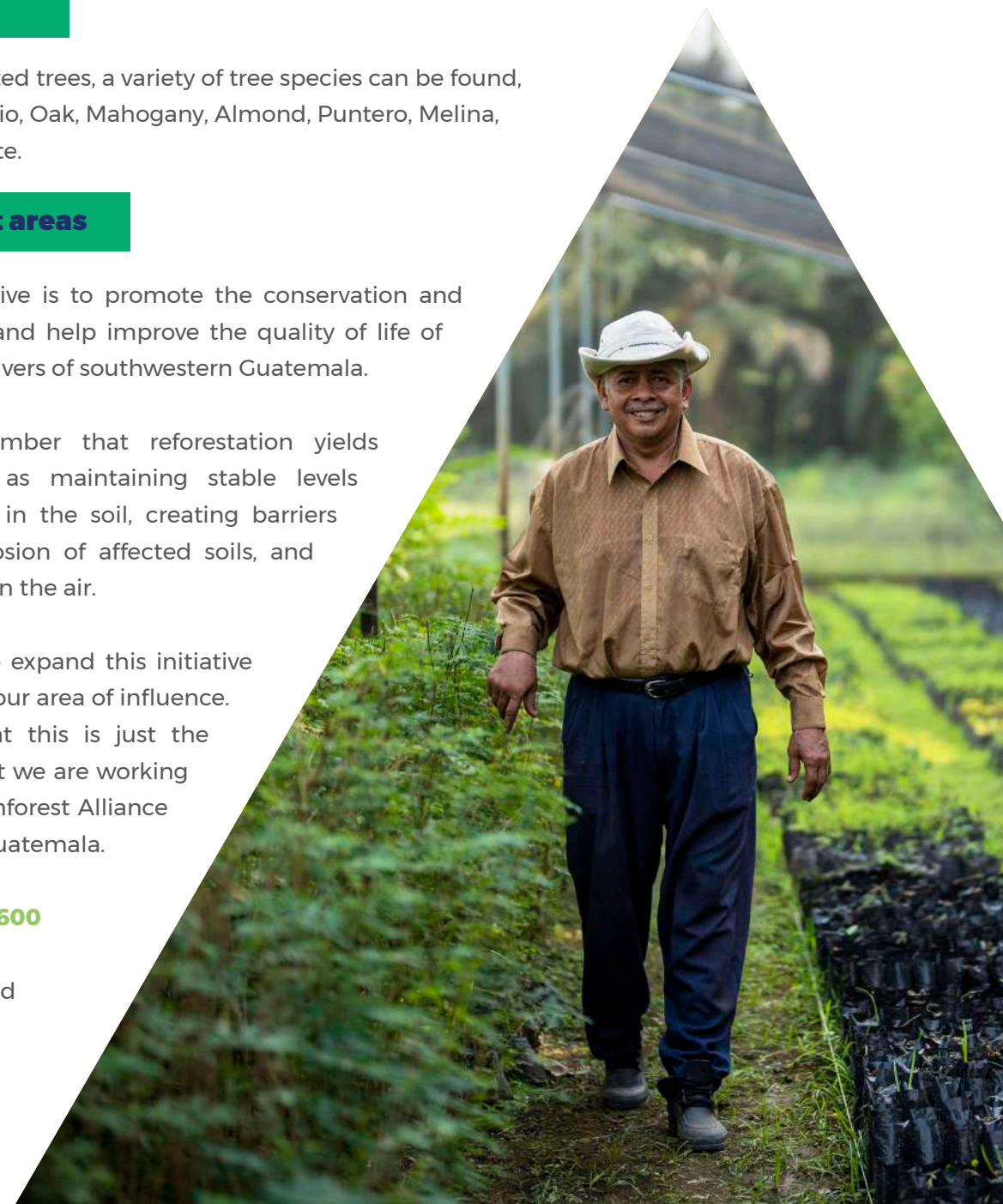
### Conservation of forest areas

AgroAmérica's main objective is to promote the conservation and restoration of forest areas and help improve the quality of life of residents in areas near the rivers of southwestern Guatemala.

It is important to remember that reforestation yields significant benefits such as maintaining stable levels of moisture and nutrients in the soil, creating barriers against wind, stopping erosion of affected soils, and absorbing carbon particles in the air.

At AgroAmérica, we aim to expand this initiative to other departments near our area of influence. Therefore, we can say that this is just the beginning of a great project we are working on with LandScale and Rainforest Alliance to improve ecosystems in Guatemala.

By the end of **2022**, over **33,600** forest seedlings have been donated to communities and other institutions.





OTHER ALLIANCES TO FOSTER THE CONSERVATION AND BIODIVERSITY OF OUR AREAS:

National Forests Institute

Monitoring of reforested areas was conducted and forest seedlings were donated to support reforestation efforts. National Forest Institute provided training sessions to stakeholders who received tree donations.

Technical basins committees:

Participation in basins committees, with the aim of promoting initiatives such as reforestation and preservation.

Climate Change Private Institute

Development of a reforestation plan including comprehensive technical information on planting, species selection, land preparation, maintenance, reseeding, and execution strategy.  
Provision of forest seedlings donations for forest nurseries.  
Measurement and monitoring of reforested areas using polygonal mapping techniques.

The Ministry of Agriculture, Livestock, and Food

Technical consulting services for forest nurseries and donation of forest seedlings.

Ministry of Environment and Natural Resources, Community Development Councils, and Municipalities

Provision of seedlings for riverbank reforestation purposes

Rainforest Alliance

Technical consultancy and implementation of a nursery with a capacity of 75,000 plants.  
Measurement of polygons in reforested areas and monitoring services.  
Provision of technical assistance for reforested areas.  
Donation of seeds for the forest nursery

Community Development Councils and Municipalities

Forest seedlings were donated to the communities for reforestation purposes in riverbanks

Fundaeco

We provide labor assistance for reforestation efforts covering 2.4 hectares in the northeastern region of the country.

Pollinators Project

AgroAmerica implemented a pioneering initiative in the Central American region, to conserve native bee populations through macro sanctuaries. The “BeeBox” is a structure developed by the environmental startup Beehub as a macro sanctuary to house up to **30,000** honeybees, over 900 solitary bees, and more than **2,000** stingless bees. In early February **2023**, AgroAmerica released a colony of **15,000** bees into its macro sanctuary, which doubled its size to over **30,000** by the end of April.

Maya Biosphere

Through this initiative, in partnership with WCS, Solidarity Network, and the National Council of Protected Areas, we contribute to the conservation of more than **19,000** hectares in the southeastern region of Laguna del Tigre National Park, in the locality of El Peru-Paso Caballos-Peñón de Buena Vista, San Andrés, Petén, Guatemala. AgroAmerica’s total investment in the project is **USD 1.2 million**. With the project, we conserve 19,098 hectares in total, **14,038** hectares of forest, **117** hectares of bodies of water, **704** hectares of wetlands, and **4,239** hectares of non-forest.

