Banacol
Cultivating Wellbeing

Sustainability Report 2019

Index

Report Profile.....x

1 Corporate Profile.....x

2 Dialogues with stakeholders.....x

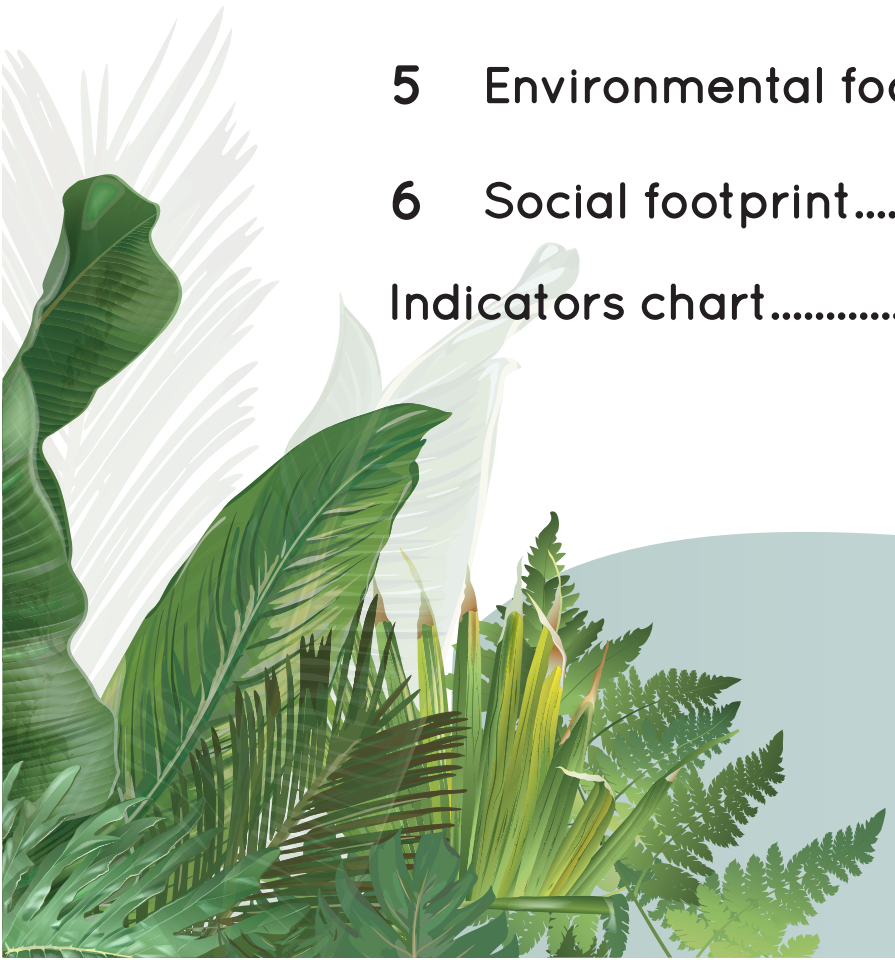
3 Corporate Gobernance.....x

4 Responsible Value Chain.....x

5 Environmental footprint.....x

6 Social footprint.....x

Indicators chart.....x



Letter from our CEO

Since our beginnings, we have seen agriculture as an opportunity to support regional development and the growth of our country. Today we consolidate this vision through a commitment on sustainability in all its lines, which means fruit supplying on the market conditions with a sense of responsibility and positive impact.

In terms of climate conditions, the El Niño phenomenon affected the year's productivity expectations, but we could reframe strategies and improve agronomical aspects that strengthen our adaptation skills, resourcefulness and encourage us to keep working for ecological balance.

We continue strengthening our programs on biodiversity conservation, protection of river basins and efficient use of water, through the joint work with the Corpourabá environmental authority. Additionally, we perform the measurement and mitigation of the greenhouse gas emissions impact and continue looking for new alternatives of clean energy generation and waste reduction. Beyond the standard, our goal is to find strategies that let us develop our activity in harmony with the environment.

This year we are glad to report the progress in the construction of the banana flour production plant, as a demonstration of the possibility to achieve value through circular economy. Interesting alternatives in our plastic manufacturing plant, as the commitment to recycle a larger amount of waste, are beginning to show with a positive impact on the financial and environmental costs.

The main concern of the sector, not only in Colombia but also internationally, was the appearance of Fusarium fungus (TR4), which has demanded during 2019, important resources and efforts that were not foreseen in our planning. The timely and diligent reactions from the human, technical and financial departments to avoid the incursion of the fungus to the Urabá region, have been effective due to a collective effort. The coordination of the contingency plan from the institutional and sectorial through Augura and Asbama, has allowed us to establish rigorous protocols and clear guidelines counting on the leadership of the Government, through the Colombian Agricultural Institute.

This year we had a successful completion of collective negotiations with four unions, reaffirming the philosophy of respect for labour. Harmonic and constructive relationships have let us come to agreements in order to promote our employees wellness. The positive outcome of the negotiations reveals the maturity that makes us understand, decent working conditions with economic viability for investors and customers, are the meaning of the shared value.

Today we generate about 5.000 decent jobs with payments that go well beyond the legal minimum wage with equal opportunities, meeting the international Human Rights standards of our employees and stakeholders, as evidenced in this report.

In the social aspect, we seek to align with the needs of communities, so our intervention truly responds to their evolution. This year we highlight the health- care achievements with a strengthened health service provider's presence like Sura and the strategic alliance with Comfama, improving the quality assistance opportunity. Likewise, we had the first health- care festival with more than 1.000 participants between employees and their families.

We believe that economic value has a direct relationship with the social field and so our durability depends on the positive impact we make on the territory. This principle demonstrates that the company results must be seen in the regional progress.

Despite past adversities, Urabá advances and projects into the future with the construction of road and port infrastructure, trade growth and the strengthening of tourism. We are proudly involved on its development, doing our part, and will continue hand in hand with the institutions and authorities.

Víctor Manuel Henríquez Restrepo
CEO

Report Profile

102-46
102- 53
102- 54
102- 56

This sustainability report has been prepared according to the GRI Standards core option. The collected information was analyzed by external consultants who built this document with the method and principles of the Global Reporting Initiative, working together with the heads of the reporting areas, so it could be independently revised by Deloitte & Touche Limited.

The senior management, sustainability committee and prioritized stakeholders took part on the content definition. Sustainability context was determined by the company's main impacts, risks and opportunities through its value chain at Banacol's operating locations: Turbo, Apartadó, Carepa and Chigorodó.

This report was printed on eco - friendly paper made from sugarcane bagasse.

IMPRESO EN PAPEL ECO AMIGABLE

Papeles producidos con bagazo de caña de azúcar

Contact email address for questions:
banacol@banacol.co

Independent Revision's Memorandum

Independent Revision of the 2019 Integrated Report

Responsibilities of the Business Group Banacol and Deloitte's

The preparation of the 2019 Integrated Report of Banacol Business Group, which includes the period from January 1 to December 31, as well as its content, is responsibility of the organization, which is also responsible for defining, adapting and maintaining the systems of management and internal control from which the information is obtained.

Our responsibility is to emit an independent report based in the applied processes in our revision.

This Report has been prepared exclusively in the interest of the organization in accordance with the terms of our service proposal. We do not assume any responsibility towards third parties other than the Company's Management.

We have done our work in accordance with the independence standards required by the Code of Ethics of the International Federation of Accountants (IFAC).

The scope of an independent review is substantially less than that of an audit. Therefore, we do not provide an audit opinion on the Integrated Report.

Scope of our revision.

