



Pantaleon

| SUSTAINABILITY IN THE SUGAR INDUSTRY

WHAT IS SUSTAINABILITY?

MAINSTREAM DEFINITION



ALTERNATE APPROACH

ECONOMIC DEVELOPMENT ACTIVITY THAT MEETS THE NEEDS OF THE PRESENT WITHOUT COMPRISING THE ABILITY OF FUTURE GENERATIONS TO MEET THEIR OWN NEEDS.

MAINTAINING THE CAPACITY OF ECOLOGICAL SYSTEMS TO SUPPORT SOCIAL AND ECONOMIC SYSTEMS

FOR BUSINESS, THIS MEANS THE **ADAPTIVE CAPACITY OF THE BUSINESS TO RESPOND TO SOCIO-ECOLOGICAL SYSTEMS CHANGES**, WHILE MAINTAINING ITS GENERATION OF VALUE ACROSS TIME.

SUSTAINABILITY FRAMEWORKS

APPROACH A

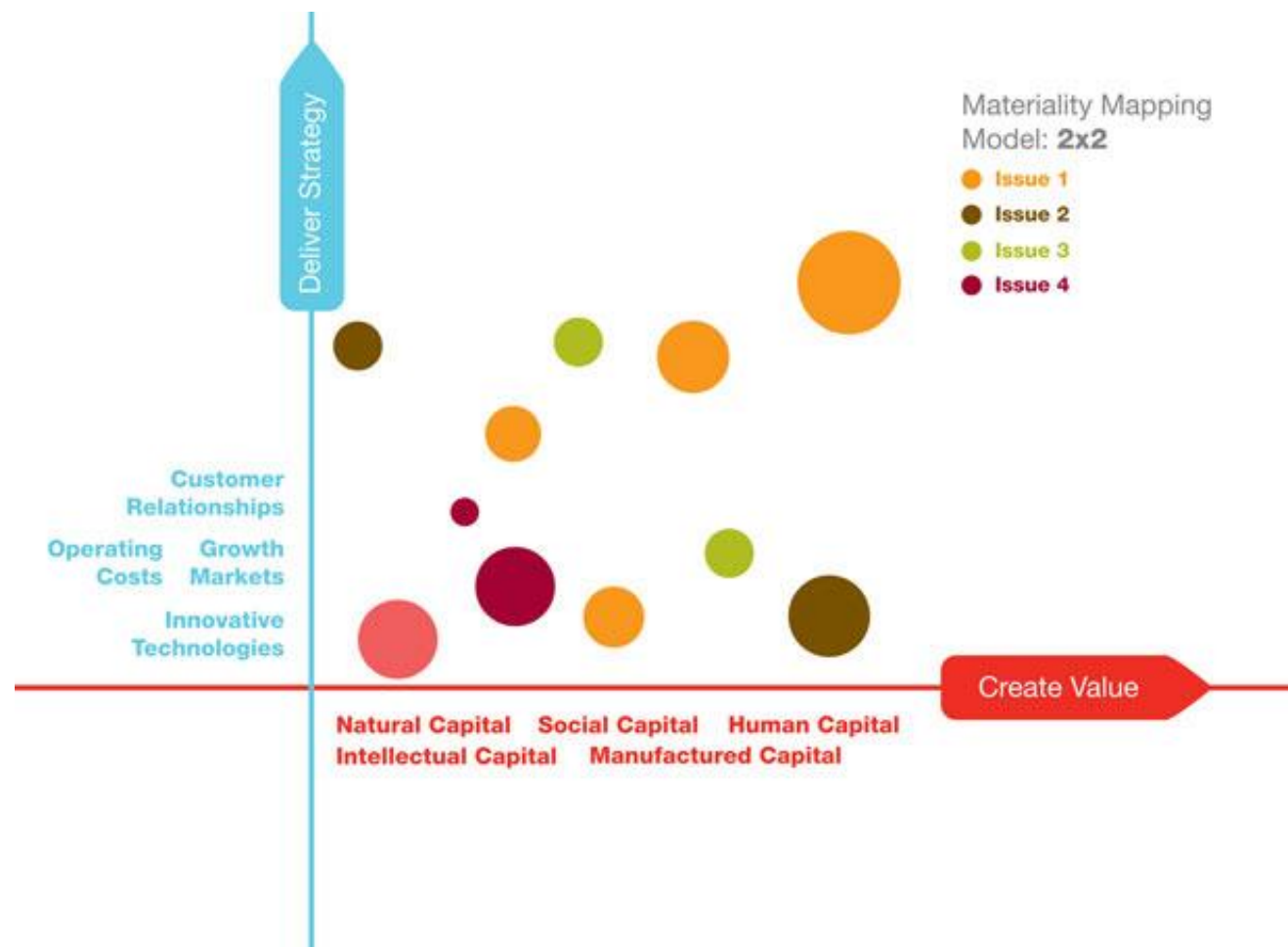
**IDENTIFICATION OF ESG
ISSUES WITHIN THE
COMPANY AROUND THREE
VALUE CREATION AREAS:
GROWTH, RISK
MANAGEMENT AND
RETURNS ON CAPITAL**