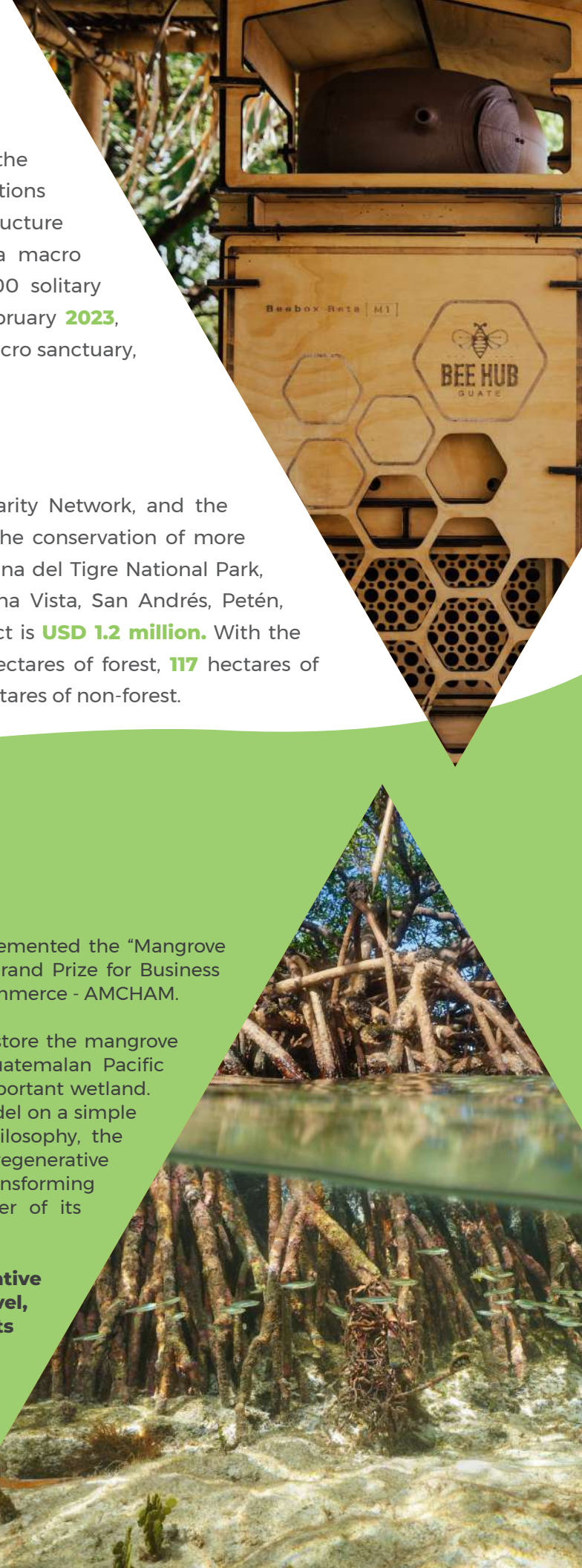


MANGROVE CONSERVATION PROJECT: GRAND PRIZE FOR BUSINESS

AgroAmerica, in partnership with Rainforest Alliance, implemented the “Mangrove Ecosystem Restoration” project, which was awarded the Grand Prize for Business Sustainability by the Guatemalan American Chamber of Commerce - AMCHAM.

The project was launched in 2021 to help conserve and restore the mangrove area known as Manchón Guamuchal, located on the Guatemalan Pacific coast and declared a RAMSAR site as an internationally important wetland. Since its inception, AgroAmerica has based its business model on a simple philosophy: “Do good by doing good.” Following this philosophy, the company operates under a comprehensive model of regenerative agriculture that focuses on improving food quality and transforming supply chains to place people and nature at the center of its operations.

**“Our goal for 2025 is to restore, along with our initiative partners, 250 hectares of mangrove at the landscape level, as a natural solution that can help minimize the effects of climate change. We are proud to have restored 68 hectares of mangrove in 2022, exceeding our goal in the initiative and achieving the restoration of more than what has been reforested at the national level in the last 10 years, thanks to the strategic partnerships of the project.”**





**WATER MANAGEMENT**  
GRI 301-1 to 3

We recognize that water is a finite natural resource that is essential to life, vital to our communities, and essential to our operations. Climate change and population growth have a negative impact on the global availability of clean water. By 2050, more than half of the world's population will be affected by water scarcity. At the operational level as well as in the regions in which we operate, our water conservation efforts are essential and highly relevant for maintaining the watersheds that surround us.



**WORKING AS A TEAM FOR WATER MANAGEMENT**

Our participation in the technical river basins committees continues unabated. These committees are a public-private endeavor to promote sustainable and integrated management of the watersheds in Guatemala's South Coast and Southwest zone.

Participation in seven technical committees in Guatemala, all of which are inter-disciplinary, with the goal of achieving sustainable and rational water usage in river basins.

The goals of the committees are as follows: the protection and preservation of basins; the sustainable use of water; the maintenance of an ecological flow in order to conserve natural ecosystems, flora, and wildlife; and the guarantee that rivers make it to their respective mouths.

The primary objective is the systematization of the experience.

The process of systematizing the experience of technical river basins committees, from their formation process, coordination and multisectoral participation mechanisms, to the fulfillment of agreed-upon agreements, has fostered a space of trust and dialogue among actors, which has allowed for the initiation of processes of rationalization in water use and the preservation of river flow to their mouths. This can be accomplished by systematizing the experience of river basins committees from their formation process, coordination and multisectoral participation mechanisms.

This methodical approach has been demonstrated to be necessary for maintaining the viability and effectiveness of water resource management, particularly in settings in which a wide variety of stakeholders are involved in the decision-making processes.

Future projects may make use of these best practices by simplifying the experience of the Technical Tables and recording their results. This will allow future initiatives to further improve collaboration, promote sustainable water consumption, and establish ties with stakeholders.

**Irrigation Processes**

We focus on the full conservation of the water resource through the most efficient use possible and the maximum reuse of treated wastewater in the agricultural irrigation process.

- ▶ **10** reservoirs for rainwater collection (equivalent to **714** Olympic-size swimming pools)
- ▶ In the agricultural sector, we have intelligent irrigation systems consider the climatic season (rainy or dry season) and soil moisture, measured through probes in real-time.
- ▶ The wastewater treatment systems (STW) are installed in our 4 Tropical Oil Mills. We use "fertigation" to irrigate some of our crops by reusing treated water in our mills; this also functions as a mechanism for reintegrating organic nutrients into the soil

As part of our water resource conservation approach, we maintain a systematic monitoring of the quality of our liquid discharges and the surface and groundwater bodies in our operations. This enables us to have certainty and transparently demonstrate that our operations do not cause harm to surrounding water bodies or biodiversity. With a defined schedule, various physicochemical parameters are monitored to ensure effective and efficient treatment. Standards monitored include pH, temperature, and chemical oxygen demand (COD).