We have performed the revision of the content's adaptation of the Integrated Report of 2019 of Business Group Banacol based on the Consolidated Set of GRI standards for the sustainability reports making, hereinafter "GRI Standards".

Standards and revision processes.

We have performed our work according to the ISAE 3000 - International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accounts (IFAC).

Our revision work has consisted in the formulation of questions to the management team and to several areas of operations of the Business Group Banacol that have participated in the 2019 Integrated Report's making process and in the execution of certain analytic procedures and revision tests by sampling, that are described below:

- Interviews with employees of the Business Group Banacol in a corporative level and in some selected production plants, with the objective of knowing the principles, systems and management focuses applied when making the report.
- Analysis of how, starting from the materiality determination, are the contents and the structure defined, according to what is suggested by GRI standards.
- Analysis of the processes to collect and verify the data presented in the report.
- Verification, through review tests based on the selection of a sample of the quantitative and qualitative information corresponding to the GRI and own contents included in the Integrated Report and its adequate compilation from the data provided by the Business Group Banacol's sources of information.

Material Matters	GRI indicator and/or exclusive of Business Group Banacol
Responsible Value Chain	204-1, 201-2, CV-4, CV- 6
Enviromental footprint	303-1, 303-3, 304-3, 306-1, 306-2, 302-1, 305-1, 305-2, 305-4
Social footprint	202-1, HS-4, 401-1, 401-2, 403-2, 404-1,406-1, 413-1

Confirmation that the Banacol Business Group Integrated Report 2019 is prepared in accordance with the Essential option of the GRI Standards.

General basic contents:
It was confirmed that the Report complies with the requirements of the essential option "in accordance" with the GRI Standards regarding the general basic contents.

Specific basic contents:
We review the management approach and GRI content of the following material matters:

Conclusions

Based on the work done, described in this report, the procedures carried out and the obtained evidence, we haven't found any matter that leads us to think that the indicators within the review's scope, included in the 2019 Integrated Report of the Business Group Banacol for the period from January 1st to December 31st of 2019, have not met all the requirements for the preparation of reports, in accordance with the essential option of the Global Reporting Initiative (GRI) Standards. For those indicators of the GRI Standards where Business Group Banacol

did not report quantitatively (numbers), only the qualitative information that included procedures, policies, evidence of activities carried out, among others, was reviewed.

Action alternatives

Deloitte has provided the Banacol Business Group with a report with the most significant alternatives of action for the future preparation of Reports, which do not modify the conclusions expressed in this report; In addition to a series of observations that will strengthen the consolidation, management, measurement and communication processes of the organization's sustainability performance.

Declaration of independence

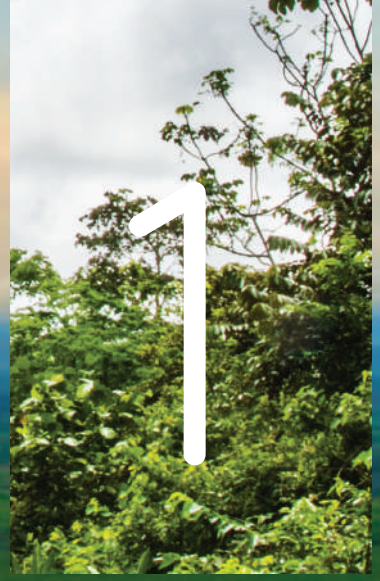
We confirm our independence from Banacol Business Group All our employees make annual updates to the Ethics Policy where we promptly declare that we have no conflicts of interest with Banacol Business Group, its subsidiaries and its interest groups.

Deloitte Asesores y Consultores.
Jorge Enrique Múnera D.
Partner
Medellín, march 2020

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please visit www.deloitte.com/about to know more. Deloitte is a global leader in audit and assurance services, consulting, financial advice, risk advice, taxes and related services. Our network of member firms present in more than 150 countries and territories serves four out of every five companies listed in Fortune Global 500®. Learn how approximately 310,000 Deloitte professionals generate an impact that matters www.deloitte.com.

This communication contains only general information, neither Deloitte Touche Tohmatsu Limited, nor its member firms or related entities (collectively, the "Deloitte Network") are, by means of this communication, providing professional advice or services. Prior to making any decision or execution of actions that may affect your finances or business, you should consult a qualified professional advisor. No entity of the Deloitte Network is responsible for losses that may be suffered by any person who takes as a basis the content of this communication.

©2020 Deloitte Touche Tohmatsu Limited



1

Corporate Profile

GRI indicators

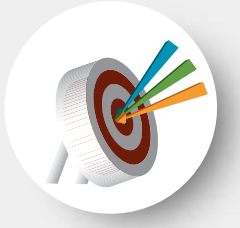
102- 1
102- 2
102- 3
102- 4
102- 5
102- 6
102- 7
102- 8
102- 13
102- 16
102-47

Our Mission

- We are farmers who provide solutions to satisfy our customers.
- We are passionate about excellence and sustainability.
- We cultivate wellbeing to our families and the communities we interact with.
- We build close relationships. We are Banacol family.

