



BUILD A BETTER COFFEE WORLD
Mercon Coffee Group Corporate Responsibility & Sustainability Declaration
Edition 2021

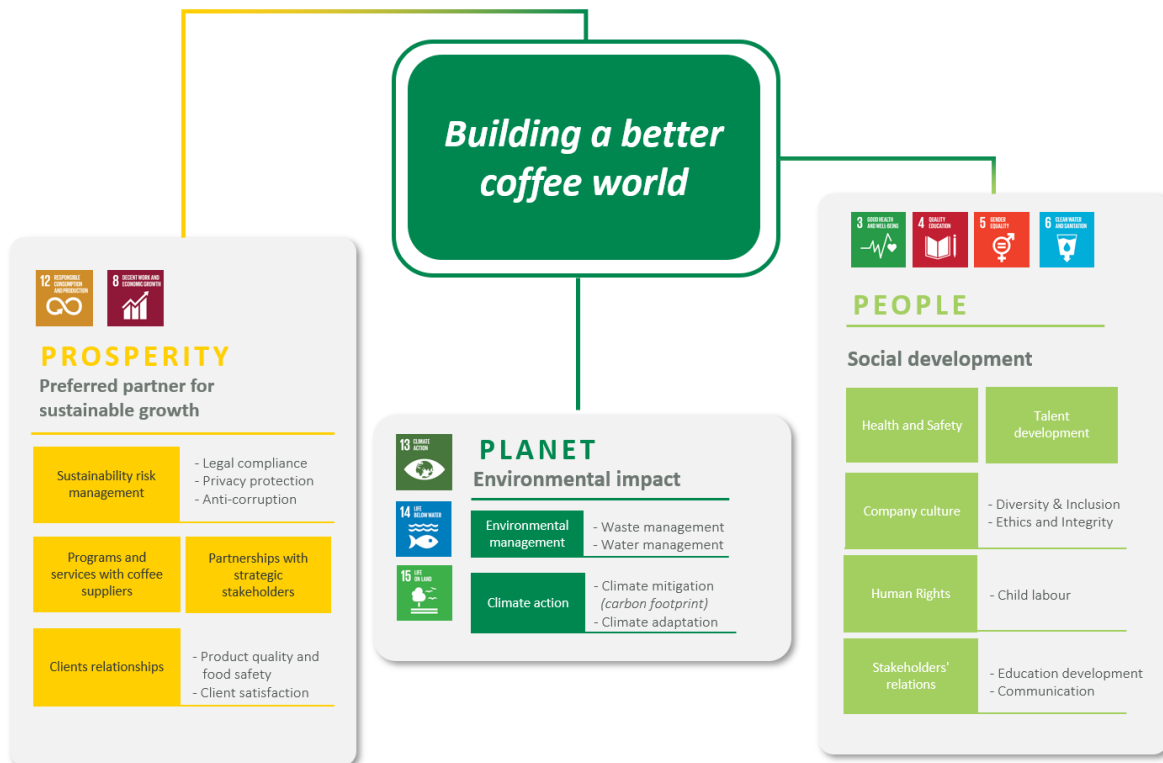
Introduction

Mercon Coffee Group is a leading coffee company, whose activities range from farming to milling, export and sale of green coffee. Since 2014, Mercon is a member and committed to the **UN Global Compact** principles of Human Rights, Labour Standards, Environment and Anti-corruption February 2014.

Our business vision is *Building a Better Coffee World* by adding long term value to all supply chain partners and incorporating corporate social and environmental responsibility in our business strategy.

As a Group we recognize the progress made in the last 2 years and the need to remain focused and relevant. This Policy is an update of our 2019 Corporate Responsibility and Sustainability Policy, and it is tailored to our revised material issues framework.

Progressing from our previous material issues, we have organized them better under the three core macro-pillars of sustainability and made clear connection with the Sustainable Development Goals.



In addition, we have reviewed the definition of each material issue and made clear connection with our business strategy.



PROSPERITY	Preferred partner for sustainable growth	Sustainability risk management	To manage and control associated economic, environmental and social risks to assure business continuity and compliance with mandatory regulations .
		Programs and services with coffee suppliers	To improve the well-being of producers by strengthening their production and business processes, by improving their quality and productivity , while ensuring environmental care and good agricultural practices .
		Partnerships with strategic stakeholders	To engage in a collaborative network of added value partnerships with multi stakeholders.
		Clients relationships	To strengthen client relationships by offering innovative and diversified products, services and solutions while providing the right quality and the best customer experience .
PLANET	Environmental impact	Environmental management	To operate in a responsible environmental manner by efficiently managing our energy and water consumption and reducing, reusing and recycling our waste .
		Climate action	To maximize our positive impact on climate by mitigating the carbon emissions in our operations and integrated supply chains.
PEOPLE	Social development	Human Rights	To actively engage against child labor and to protect human rights across the value chain.
		Health and Safety	To promote a safe and healthy work environment by fostering a culture of risk prevention and zero tolerance towards unsafe conditions.
		Talent development	To attract and retain talent by enhancing competencies and knowledge while managing a competitive compensation system.
		Company culture	To drive a solid corporate culture by engaging our talent in the achievement of sustainable growth while promoting a fair and ethical environment of equal and diverse opportunities .
		Stakeholders' partnership	To cultivate a transparent and constructive dialogue with our stakeholders and contribute to the development of future generations through high quality education in the coffee growing communities.

Therefore, this new Policy allows us to remain focused in strategically addressing material issues that are important to our stakeholders while also tracking our contribution to the Sustainable Development Goals.

Scope

The scope of the Mercon Coffee Group Corporate Responsibility and Sustainability Policy encompasses all our operations and companies globally.

Our Commitment

As Mercon Group we remain committed to go beyond compliance in meeting all relevant environmental, social, and labour laws, regulations, and other applicable requirements according to the IFC Performance standards.

Prosperity is the first pillar of our material issues, and it reflects our commitment to be the preferred business partners for our key stakeholders, particularly coffee suppliers, clients, and financial institutions. In this area we commit to:



- Manage our traditional and non-traditional risks, both in our operations and our supply chains to assure business continuity and prosperity.
- Improve the well-being of coffee producers by providing relevant services to strengthen their businesses.
- Engage collaboratively with other players in multi-stakeholders' networks.
- Deliver the best customer experience by providing innovative and diversified products, services, and solutions.

Planet is the second pillar, and it reflects our holistic commitment to reduce our environmental impact both at operation and at supply chain level with a particular commitment to:

- Reduce water consumption and increase waste management by more and more reducing, recycling and reusing in our operations and supply chains, and improve wastewater treatment in our supply chains.
- Mitigate our operations' climate impacts and become carbon neutral by 2030, and support to lower carbon footprint in our supply chains while promoting adaptation practices among our coffee suppliers.

People is the third pillar of our material issues framework, and it involves the development of the human capital, at company, supply chain and community levels. We are committing to:

- Eradicate child labour from our supply chains and promote human rights protection.
- Guarantee the highest health and safety standards in our operations by promoting a prevention and zero tolerance culture.
- Continue to attract and retain the best talents by providing competences and knowledge, competitive compensation packages and by:
- Promoting a solid company culture, fair, ethical, diverse, and inclusive.
- Cultivate a constant dialogue with our stakeholders, providing them tools to hear and address grievances and particularly contribute to the development of future generations through access to quality education in the coffee growing communities.

J. Antonio Baltodano

Jose Antonio Baltodano
Executive President
Mercon Group