**CLIMATE ACTION: OUR RACE TO NET ZERO**  
GRI 305-5

We recognize that, despite our crops offsetting emissions through growth, food systems have an impact on the climate. At the same time, they are affected by climate change. Altered climate patterns affect crops and threaten food security.

Because climate change is a global challenge that requires focused mitigation and adaptation actions, we join the global effort to measure and reduce Greenhouse Gas (GHG) emissions.

As signatories of the Global Compact, we have joined the Climate Ambition Accelerator. This six-month learning program will allow us to expand our knowledge and acquire the skills we need to contribute to halving global emissions by 2030 and achieving net-zero emissions by 2050.





## CARBON-NEUTRAL PRODUCTION

Our tropical oil operation was found to have carbon-neutral production after assessing its carbon footprint in 2021 using the methods described in ISO 14064-1, the GHG protocol, and the calculating tool developed by RSPO certification criteria.

Clean energy is the key to lowering our CO2 emissions.

Our subsidiary, Agrocaribe, is currently engaged in a project to generate biogas using anaerobic digestion technology. The process involves collecting wastewater from three lagoons to capture the biogas from anaerobic digestion. The resultant gas is purified and utilized in an electric generator that can produce 2 MW/HR. The tropical oil mill solely uses this system to meet its energy needs, and any excess energy is sold to the national interconnected system overseen by the Guatemalan government.

All four Tropical Oil Mills are committed to using renewable energy sources in their operations, so they use a biomass boiler to generate power. Additionally, AgroAmerica has taken concrete steps to formalize its commitment to the Science Based Objectives Initiative by identifying specific targets to reduce greenhouse gas (GHG) emissions and devising a strategy to achieve them.

## Recycling

We prioritize sustainability and environmental responsibility and have implemented robust recycling practices. We recycle a range of materials, including plastic, glass, aluminum, paper, and cardboard, with a notable success rate of **39%** for plastic, **49%** for glass and aluminum, and **11%** for paper and cardboard.

In addition to these efforts, we participate in the “Campo Limpio” program created by the Guatemalan Association of the Chemical Agricultural Guild, which focuses on recycling agrochemical containers. We also work with other qualified suppliers to ensure that we consistently meet our recycling targets and contribute to a cleaner, healthier planet.

We have clear objectives and guidelines regarding our waste management, such as:



Training for workers on solid waste and its risks



Endeavor the least possible impact on the environment



Maintain clean and orderly land, extraction plant and oil terminal free from pollution



Reuse waste, considering that some materials need treatment before



Minimize waste generation by using resources efficiently



Do not burn any type of waste as a means for treatment or final disposal



Ensure responsible and appropriate treatment and disposal of waste according to its type



Encourage recycling through different mechanisms

## OUR PEOPLE

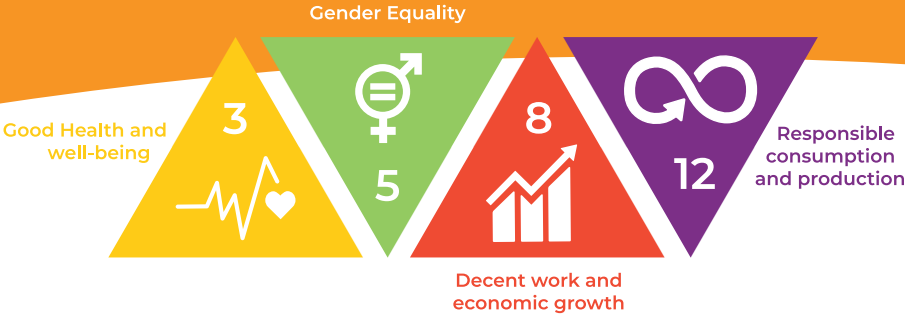
### DIVERSITY AND INCLUSION





# OUR PEOPLE

## DIVERSITY AND INCLUSION



Tropical Oil’s division has over 4,400 workers dedicated to palm oil operations. Our team demonstrates a high commitment and determination to carry out excellent work focused on achieving maximum productivity and sustainability. We strive to make our business an attractive and good workplace where everyone feels comfortable living in harmony with our corporate values, within a framework of attention to their health and well-being.

We are characterized by offering permanent jobs that provide stable income to families throughout the year, unlike other agricultural sources of work that depend on cyclical productions. We respect our workers and value their potential regardless of their race, gender, origin, religion, sexual orientation, age, or other.

Nine labor audits were carried out by the Ministry of Health and the Ministry of Labor in compliance with national regulations on labor benefits and conditions.

### A TALENTED TEAM

GRI 404-1 to 3

We believe that every person can improve personally and professionally. That is why we promote continuous training opportunities for our employees and a culture of lifelong learning. We ensure the health and safety of our workers as it is fundamental in building sustainable organizations. Worker well-being and health generate better performance while guaranteeing a safe and trustworthy environment.

The training topics in 2022 included a reintroduction to the operational staff, mission, vision, values, labor procedures, human rights, internal regulations, continuous improvement committee, OSH committee, gender committee, code of ethics, social, labor, and environmental policies, ethical

line, disciplinary guidelines, occupational health and safety, HIV/AIDS prevention, personal hygiene, road safety, and the functioning of the continuous improvement and gender committees.

This focuses on workers’ rights and obligations, human rights, corporate policies, social security, good hygiene practices, vacations, and opportunities for improvement in various work areas.

#### HIGHLIGHTS

**4,152** trained employees on more than 20 different topics

### EMPLOYEE BENEFITS

AgroAmerica provides various employee benefits such as insurance, accident insurance, and other benefits including transportation and meals to the workplace.

We offered an alphabetization initiative, with a total of **146** employees participating, out of which **124** successfully completed the program. As of **2022**, a cumulative number of **876** employees have graduated from this program.

#### HIGHLIGHTS

**+1,520** employees have worked at AgroAmerica for 5 to more than 20 years

This figure serves as evidence of the long-term commitment that both the company and its employees have towards each other.

It also highlights the favorable work environment and career opportunities offered by the company,

which contribute to the satisfaction and retention of its employees. This level of loyalty and dedication is a valuable asset for any business, and it speaks volumes about the positive corporate culture and management practices that exist within the organization.

### FREE ASSOCIATION AND DEMOCRATIC PARTICIPATION

We respect freedom of association and we encourage the democratic participation of employees, creating a culture of individual and collective dialogue.