Strategic Pillars

Financial strengthening with surplus generation



Operational excellence with consistent performance

The best people in the best workplace

Fullfilment of an appropiate and differential value proposal

Business growth and projection

Strengthening of our social and environmental responsibility

Values

We are accountable

We make things happen

We are transparent, resilient and approachable

We work with passion

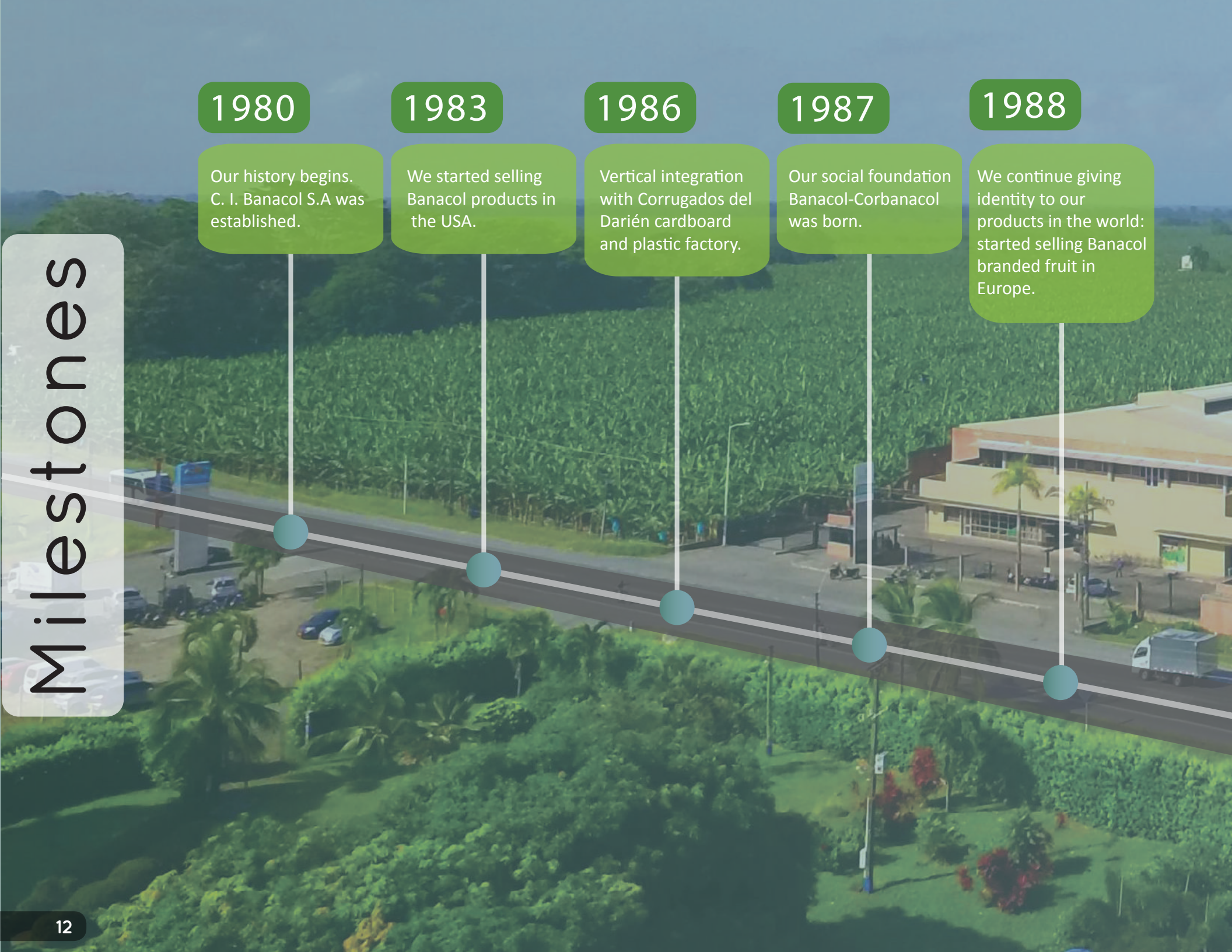
Vision

Our business is banana and plantain production and marketing, port and logistic services supply, agro - industrial inputs marketing and plastics and corrugated cardboard production and commercialization.

Our core is banana production. More than 95% of the fruit we commercialize is produced on our own farms, guaranteeing a strict quality control and flexibility to implement initiatives tailored to our clients.

To be recognized as an agro - industrial group that generates value for its customers, clients, and shareholders in a reliable and sustainable way, and cultivates wellbeing for its families and communities.

Milestones



1980

Our history begins. C. I. Banacol S.A was established.

1983

We started selling Banacol products in the USA.

1986

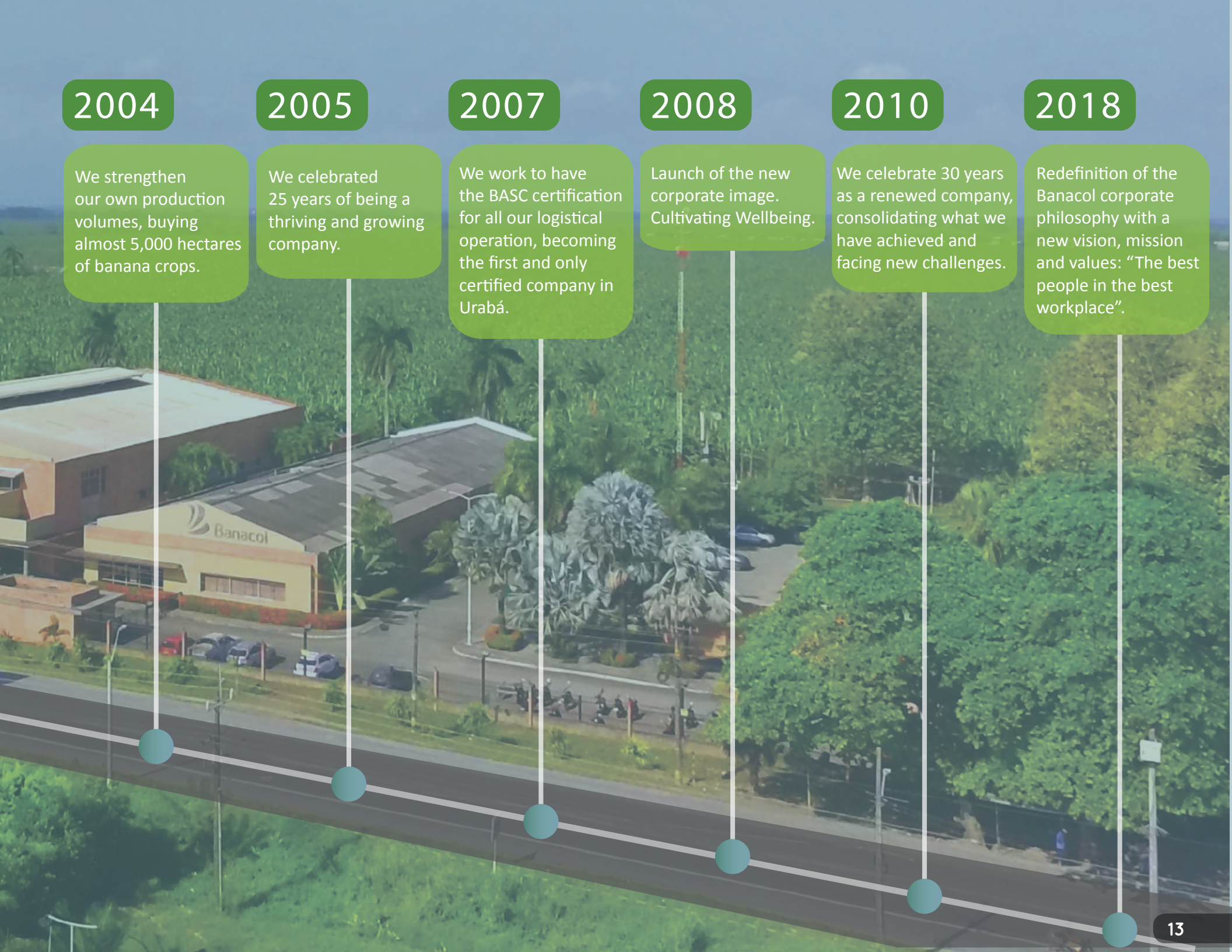
Vertical integration with Corrugados del Darién cardboard and plastic factory.

1987

Our social foundation Banacol-Corbanacol was born.

1988

We continue giving identity to our products in the world: started selling Banacol branded fruit in Europe.



2004

We strengthen our own production volumes, buying almost 5,000 hectares of banana crops.

2005

We celebrated 25 years of being a thriving and growing company.

2007

We work to have the BASC certification for all our logistical operation, becoming the first and only certified company in Urabá.

2008

Launch of the new corporate image. Cultivating Wellbeing.

2010

We celebrate 30 years as a renewed company, consolidating what we have achieved and facing new challenges.

2018

Redefinition of the Banacol corporate philosophy with a new vision, mission and values: “The best people in the best workplace”.

Products and Services

- Banana
- Plantain
- Agro - industrial plastics
- Corrugated cardboard boxes and labels
- Port logistic services

Main brands

Banacol
Cultivating Wellbeing

CFS
Compañía Frutera de Sevilla Llc.

Corporate Structure

Agricultural companies:

- Expobán S. A. S.
- Río Cedro S. A. S.
- Agrícola El Retiro S. A. S.
- Agrícola El Carmen S. A. S.
- El Convite S. A. S.
- Centurión S. A. S.