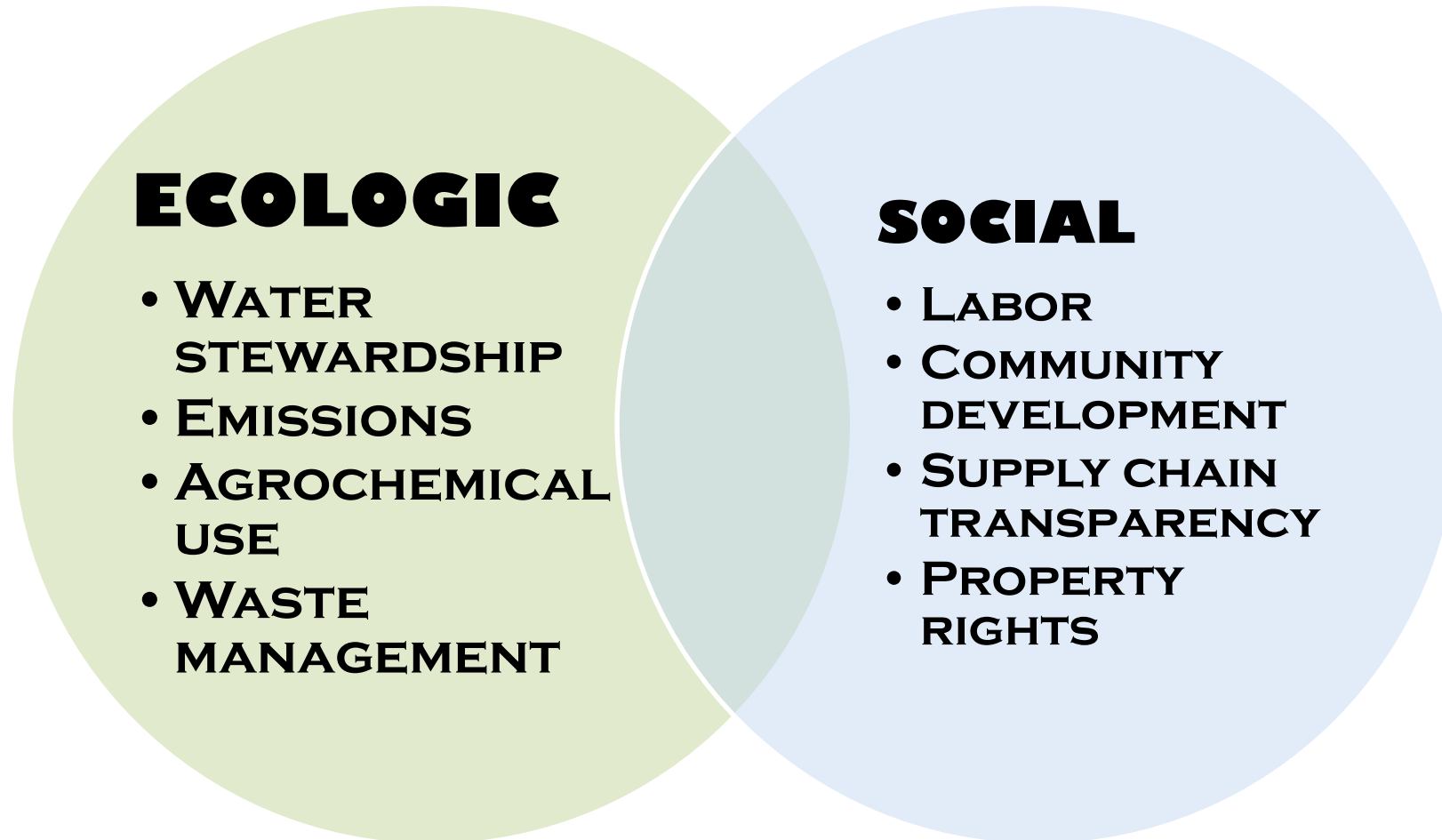
SUSTAINABILITY FRAMEWORKS

APPROACH B

**MATERIALITY ANALYSIS
RANKS ESG ISSUES THAT
IMPACT TWO THINGS:
THE ABILITY TO DELIVER
COMPANY STRATEGY THE
ABILITY TO CREATE VALUE**



SUSTAINABILITY ISSUES FACED BY THE SUGAR INDUSTRY



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SUGAR



ENERGY



ETHANOL



MOLASSES

Panuco (MX)
White, Raw sugar
Molasses
Energy

Pantaleon (GT)
Refined, Brown, White
and Raw sugar
Alcohol, molasses and HTM
Energy