We maintain communication relationships with trade union organizations and entities that promote labor welfare at local, national and international levels.

#### HIGHLIGHTS

**27** employees (**41 %**) belong to the trade union of the refinery plant in Mexico.

**291** employees (**72 %**) belong to the trade union of the refinery plant in Mexico.



## 12 YEARS OF HIGH-QUALITY EDUCATION FOR OUR EMPLOYEES' CHILDREN

AgroAmerica has implemented an innovative educational initiative known as the Active Rural School model. This program has benefited a significant proportion of our employees' children, with a remarkable 74% of them benefiting from the model's didactic resources and innovative and resilient educational processes.

Furthermore, the program has actively involved 145 students, providing quality education for the children. Notably, 54% of these children are females, underscoring our commitment to gender equality in education.

To further support the parents in the program, we organized a school for parents, which attracted 250 participants who attended eight sessions. The program covered various themes, techniques, and tools that were essential in enabling parents to participate actively in their children's education, making it a shared process.

Since 2016, 139 children have graduated from sixth grade of elementary school, and by the end of the 2022 scholar year, the students raised their grades by 16.16 points in Mathematics and 35.5 points in Language.

For this, the American Chamber of Commerce of Guatemala (AMCHAM) recently awarded us an honorable mention. This award is for companies that go above and beyond to positively impact their countries and comply with legal and environmental regulations. For the past 17 years, AMCHAM has recognized its partners' sustainability efforts for the impact they generate in Guatemalan society, beyond their corporate social responsibility programs.

This recognition highlights AgroAmerica's commitment to promoting education and contributing to its employees' well-being, families, and the wider community.



## OUR EMPLOYEES' HEALTH AND SAFETY GRI 403-3, 403-8

Ensuring the health and safety of our employees is fundamental to building a sustainable company. The well-being of our employees not only leads to better performance but also creates a safe and trustworthy work environment. As part of our Industrial Health and Safety Policy, we have developed an Occupational Health and Safety Plan that was updated in 2021.

This plan outlines our approach to health and safety, including implementing preventative and control procedures and immediate and thorough reactions to unexpected situations.



### HIGHLIGHTS

We prioritize the health and safety of our employees by implementing preventative and control procedures and immediate and comprehensive response protocols for unforeseen situations.

Our medical services adhere to high-quality standards, which are managed with the support of specialized medical personnel, including 12 nurses who provide on-site medical care.

Additionally, we have contracted a prehospital emergency medical service for our workers at the refinery, in compliance with the Mexican Official Standard NOM-034-SSA3-2013.

This service is staffed with 2 paramedics who are available 24/7, and includes the supply of first aid medications and ambulance transportation to a healthcare facility if necessary.

Additional medical insurance to social security, all the employees received an accident insurance

**3,907** trained employees through **34** workshops on occupational health and safety

**87%** of medical attention cases corresponded to minor and common accidents and diseases, and the other **13%** were related to COVID-19 and labor accidents

We have **5** medical stations and **12** emergency spots where nurses assess field workers

**26** government inspections for Occupational Safety and Health (OSH) are currently underway to verify the proper development and implementation of the SSO Plan, biosecurity protocols, and working conditions aimed at ensuring the health and safety of workers.

*The training sessions have been worked on with the Ministry of Health, Municipal and Volunteer Firefighters, Social Security Institute, and internal managers from the company's Certification, Human Resources, Nursing, and Social Responsibility departments.*



We continuously work on updating risk matrices for all operations, which identify risks and hazards, and evaluate the probability of occurrence and severity.

Based on this analysis, we develop and/or update the Health and Occupational Safety Management System, including plans, protocols, programs, and actions that address and mitigate the various contingencies identified.

To ensure the participation of our employees in occupational safety and health (OSH) processes, we have an active Bipartite Health and Occupational Safety Committee.

The committee comprises both managers and workers in an effort to integrate and consider their inquiries, suggestions, and opinions in OSH activities. The selection of committee members is carried out in accordance with the “Bipartite OSH Committee Election Procedure.”

The committee is responsible for investigating incidents and accidents and ensuring the implementation of all actions to prevent and manage risks. This allows us to update and improve our actions to minimize workplace risks promptly.



HIGHLIGHTS

- 122 people in the OSH committee
- 97 OSH committee meetings in 2022
- 32 OSH training sessions specifically for the OSH committee
- 25 OSH brigades led by 315 employees
- 25 OSH brigades meetings
- 36 training sessions for the brigades
- 21 evacuation, first aid and earthquake drills were conducted

The Occupational Safety and Health Committee has the following competencies: to participate in the development, implementation, and evaluation of plans and programs for risk prevention in the company, to promote initiatives on preventive methods and procedures for occupational risks, as well as to propose to the company the improvement of existing conditions or the correction of deficiencies.

The Committee’s powers include knowing directly the situation regarding risk prevention in the workplace, for which it will conduct visits it deems appropriate, and to know and analyze the damages caused to workers’ health or physical integrity to assess their causes and propose preventive measures.

The Committee’s line of work is based on the following premises: information, training, consultation, and participation.

GENDER EQUALITY AS A STRENGTH GRI 405-1, 406-1

We operate in areas and countries where male labor predominates in the agricultural sector, and there is the presence of diverse ethnic groups.

That is why we seek to promote a valuation of human talent that offers equal opportunities and does not discriminate against people based on gender, race, origin, religion, sexual orientation, or any other characteristic of their humanity.

We are a company committed to promoting diversity, equity, and inclusion in all positions, as stated in our Equality and Non-Discrimination Policy. We believe that our presence in multiple geographic areas, where different ethnic and age

groups reside, enables us to have a diverse team enriched with different perspectives and varied knowledge to achieve our objectives.

However, we still face challenges in achieving gender balance in our operations, both in the field and in the plant, where men predominate in labor. Nevertheless, within the framework of our Women’s Rights, Non-Discrimination, and Non-Workplace Harassment Policy, we are seeking greater integration of female gender in our operations. We have made improvements mainly in the administrative and executive areas, but we are convinced that there is always room for improvement.

HIGHLIGHTS

- 144 female employees in Guatemala, Panama and Mexico
- 32 internal promotions to fill in positions, with 9% being women
- 3,866 employees trained on human rights
- 76 female employees form 3 gender committees

FOSTERING A BETTER QUALITY OF LIFE GRI 401-1, 2, 408-1, 409-1, 410-1

In accordance with our Hiring Policy and Labor Conditions, we provide job opportunities that comply with all aspects covered by national laws, International Labor Organization (ILO) employment agreements, and industry best practices.

As stated in our policy, we support internal growth and reward any worker who demonstrates outstanding performance.

We strive to create the best opportunities and a better work environment that encourages everyone to give their best effort.