Corporate foundation:

Corbanacol
Fundación Social Banacol
Cultivando un mejor futuro social

Banacol
Cultivating Wellbeing

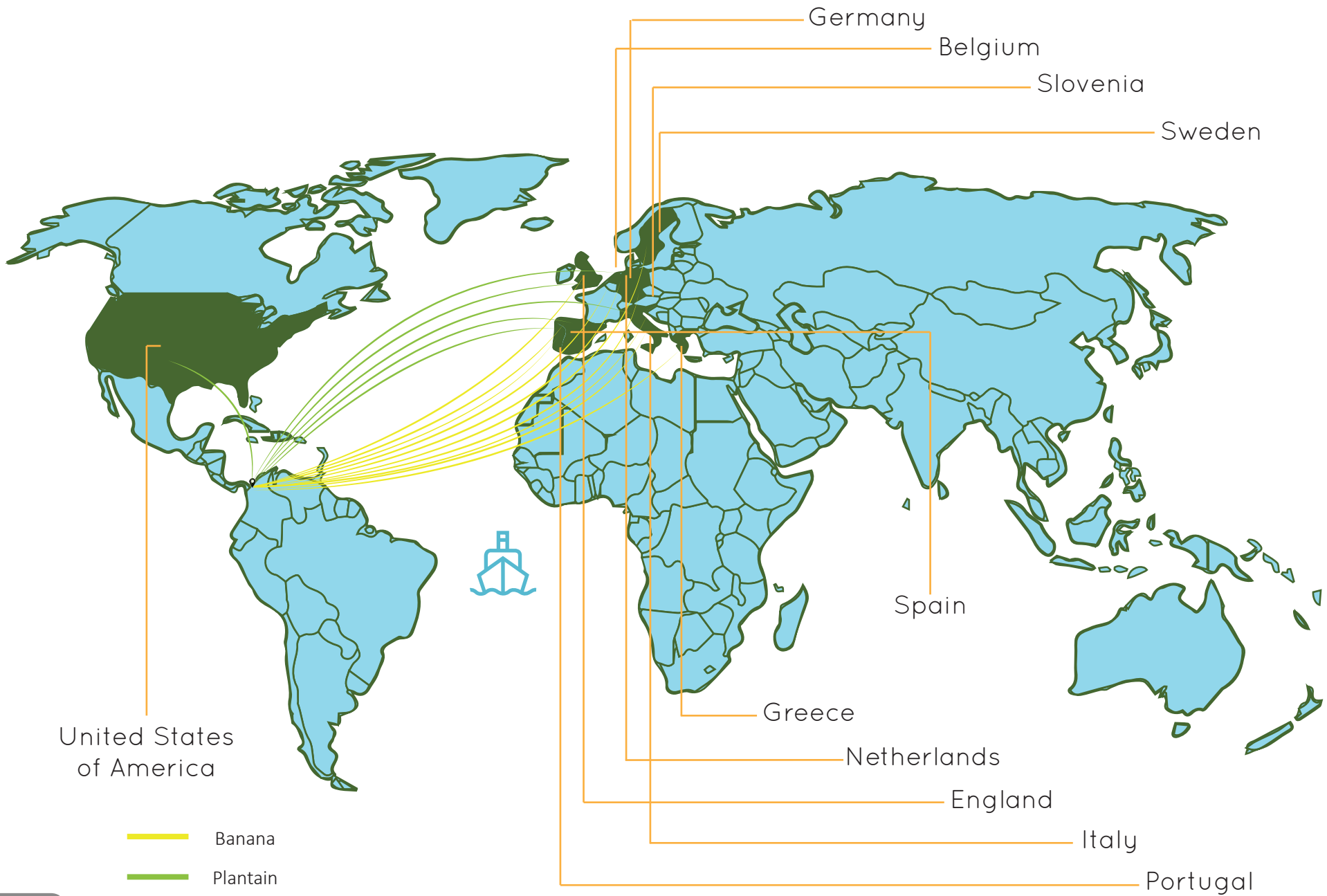
CFS
Compañía Frutera de Sevilla Llc.

Corrugados del Darién S.A.

51% shareholding

Banafé
Fondo de Empleados Banacol
¡Por Nuestro Bienestar!

Banacol to the world



14,611,641
Exported boxes

33,442
Mobilized containers

6,627.87
Gross hectares of production

34,663,312
Manufactured cardboard boxes

3,577,002
Plastic tonnes sold

Our Banacol family	Men	Women
4,909 employees	4,193 85.41%	716 14.58%

We know making partnerships is crucial for a better development of our company, region and country. Therefore, we decided to be part of different associations as the Banana Growers Association of Colombia- AUGURA, the National Trade Federation of Colombia- FENALCO and the Association of Family and Corporate Foundations – AFE, with whom we share growth interests and values.

We are active members of the governing board at Corporation for the Sustainable Development of Urabá - CORPOURABA.

We make things happen

Our contribution to the United Nations SDGs

1. No poverty

2. Zero hunger

3. Good health and wellbeing

4. Quality education

5. Gender Equality

6. Clean water and sanitation

11. Sustainable cities and communities

12. Responsible consumption and production

16. Peace, justice and strong institutions

17. Partnerships for the goals

1. We create jobs at the base of the social pyramid.

2. We strengthen nutritional habits in our employees and their families, preventing chronic malnutrition in children and pregnant mothers.

3. We promote health and avoid risks to our workers and their families.

4. We provide diverse formation for skills, trades and technical competencies.

5. We generate inclusion with clear non-discriminatory policies against girls and women.

6. We improve the availability of drinking water supplies in headquarters and homes, through the Healthy Housing Program and assure sustainable water management and sanitation.

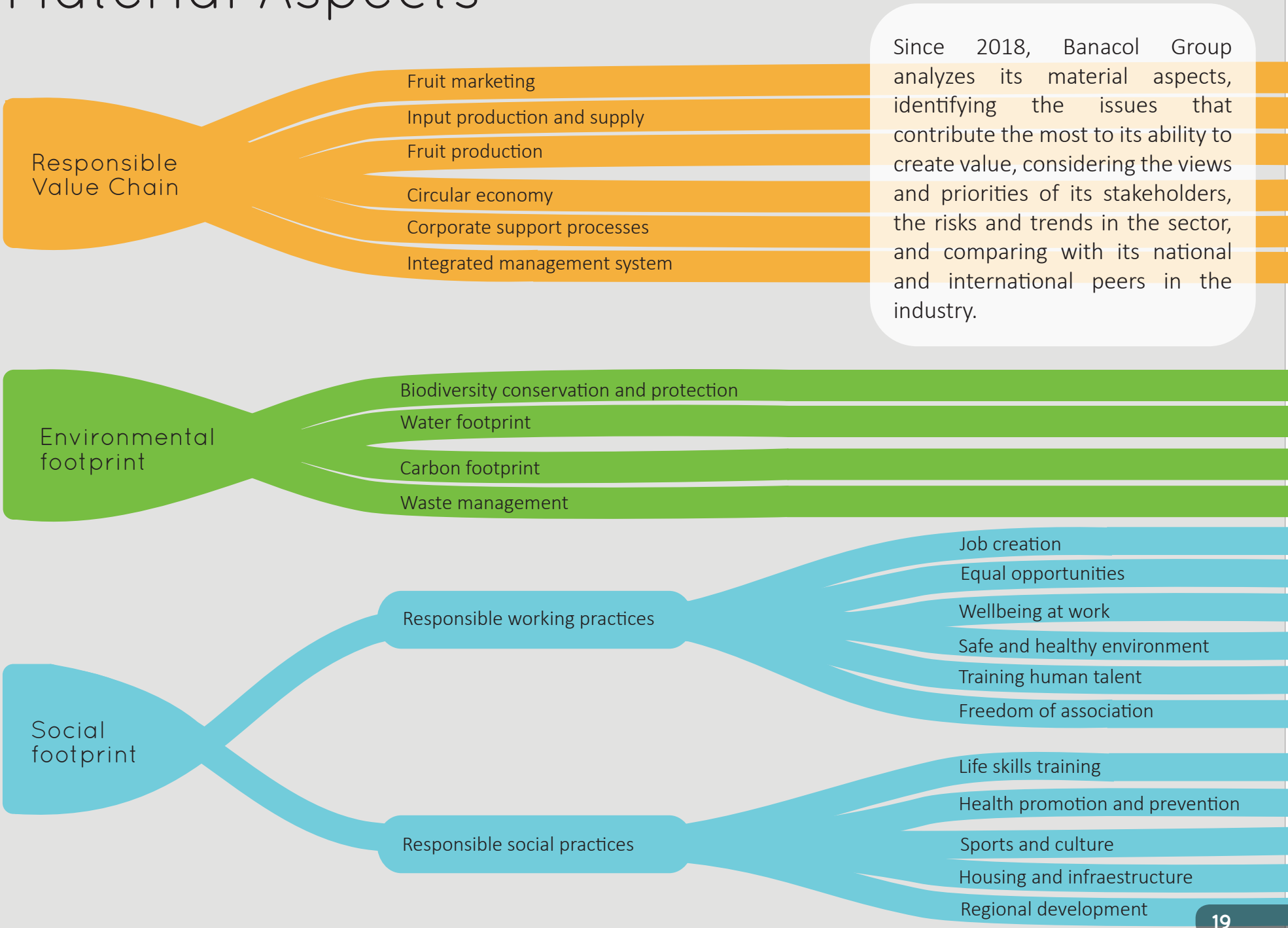
11. We make it easier to access to decent housing, basic sanitation and sports training spaces, contributing to safe and sustainable cities.