Concepcion (GT)
Refined, Organic*, White and
Raw sugar
Molasses
Energy

Panor (CL)
Refined and brown sugar
Comercialization

Monte Rosa (NI)
Brown, White and raw sugar
Molasses and HTM
Energy

Vale do Paraná (BR)
Raw sugar
Alcohol



85,000 ton / day
milling capacity
installed



1.34 MM ton / year
of sugar
produced

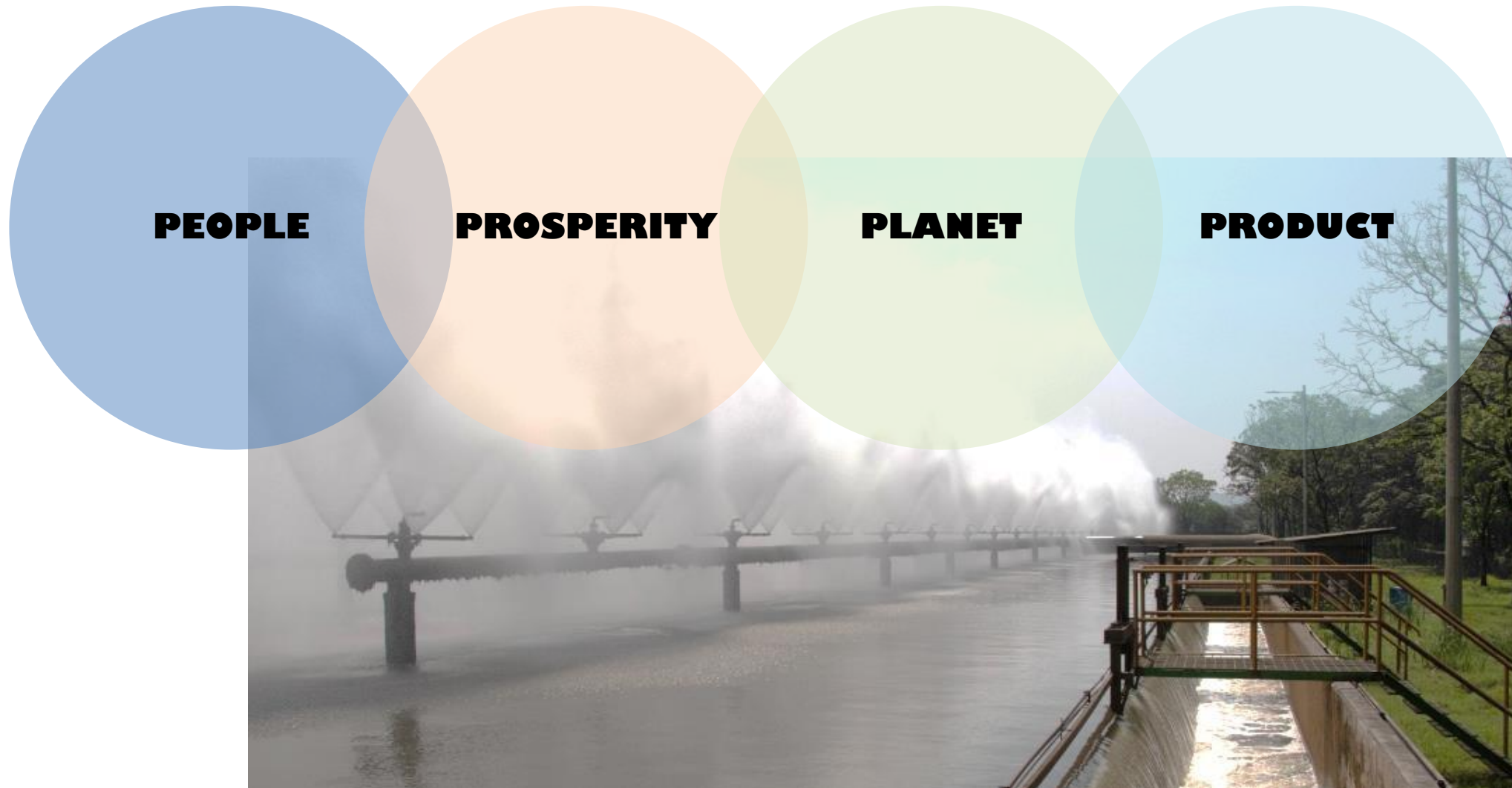


677 GWh / year
of energy sold



188,000 m³ / year
of alcohol
produced

OUR SUSTAINABILITY APPROACH



OCCUPATIONAL HEALTH & SAFETY AND RESPONSIBLE LABOR CONDITIONS



PEOPLE



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CHANGING THE SOCIAL LANDSCAPE



PROSPERITY

WATER STEWARDSHIP



PLANET



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WASTE MANAGEMENT



PLANET

MECHANIZED HARVESTING

64%
Guatemala

50%
Honduras

95%
Nicaragua

26%
México

100%
Brasil



PLANET



Pantaleon

SUGAR



PRODUCT

CANE SUPPLY CHAIN



SUPPLIER CODE OF CONDUCT

Defines the standard and vision of Pantaleon towards its suppliers.



SUPPLIER MANUAL

Instruction guideline for cane suppliers as to how to comply with legal requirements.