Our compliance efforts are reflected in the results of the 9 government audits we received in 2022 about labor conditions, all of which were satisfactory. We also conduct internal audits to identify areas for improvement in our working conditions. Our Hiring and Labor Conditions Policy ensures that we comply with national laws, ILO labor agreements, and industry best practices.

Additional medical insurance to social security, accident insurance, and other benefits such as food and transportation to the workplace.



Tropical Oil has two cooperatives: one in the southwestern part of Guatemala (Agroaceite), and another one in the northeast of Guatemala (Agrocaribe); this one is only for administrative staff. The vision is to be an efficient, solid, and solvent savings and credit cooperative that satisfies its partners' service and product requirements, with a sense of social and business responsibility.

Southwest coast of Guatemala Cooperative

The Cooperative was founded 11 years ago, seeking the common good with responsibility, integrity, equity, and solidarity, through a social development model that promotes free association and democratic participation in the South and Southwest coast of Guatemala.

The Board of Directors, composed of the same employees, is made up of a board of directors and a supervisory committee who are responsible for ensuring compliance with the laws, regulations and other rules for the good financial and administrative performance of the Cooperative.

In 2022

7 meetings were held by the Board of Directors of the Cooperative during 2022

1 annual meeting with all partners to present results and advances in the cooperative for accountability and transparency

36% of the transactions were savings, 30% were loans and 33% were sales of products at a lower cost than the market in tropical oil division

During 2022, 13% was the net profit of the Coop which demonstrates the profitability of the same to provide services to workers, with a team of 34 people serving the cooperative

The active rate of the Cooperative is 6.97% higher than the market.

Agrocaribe's cooperative in Guatemala exclusively caters to its administrative staff. Currently, the cooperative has 365 employees who are members.

Based on the recent transactions made, it has been noted that 67% of these transactions were related to savings while the remaining 33% were related to loans.

This information reflects the strong emphasis that the cooperative places on encouraging its members to save and build their financial stability while also providing them with the necessary resources to fulfill their financial requirements.



Living wage

We calculate wages for agricultural activities based on the living wage methodology, which determines the amount needed to support a family in a dignified manner in rural areas.

We do not rely solely on the minimum wage stipulated by law; we go beyond what is required of us. We are committed to providing fair wages to all of our workers and have adopted the IDH wage matrix, a tool that compares the total remuneration

received by workers (including salaries, bonuses, and cash and in-kind benefits) with estimated vital wages relevant to the region.

This tool facilitates wage transparency in the supply chain and shared responsibility to address fair wage gaps. Additionally, we implement the living wage strategy by RSPO in our Tropical Oil Operation to ensure that our workers are compensated appropriately.

“ We facilitate wage transparency in the supply chain and shared responsibility to address living wage gaps ”





# OUR COMMUNITIES

OUR EFFORT TO BOOST THEIR WELLBEING



# OUR COMMUNITIES

OUR EFFORT TO BOOST THEIR WELLBEING



We engage with multiple stakeholders through communication, collaboration, and working together to address the social and environmental challenges faced by our society, with the aim of providing alternatives to contribute to social development and the success of our business.

We operate in close proximity to 74 rural communities and have an impact on millions of consumers who seek healthy and sustainable food. We have thousands of suppliers, and our operations are audited by government institutions as well as international entities, among others, who are part of our various stakeholder groups.

## COMMUNITY ENGAGEMENT GRI 413-1, 413-2

In accordance with our social responsibility plans, we work in four areas to contribute to the development of our communities: infrastructure, health, environment, and education. Focused on community management and development projects, we have successfully answered **94%** of our members' requests and inquiries related to our operations with positive outcomes.

### In 2022, we had

**74** communities identified

**850** local contacts of stakeholders, including community and religious leaders, members of the Community Development Committees, teachers, school directors, parents, governmental and non-governmental institutions, and media, as well

as participants in the Human Development Center's community programs

**+150** community visits to strengthen the relationship with our communities by our community relations team

**76** development management

projects in infrastructure, health, environment, and education performed in alliance with different stakeholders.

**USD\$528,389** investment in community management projects and AgroAmerica Human Development Center



## COMMUNITY DIALOGUE FOR SUSTAINABILITY

As part of our commitment to corporate responsibility, we have taken steps to ensure that our Tropical Oil operations in Guatemala and Panama are conducted in a socially responsible manner. To achieve this, we commissioned three social monitoring assessments from an external company. These assessments were carried out to identify both positive and negative impacts of our operations, as well as opportunities for improvement.

Based on the findings of these assessments, we have developed an Annual Operating Plan for Corporate Responsibility. This plan is designed to guide our efforts in operating in a socially responsible manner in the areas of Health, Infrastructure, Environment, Water Resources, Food Security, Working Conditions, and Cultural Values.

To ensure that we are meeting our social responsibility goals, we engaged with 303 stakeholders in 2022. These stakeholders included community members, employees, private entities, governmental and non-governmental organizations. The feedback and insights gathered from these stakeholders have been instrumental in helping us to identify areas where we can improve and to further enhance our operations.

Going forward, we remain committed to prioritizing social monitoring and stakeholder engagement to ensure that our operations have a positive impact on the communities where we operate. By doing so, we hope to continue to build trust and foster positive relationships with all our stakeholders.

## COMMUNITY MANAGEMENT

We have **132** local partnerships to develop tripartite Community Development projects in alliance with the private sector, government institutions, non-governmental organizations, and the Civil Society comprised of Community Development Councils and community members. Here are the projects carried out in the work areas. In **2022**, we executed **76** coordinated projects with alliances in our sphere of influence:

### Health

- ▶ Support with COVID-19 vaccination campaigns in communities
- ▶ Refurbishment of health posts in communities
- ▶ Household nebulization to reduce Dengue cases
- ▶ Donation of basic supplies to health posts
- ▶ Drinking water in communities through the donation of 100 filters to health posts and schools to reduce gastrointestinal diseases in inter-institutional alliance with the private sector.
- ▶ Health campaigns in communities coordinated with the Ministry of Health and Community Development Councils
- ▶ Donation of diesel to municipal and volunteer firefighters to provide access to health in communities

## Health Campaigns conducted in communities in partnership with stakeholders

### Ultrasound Campaigns



For workers' relatives and community members, where the AgroAmerica Human Development Center contributed ultrasound equipment, a nurse, and prenatal donations. In partnership with the Ministry of Health, Food and Nutrition Security Secretariat, and the Ministry of Agriculture, Livestock, and Food. Four ultrasound campaigns were held in four municipalities, with a total of 87 women, including workers' spouses. Conducted in alliance with the Municipal Food Security Commissions

### Nebulization Campaigns

A nebulization campaign was conducted in partnership with the Ministry of Health's Vector Unit to prevent and reduce Dengue cases, nebulizing 2,416 houses. AgroAmerica contributed to the management of nebulization supplies and community coordination.