12. We help guarantee sustainable consumption and production patterns, through good production and work practices.

16. We promote community and gender participation and leadership.

17. We make partnerships with public and private, national and international intitutions .

Material Aspects



Since 2018, Banacol Group analyzes its material aspects, identifying the issues that contribute the most to its ability to create value, considering the views and priorities of its stakeholders, the risks and trends in the sector, and comparing with its national and international peers in the industry.

2

Dialogues

with stakeholders

GRI indicators

102-40
102-42
102-43
102-44

We had a period of fluid dialogue with our stakeholders on 2019, as they are key players to the achievement of our social, economic and environmental strategic approach.

Prioritized stakeholders

- Shareholders
- Employees
- Suppliers
- Clients
- Civil society
- Government
- Guilds and associations
- Media
- Academy

How do we dialogue?

We use different relationship channels to strengthen ties with each target.

Insights consultation exercise

We consulted employee representatives, clients, suppliers, national and local government, international cooperation, academy, media and corporate sector.

Face to face tools:

meetings, committees, boards and assemblies.

Digital tools:

newsletters, emails, social media and website.

We have an ongoing relationship with all stakeholders except media and civil society, represented by non – governmental organizations with which we dialogue according to the needs.

The methodology used by Portex, the specialized firm on corporate reputation, hired for this purpose, is an adaptation from the Reputation Institute and Ipsos that analyze perceptions with two instruments: a semi – structured interview and a survey.

Insights characterization

Offering

Quality as an essential condition for a corporation to be admired, committed to be responsible and give the best to its clients .

Innovation

Innovation as the ability to reinvent the ways of doing business, including continuous improvement and new ideas on strategy and processes.

Finances

An active, profitable, competitive and sustainable over time corporation, that generates highly desirable social consequences and return to its shareholders.

Work environment

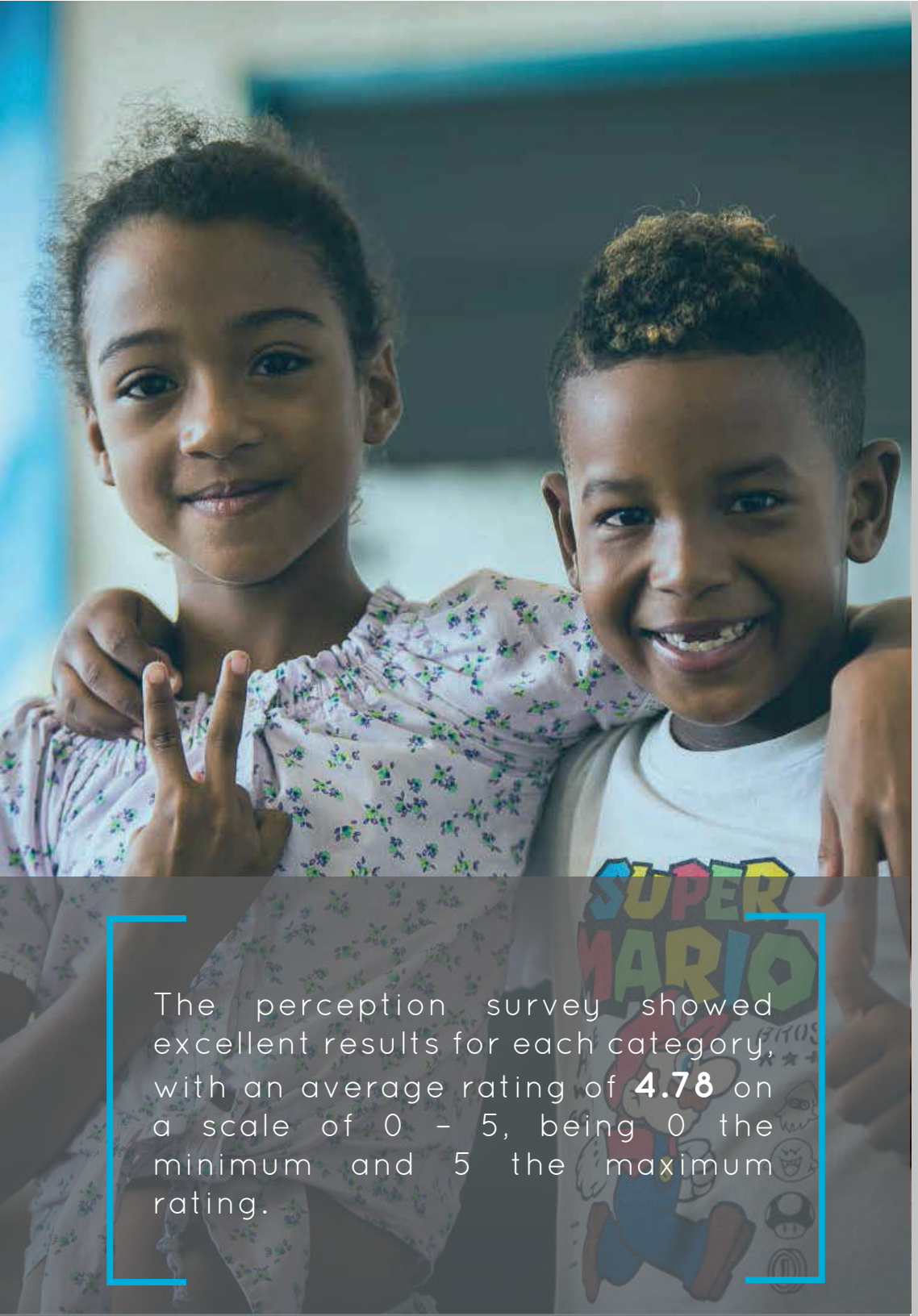
The working conditions, environment, culture, shared values, satisfaction and employee engagement of a company, are key factors for the reputation and social responsibility.

Communication

It is important to communicate the sustainability practices to create an environment of commitment in the relationship with all the stakeholders.

Leadership

Senior management support is essential for the corporate social and environmental responsibility, because management comes from strategic planning, which is led by the management team and permeates the entire organization.



The perception survey showed excellent results for each category, with an average rating of **4.78** on a scale of 0 – 5, being 0 the minimum and 5 the maximum rating.

Ethic

Transparency, prevention of corruption and fraud, appropriate use of the corporate power in the market and the promotion of an upright employee behavior, are main components of this reputation aspect.