ACTION PLANS & MONITORING

Individual action plans elaborated for each cane supplier, subject to verification by an external auditor.

PRODUCT



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THEME	ISSUE (INDICATOR)	BASELINE (2013)	RESULT (2018)
PEOPLE	INDUSTRIAL SAFETY (LTI FREQUENCY RATE)	FR: 8.60 LTI	FR: 1.89 LTI
PLANET	INDUSTRIAL WATER USE (M3 / TONNE OF CANE)	6.83 M3 / TONNE OF CANE	2.56 M3 / TONNE OF CANE
	GHG EMISSIONS (TCO2 EQ./ TONNE OF SUGAR)	0.372 TCO2 EQ / TONNE OF SUGAR	0.261 tCO2 eq / TC
	AIR EMISSIONS (< 100 PST MG / NM3)	32% OF BOILERS COMPLY	85% OF BOILERS COMPLY
	AGROCHEMICAL USE (KG / HA)	N/A	7.21 KG / HA
PROSPERITY	COMMUNITY DEVELOPMENT (# PROGRAMS / \$ INVESTED)	N/A	11 PROGRAMS \$ 1.5 MM INVESTED / YR
	COMMUNITY RELATIONS (# COMMUNITY COMPLAINTS)	N/A	85 COMMUNITY COMPLAINTS
PRODUCT	SUPPLY CHAIN SUSTAINABILITY	N/A	GT: 49/80 AUDITED FARMERS

INNOVATION



TRANSPARENCY IN THE SUPPLY CHAIN: CERTIFICATIONS



Source: www.sustainabilitymap.com

www.pantaleon.com



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