### Otorhinolaryngology Campaign:

Chronic ear drainage, hearing loss or deafness, and chronic ear irritations were treated, with 450 people participating. The campaign was executed in partnership with Non-Governmental Organizations in the area.

### Medical campaigns in communities

Medical campaigns were coordinated in communities in partnership with the Ministry of Health, serving 537 people with various medical services, including preventive health for children and adults.







## FOOD AND NUTRITION SECURITY:

- Contribution to create 3 Inter-institutional Gardens to provide food to families with Acute Malnutrition
- Active participation in 4 Health and Food Security Commissions to reduce acute malnutrition in the influence areas. Joint activities are carried out with inter-institutional alliances where 87% of the children were recovered.
- Formation of alliances to promote Food Security
- Bana-Nutrition Project, which consists of making Banana Flour for children with Acute Malnutrition. During 2022, AgroAmerica donated banana flour to children in partnership with the Municipal Commissions through the AgroAmerica business unit dedicated to banana production.
- Donation of 534,000 bananas as a nutritional supplement in partnership with the AgroAmerica business unit dedicated to banana production.



## EDUCATION:

- Donations for public schools refurbishment
- Donation of school furniture to improve classrooms
- Training for women in the production of cleaning supplies
- Training for more than 1,000 students in schools on reforestation awareness and environmental care in partnership with the National Institute of Forests



## INFRASTRUCTURE:

- Road maintenance
- Donation of construction materials to improve infrastructure in communities
- Accompaniment and active participation in road management in partnership with private, governmental, and civil society institutions.



## ENVIRONMENT:

- Participation in Technical Committees of River Basins
- Donation of 33,699 forest seedlings to communities to reforest riverbanks
- Contribution to mangrove reforestation and restoration
- Training for Local Disaster Reduction Coordinators to strengthen their knowledge and proper preparation
- Participation in the Technical Landscape Group in Southwest Guatemala
- Training for employees on Responsible Use of Agrochemicals

## TRAINING FOR STAKEHOLDERS

The dissemination of information and training to our stakeholders increases their level of trust in our organization. We prioritize the provision of training on topics that are relevant to the growth and progress

of the neighboring communities. The specific details and logistics of the training sessions are determined in close collaboration with the local authorities.

### 1,462 stakeholders trained on

- |   |   |  |
|---|---|--|
| ▶ Preparation for preventive measures during the winter and Emergency Plan in alliance with the National Coordinator for the Reduction of Natural Disasters | ▶ Hydrographic basins in alliance with the Private Institute for Climate Change   | ▶ Institutional training on the company given by social managers |
| ▶ Storage and Responsible Use of agrochemicals for plantain producers in the area in alliance with the Rainforest Alliance                                  | ▶ Training for 1,000 students on the importance of reforestation and conservation |  |

## SUPPORTING HIGHER EDUCATION PROGRAMS IN SUSTAINABILITY



### SUCCESS STORY

#### PUBLIC-PRIVATE COLLABORATION BETWEEN THE UNITED STATES DEPARTMENT, US EMBASSIES, PARTNERS OF THE AMERICAS WITH REGIONAL COMPANIES, FOUNDATIONS, AND ACADEMIC NETWORKS.

AgroAmerica is pleased to organically join the Department of State as a strategic partner in this regional initiative through our shared values, building, step by step, a future full of prosperity and hope for our countries. At AgroAmerica, we believe that the future of our continent lies in strategic investments like these, which are multiplier of prosperity for the United States, Central America, and the Dominican Republic.

– **Fernando Bolaños Valle, CEO of AgroAmerica.**

12 grants of USD\$25,000 each were awarded in the Central American region and the Dominican Republic for projects that began in early 2022.

The winning students and academics partnered with universities in the United States and received funds to create innovative solutions to environmental problems in the region. The fund enables more students in the region to access innovative training and academic exchange programs to work in teams, conduct research, acquire technical and linguistic skills, and prepare for workforce demands.

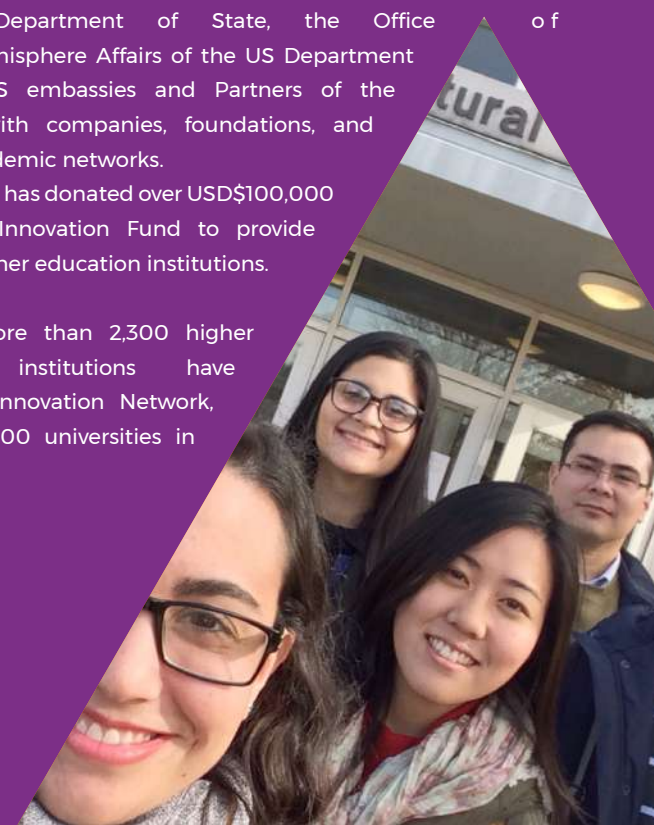
The 100K competition is sponsored by the US Department of State and AgroAmerica, with the support of US Embassies, the Office of Western Hemisphere Affairs of the US Department of State, the NGO Partners of the Americas, foundations, other private companies, and regional academic networks.

One of the winning research projects funded by the grant was presented by the University of San Carlos of Guatemala, the Technological University of Honduras, and Texas Tech University in the US to seek comprehensive solutions to the problem of pollution in the Motagua River, located in the Northeastern region of Guatemala, bordering Honduras. The project is progressing and shows potential to provide extremely useful information to solve this environmental problem.

100K is a public-private collaboration between the US Department of State, the Office of Western Hemisphere Affairs of the US Department of State, US embassies and Partners of the Americas, with companies, foundations, and regional academic networks.

AgroAmerica has donated over USD\$100,000 to the US Innovation Fund to provide grants to higher education institutions.