Citizens

A company's contribution to society through its core activities, social investment and programs, coordinating the social, economic and environmental relations, committed to its surroundings with a long - term positive impact.

Brand

Customer - brand relationship is vital, because people's perception will affect the way they relate to the organization.

4, 93 Offering

4, 84 Leadership

4, 80 Brand

4, 75 Citizens

4, 71 Ethic

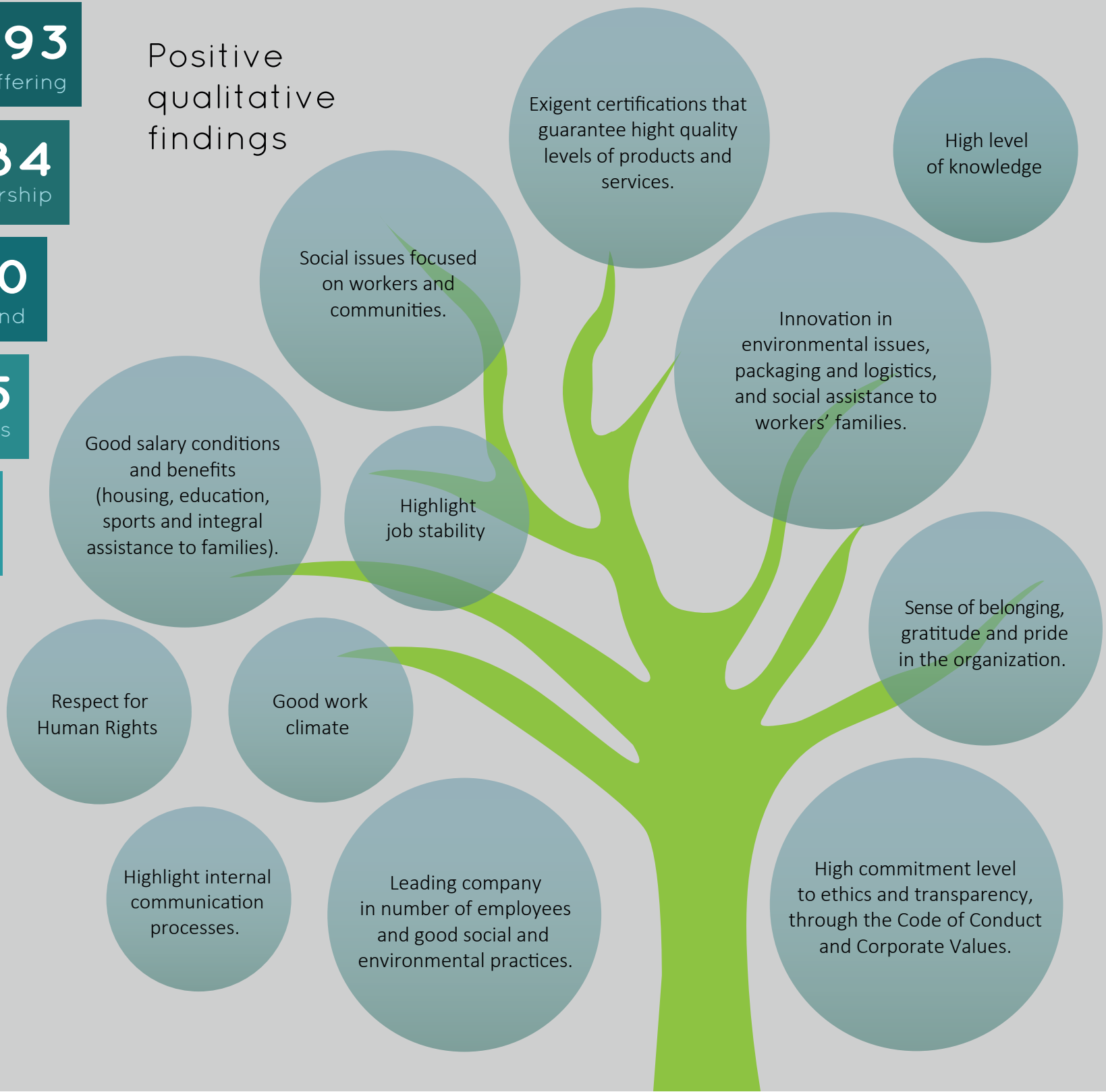
4, 60 Work environment

4, 50 Communication

4, 39 Finances

4, 30 Innovation

Positive qualitative findings



Improvement opportunities:

Difficulties in Urabá: youth unemployment and lack of opportunities in other areas than banana sector.

The region's violent past still affects banana industry's reputation.

4, 23
Media

4, 53
Academy

4, 61
Unions

4, 66
Guilds and companies

4, 71
Suppliers

4, 73
Government

4, 77
Employees

4, 94
Community

How do we dialogue?

Focus groups

Focus groups with administrative employees, operators, employees' female relatives, teenagers and kids who benefit from our sports programs, were conducted in order to determine perceptions about their life quality, our impact on families' wellbeing and their expectations of our programs' continuity and extension.

Online survey

Online surveys were made to know the suppliers' vision of Banacol as a client, to understand their innovation and growth needs, in order to continue consolidating our commercial relationship and strengthen the supply chain based on trust.

Challenges

- Increase the corporate social management vision.
- Engage young people to promote generational replacement.
- Increase recognition at a national level.
- Enhance relationships with the media.

Banacol

3

Governance

GRI Indicators

102- 15
102 - 16
102 - 17
102 - 18
102 - 22
102 - 29
205 - 2
408 - 1
409 - 1
205 - 1
205 - 3
102 - 11

Respect for normativity and law is a corporate premise in Banacol and the basis to establish internal policies, behaviors and values, giving our employees the guidelines about organizational actions and our corporate culture.

It is fundamental for Banacol to count on a clear process and responsibilities structure to guarantee transparency to our stakeholders, generating confidence in the results.

We have a leadership focused on guiding the organization towards good management practices, operational excellence and product quality through the value chain, constantly looking for its member's wellbeing.

We plan, define, execute and monitor the strategic objectives, from four governmental and decision- making bodies in the short, medium and long term.

1. Shareholders meeting

It is our highest government body and its meeting took place on March 2019, according to the terms established by the law. Beside making strategic decisions for the organization, at this meeting we follow up and evaluate the management board.

2. Management board

A government body appointed by the shareholders meeting for the organization's strategic direction. It defines sustainability parameters and participates identifying and understanding the main impacts as well as the economic, social and environmental risks.

It has three external members with different perspectives and proposals, based on good management practices and a financial committee that activates according to the priorities.

We had monthly meetings on 2019, except January and December, for a total of 10 sessions. There was an agenda for each one of these reunions, including a strategic issues discussion, projects' progress follow up and the financial statements' review.

Principals	Alternate
1. Víctor Manuel Henríquez Restrepo	4. Camilo Molina Uribe
2. Juan Fernando Correa Restrepo *	5. Juan Luis Botero Jaramillo *
3. Luis Ignacio Mejía Ángel *	6. Luz Estella Ortíz Jaramillo

General Secretary: Carolina Correa Restrepo.

* External members

3. Executive Presidency

Víctor Manuel Henríquez Restrepo.

4. Executive Management

Administrative authority responsible for strategy implementation, meeting the proposed objectives and direct relationship with stakeholders.

- Commercialization of fruits and vegetables management
- Banana production management
- Aerial spraying control management
- Logistic management
- Corbanacol management
- Legal management
- Administrative management
- Commercial management
- Comptroller and auditing management
- Project and financial management

5. Other control bodies

- SAGRLAFT compliance officer
- Personal Data protection officer (Habeas Data)

Corporate committees

Strategic Committee: has a guiding mission to help the company achieve its purpose and ensure its continuity.

Sustainability Committee: gears the company to be sustainable and lasting with responsibility under three pillars: social, economic and environmental. It also has the mission to enhance the corporate reputation and competitiveness, comparing to other organizations.

Audit Committee: supervises and controls corporate processes according to the risks.

Finance Committee: it has the objective of planning and monitoring financial management, analyzing business opportunities.

Coexistence Committee: committed to improve working conditions, develop good treatment policies and implement codes of behavior, to protect our employees against psychosocial risks that affect their health in their workplaces.

COPASST: joint health and safety committee, responsible for promotion and monitoring compliance with the health and safety rules and standards.

Women Committee: promotes activities aimed at improving human development and technical skills of the female employees and male employees' wives and daughters, to encourage the essence recognition and design strategies to attract more women to the Banacol family.

Policies and good practices of ethics and transparency

We have the instruments to consolidate and prioritize the guidelines and corporate policies that outline the conduct and behavior framework of our corporate actions.

Internal labor regulations

Internal norm that determines the conditions collaborators must comply with, while they are at the Organization's premises.

Code of conduct

Compendium of our corporate philosophy and commitment, consistent with the values, ethical and legal action that characterize us.
It comprises:

- Compliance with the law
- Fraud and corruption prevention
- Self monitoring system for risk management of asset laundering and terrorism financing- SAGRLAFT
- Safety
- Conflict of interests
- Information and confidentiality handling
- Drug addicton and alcoholism
- Use of computing resources
- Processing of personal data

260 employees from different areas of the company, were trained in SAGRLAFT on July.

Declaration of respect for Human Rights:

This year the chairmanship socialized the declaration and commitment of Human Rights, adopted by the International Labour Organization – ILO in 1998. This declaration endorses common practices linked to the company's essence, as the basis on which fair and equal societies are built.

Respect for people is Banacol's main principle and we are proud to have a diverse human team.

We believe in diversity and equality as pillars to build social fabric and as mechanisms that enrich collaborators' experience as well as the Organization's experience. Our strategic pillars and corporative policies harmonize with our values and principles.

Banacol is committed and declares to act under the next principles:

1. Decent treatment. We do not tolerate discrimination, violence or harassment under any condition.
2. NO to forced work, NO to human trafficking, NO to commercial sexual exploitation.
3. Fluent and respectful communication with the people we interact.
4. We respect differences and act under the equality of rights and duties principle.
5. Equal payment. Our salaries correspond to a pricing scale defined by work and never by gender, race, color, religion, age, nationality, sexual preference, political opinion, social or ethnic origin.
6. We cultivate a respect and collaboration culture, enabling people to develop their fullest potential at a personal and professional level.
7. Transparent selection, opportunities creation and growth processes.
8. "The best people in the best workplace"
9. We generate collaborative spaces of intervention, interaction and confidence that allow an ongoing communication.
10. We recognize vocational training and guidance as an engine for people and skills development.
11. We respect and are committed with the local communities and contribute to their development.
12. We reject all forms of corruption.
13. We respect confidentiality and people right to privacy.
14. We ensure the proper use of information and ensure it is not discriminatory but respectful.
15. We contribute to the progress of present and future generations.
16. Family is the main values trainer.
17. We support eradication of violence against women, family violence and gender-based violence.
18. We believe in children and youth as world's hope. NO to child labour.
19. Our actions and policies are based on sustainability concepts.
20. We respect law.
21. We believe in the balance between life and work.
22. We endeavor constructive relationships with our stakeholders, about respect for individuals.

We count on fundamental mechanisms of organizational discipline, as part of our management premises for operational excellence, constant search of structure and growth.

Risks identification and management is a structured and disciplined process within the organization. The senior management constantly evaluates strategic risks, analyzing their probability and impact on objectives and business continuity.

At a process level, each responsible identifies risks and implements preventive and corrective control actions, as part of its operation's planning and execution.

Mechanisms:

- Definition and continuous adjustment of safe and reliable processes
- Process management
- Organizational matrix structure
- Risk management
- Technological support
- Project management
- Vertical integration
- Shared services for business
- Management plans
- Measurement
- Continuous improvement practices
- Process training and coaching
- Performance management and feedback

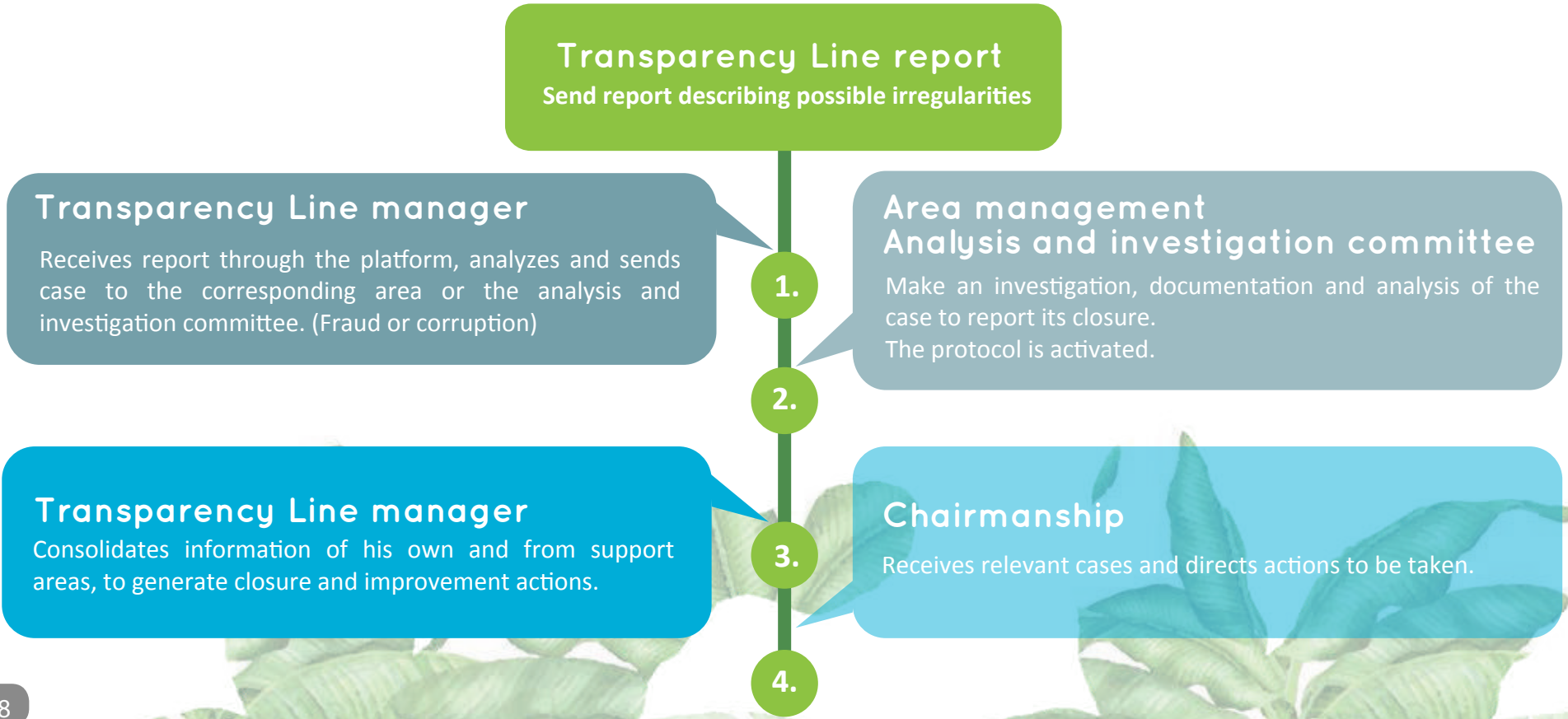
Organizational contact framework

Transparency Line

We have a clear determination to minimize risks and avoid corruption cases. This contact and communication framework with our stakeholders, through which irregular situations and behaviors are confidentially and anonymously reported, is strengthened day by day.