To date, more than 2,300 higher education institutions have joined the Innovation Network, including 1,300 universities in the US.



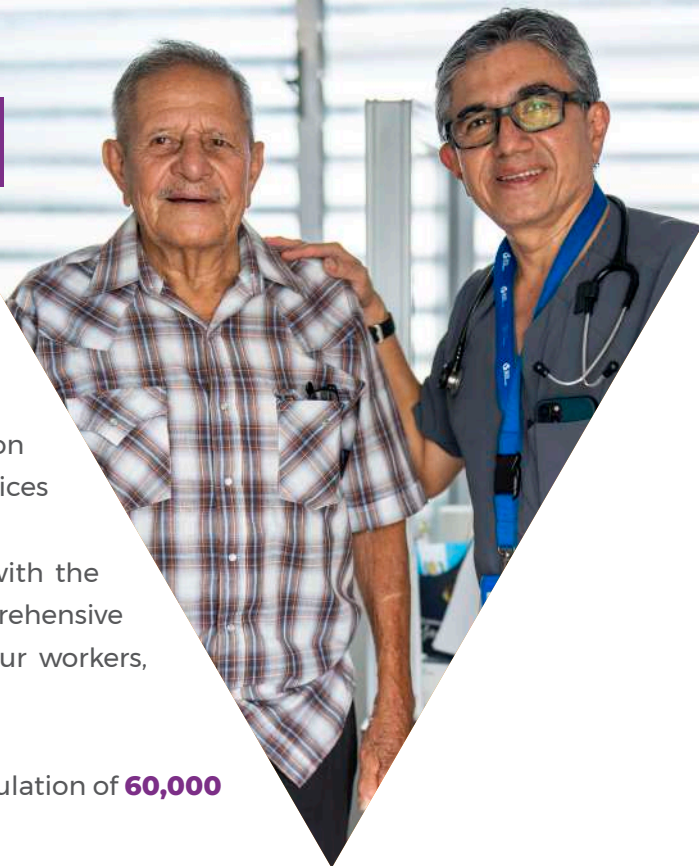
**AGROAMERICA'S HUMAN DEVELOPMENT CENTER**  
COMMUNITY HEALTH AND DEVELOPMENT

Undoubtedly, our flagship social project in the health field continues to be our Human Development Center.

The HDC was inaugurated in **2014** in the Southwest of Guatemala to serve over **30,000** inhabitants of the Trifinio Southwest region (where three departments come together) with medical services and preventive health programs.

The HDC was designed, built, and is managed in partnership with the University of Colorado in the United States as part of our comprehensive vision to provide access to health services and programs for our workers, their families, and communities.

This area is home to over **30** communities, with an estimated population of **60,000** across three departments.



**From 2014 to 2022, the Human Development Center achieved the following results**

- 7,029** patients attended
- 1,542** children and adults participated in dental workshops
- 412** children and 223 women participated in the "Healthy mother and child" programs to reduce maternal and child mortality
- 3,995** employees participated in preventive health programs at the HDC to provide them with health services, offer them job stability, avoid illnesses, and guarantee a healthy environment in their workplaces and homes
- 5,000** kits containing toothpaste, toothbrushes, and information on oral health were donated, along with training with educational materials provided by Colgate

**The main services offered by the Human Development Center are:**



Medical Services for our employees, their families and communities




Community programs to reduce maternal and child mortality



Research center

**From 2014 to 2022, the Human Development Center achieved the following results**

- +53,000** patients have benefited from medical services
- 4,431** children and **2,408** mothers participated in the "Healthy Mother and Child" program to reduce maternal and child mortality
- 2,942** people have participated in dental days
-  **The HDC** has been awarded four international awards, including recognition from the World Economic Forum and American Chamber of Commerce of Guatemala
- +USD \$3.8** million has been invested in the Human Development Center

**Health Campaigns conducted in communities in partnership with stakeholders**

In Guatemala, over **50%** of children aged **0 to 5** suffer from chronic malnutrition. The program aims to contribute to reducing this percentage by evaluating nutrition needs, providing nutritional supplements, and corresponding monitoring and follow-up. The training topics include neonatal care, care for children from **1-6** months, **6-12** months, **12-24** months, and **24-36** months, and the content of the donated kits includes woolen dolls, bibs, mats, and puppets.

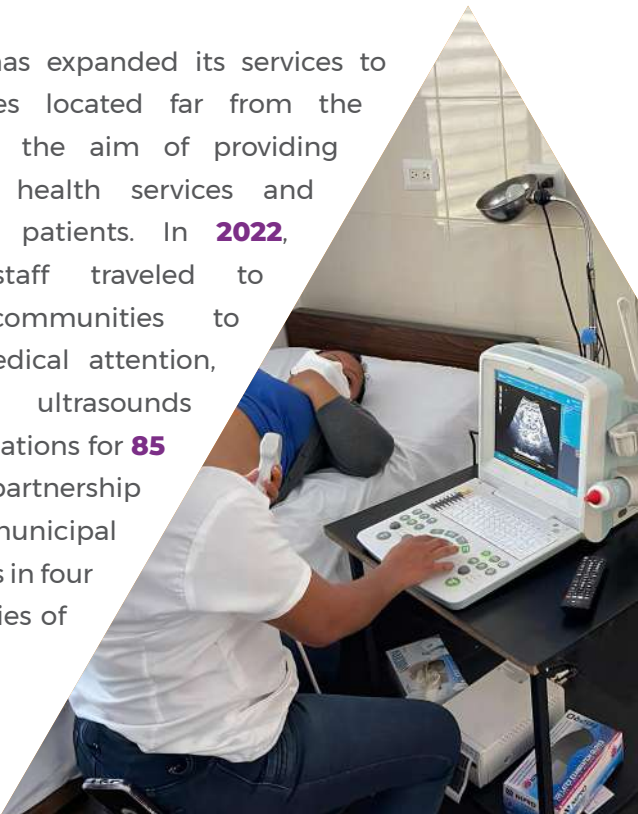
The Healthy Mothers program targets pregnant mothers and seeks to improve reproductive and maternal-child health in the region.

The program offers medical checkups during pregnancy, pre and post-natal follow-ups by local nurses, and training for mothers on topics such as danger signs during pregnancy, prenatal care, nutrition, and breastfeeding.

The program is reinforced with a reproductive education project aimed at men that covers

gender equality, the father's role in the family, and reproductive spacing methods. The training topics include groups up to **12** weeks, **13-28** weeks, **29-35** weeks, and **36** weeks or more, and the content of the donated kits includes diapers, small towels, soap, scissors, and blankets.

The CDH has expanded its services to communities located far from the clinic with the aim of providing access to health services and monitoring patients. In **2022**, medical staff traveled to remote communities to provide medical attention, including ultrasounds and consultations for **85** women in partnership with municipal health areas in four municipalities of influence.







## GROWING TO SERVE MORE FAMILIES: HEALTHCARE FOR RURAL COMMUNITIES

In 2022, the HDC expanded its services to communities located far from its clinic that are within Agroamerica's operations influence. The main goal was to provide access to healthcare services and follow-up with patients. The medical staff traveled to these remote communities with their equipment to provide medical attention during outreach events that took place in four municipalities. 87 women received ultrasound services, while the local health departments provided additional medical services, such as medical consultations.

The Human Development Center (HDC) also offers a comprehensive development program for adolescents aged 12 to 18, implemented by HDC workers with the advisory support of the University of Colorado. The main objective is to provide adolescents with the opportunity to achieve integral development and excel both personally and professionally, as well as become agents of change in their families and communities.

The program includes "Big Decisions," "Youth Leaders," and a medical clinic for adolescent care. "Big Decisions" provides training to young people in basic and diversified educational institutions to enable successful personal and academic growth, with a focus on reproductive education, avoiding sexually transmitted diseases, self-esteem, physical and mental health.

"Youth Leaders" aims to transform young people into a culture of leadership and self-improvement in their communities by granting student scholarships. From 2017 to 2022, 40 scholarships have been granted. The scholarship recipients receive ongoing training as part of a leadership project taught at the Center for Human Development, where they are continuously trained to become future leaders who generate positive impacts in their area of influence. The training topics include leadership, active listening, teamwork, rights and responsibilities, reading workshops, decision analysis, promoting public speaking skills, simulated debates on controversial topics in the country, challenges, and goals.

During 2022: **879** teenagers participated      **10** institutions involved      **295** trainings held



## HAUNTING MOSQUITOES TO RESEARCH VIRUSES IN GUATEMALA

The research team of the HDC laboratory is helping test what could be a clever way to look for all kinds of viruses, especially those that could cause severe and widespread illness in humans.

The researchers use a big tube they've dubbed the "insectazooka." But instead of launching insects, the insectazooka's white PVC pipe sucks them to vacuum the mosquitoes alive. They are wagering that the earlier they can spot a virus circulating among people (as opposed to something the mosquitoes themselves carry, like dengue or yellow fever), the better the chances of stopping a global outbreak.

The researchers use this method to sample the blood of local people and animals through mosquitoes. Families in nearby communities participate in the project, letting the researchers to vacuum mosquitoes at their homes. "This approach of disease monitoring is great, as it doesn't involve a single needle."

"It's a very interesting and innovative way of monitoring or surveillance," says Dr. Edwin Asturias, "if it proves to be right. We have to still prove the concept. But I'm very confident that the technology that we are developing is getting us to detect pathogens faster."

## FELINO SANDOVAL: THE INSPIRING STORY OF A COMMUNITY LEADER

I arrived in this area on November 12th, 1988. I came from Catarina, San Marcos because where I used to live was very isolated. The path to get to my home was so narrow that only a horse could cross it, and it didn't have an outlet. I worked there for ten years with the improvement committee, and the neighbors didn't want me to leave, but I told them that I had no way to enter or leave my property, so I had to come here. I was attracted to the Trifinio because of its beautiful and productive lands, which produce crops in both winter and summer.

Our organization began to take shape in 1990 due to the electrical energy problems in the Trifinio. We call it Trifinio because we live at the corners of three municipalities and three departments: La Blanca - San Marcos, Coatepeque - Quetzaltenango, and Retalhuleu - Retalhuleu, here in Guatemala.

The agrarian communities organized themselves to cultivate the land together, but initially, it did not work because out of the 105 beneficiaries that the community had, some of them did not fulfill their obligations. So, we agreed to divide the land, distribute it, and continue because this reduces the responsibilities of the farmer. Hence the name Agrarian Community Valle del Lirio, because everything is managed collectively. When I arrived, we gave greater strength to the organization, set many requirements to meet, and set several goals. It was a desolate place, with no good roads, and the communities lived in darkness without electricity. So, I set that goal and told my colleagues in the association: let's fight for energy, let's unite. Around the year 1994, the Bolaños family arrived.

They began working in 1995 and were already exporting by 1996. Sometime later, I was invited by Mr. Fernando Bolaños and we sat down to talk for almost two hours. He said to me, **"I want you to tell me the needs and threats that exist here."** I replied, **"The threats here are tropical storms, floods, and the health problem. If someone gets sick here, they have to be taken all the way to Coatepeque - at that time there were no vehicles or roads, and the trip cost 400 quetzales (52 dollars)."** I told him that my goal was to have a small hospital in the region. "That's a good idea," said Mr. Fernando. "If you want to work together, I can bring other members of the board of directors to discuss what we can do."

Then we scheduled another meeting with my fellow board members and laid out our goals: a small hospital and a feasibility study. First of all, we agreed to build seven kilometers of embankment along the Ocosito River because the water would overflow and destroy the crops.

We worked with five different organizations and the first project went very well. We also formalized our alliance to continue managing the clinic. We had to organize all the communities to create a united group of families and determine how many families there were in the Trifinio region to make the project a reality. It couldn't just be for one or two communities; there had to be unity among them all.





# ABOUT THIS REPORT

## SUSTAINABILITY REPORT 2022

# ABOUT THIS REPORT

## OUR SUSTAINABILITY REPORT 2022

AgroAmerica Tropical Oil Sustainability Report 2022 gives our stakeholders an update on our performance in relation to material topics for the calendar year ending December 31, 2022.

### METHODOLOGY

**Scope, methodology, and delimitations of the report:** This report addresses the operations of AgroAmerica Tropical Oil, a member of the AgroAmerica corporation, which brings together a group of subsidiary companies in Guatemala, Mexico, and Panama that are involved in the production, refining, transportation, and marketing of palm oil products.

This report is published annually and covers the period from January 1st to December 31st, 2022. The last report published corresponds to the year 2021. The current document has the approval of the CEO of AgroAmerica and the President of the Tropical Oil Division. The report was not subjected to external verification. However, it was prepared with the advice and consultancy of Ética y Estrategia, a consulting firm with more than 25 years of experience in Ethics and Business Integrity, Corporate Social Responsibility, and Sustainability.

The report details the company's structure, governance, strategy, and management, focusing specifically on material issues. In 2022, we kept working on the environmental, social, and governance issues relevant to our business.

Our current sustainability approach is now the platform that will shape the new Environmental, Social, and Governance (ESG) Strategy to be developed starting and throughout 2023.

### Statement of use

AgroAmerica Tropical Oil has reported the information cited in the GRI content index for the period January 1st to December 31st, 2022, with reference to the GRI Standards.

GRI 1: GRI 1 Foundation 2021







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