This line has an analysis and investigation committee and assesses risks, related to corruption in all the Group operations.

Case management protocol



Reporting categories of complaints, claims and allegations

Labor and human talent management

- Workplace and sexual harassment
- Discrimination
- Work schedule
- Disciplinary measures
- Payment and benefits
- Health and safety
- Child labor
- Forced work
- Freedom of association and right to collective bargaining
- Alcoholism and drug addiction

Governance

- Non compliance of internal and external law
- Asset laundering and terrorist financing
- Disclosure of confidential information
- Theft and misuse of the organization's assets and information
- Fraud and corruption
- Conflicts of interests
- Irregular financial reporting

Sustainable communities

- Damage or affectation to the communities

Respect for ecosystems

- Environmental damage

Responsible value chain

- Customer, markets and healthy products management
- Inputs production and management
- Management and evaluation of banana production
- Safe logistics operation and commercialization
- Corporate support processes
- Integral management system - Experience certifications

Three cases were analyzed during 2019. One case had corrective actions, including the dismissal of the person involved. There was not evidence of corruption in the other two cases, and control actions were taken to mitigate the risks.

Dissemination strategies were developed on 2019 to reinforce its interiorization: events, presentations and training sessions.

Safety Line

Phone: (+574) 3396262 / 8280422 Ext. 6260

We have set up a safety line to receive information about situations that have affected or may affect people's life and integrity, installations, assets, imports and/or exportations. This tool is available 24 hours, 365 days a year.

Safety Line does not attend issues related to employee performance, disclosure of privileged and confidential information, omission or lack control of internal processes report, manipulation of information, conflicts of interests, technological abuse, workplace harassment, organizational conflicts and other related aspects.

These issues can be addressed at the Transparency Line and human management area.

Digital tools

Thanks to Banacol's technological support, processes, products and services can be tracked, providing safely and reliable real time information.

This year we got started on social media (Facebook, Instagram and YouTube), to keep in touch with all our audiences.

4 Responsible Value Chain

Material Aspect

Management approach

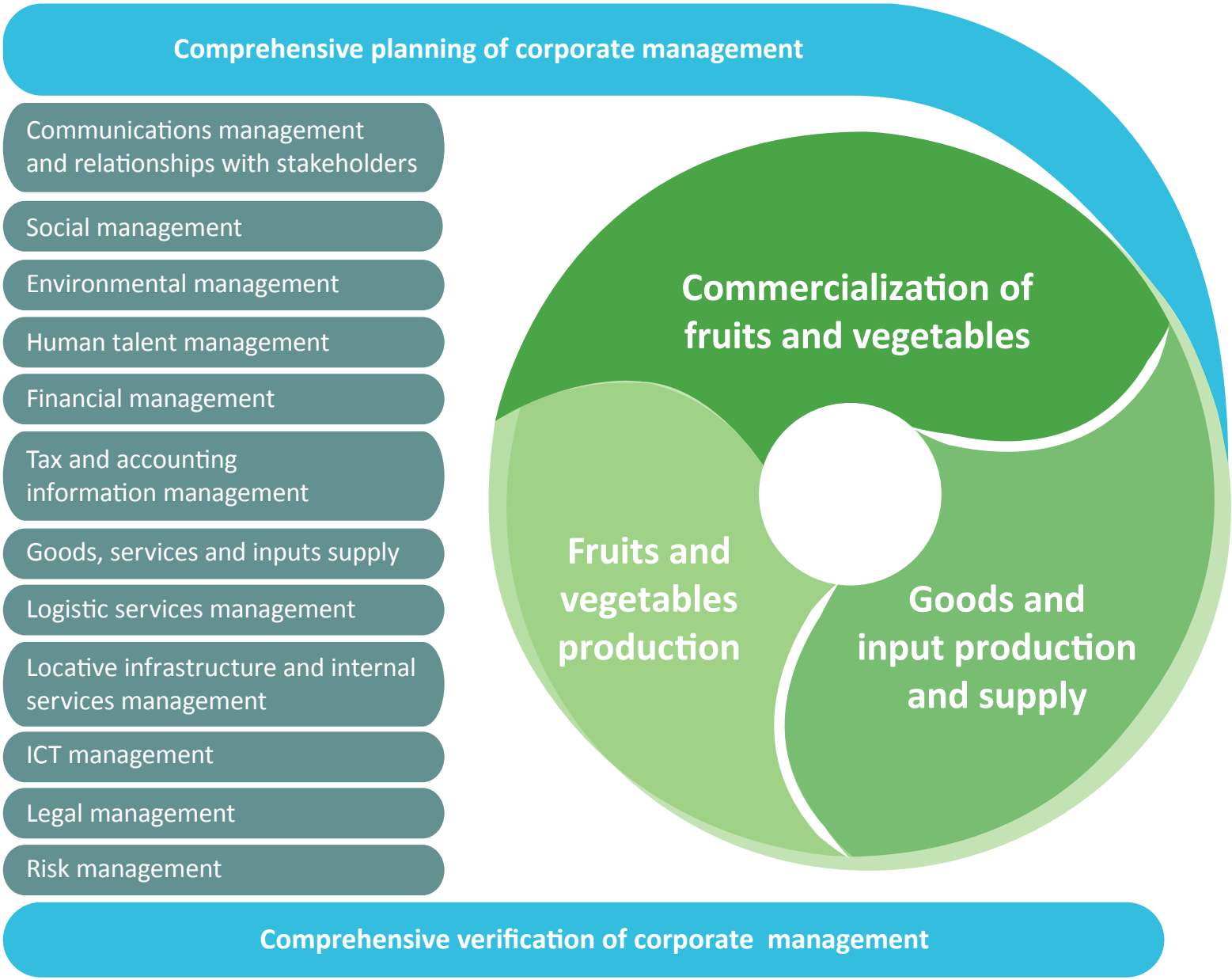
Our sustainability philosophy seeks to generate value for stakeholders through the entire Organization's process chain, with a positive impact on the economic, social and environmental areas.

We strive for a differential offer based on reliability and consistency, when delivering our product to the customers. We are always looking to improve our processes through benchmarking, adopting national and international practices, ongoing training and process compliance control and evaluation. That way we make sustainable development possible and ensure durability.

Operational excellence, vertical integration and proximity to our people, are main pillars that let us work permanently to achieve our sustainability purposes.

GRI indicators	102- 9 102- 12 103- 1 103- 2 103- 3 201- 2 204- 1
Own Indicators	CV- 1 CV- 2 CV- 3 CV- 4 CV- 5 CV- 6

Business process structure



We identify, define, implement, evaluate and control **good practices**.

Good practices are part of our organizational culture

We define our processes and have good national and international practices as reference, which allow us to adjust our management to the market demands, in order to achieve the proposed objectives.

Training and feedback for process adjustment

We have continuous training processes to obtain the expected results and make constant evaluations, feedback and actions implementation to adjust the management system.

We have product traceability

We have product traceability from beginning to end, monitoring and identifying the chain point where aspects can be improved.

Process technological support

The use of technology as a management premise, allows having online information and reacting promptly.

We live certifications

Good labour, social, environmental, manufacturing and safety practices are an inherent part of our daily work, which makes certifications a validation of the processes we have internalized.

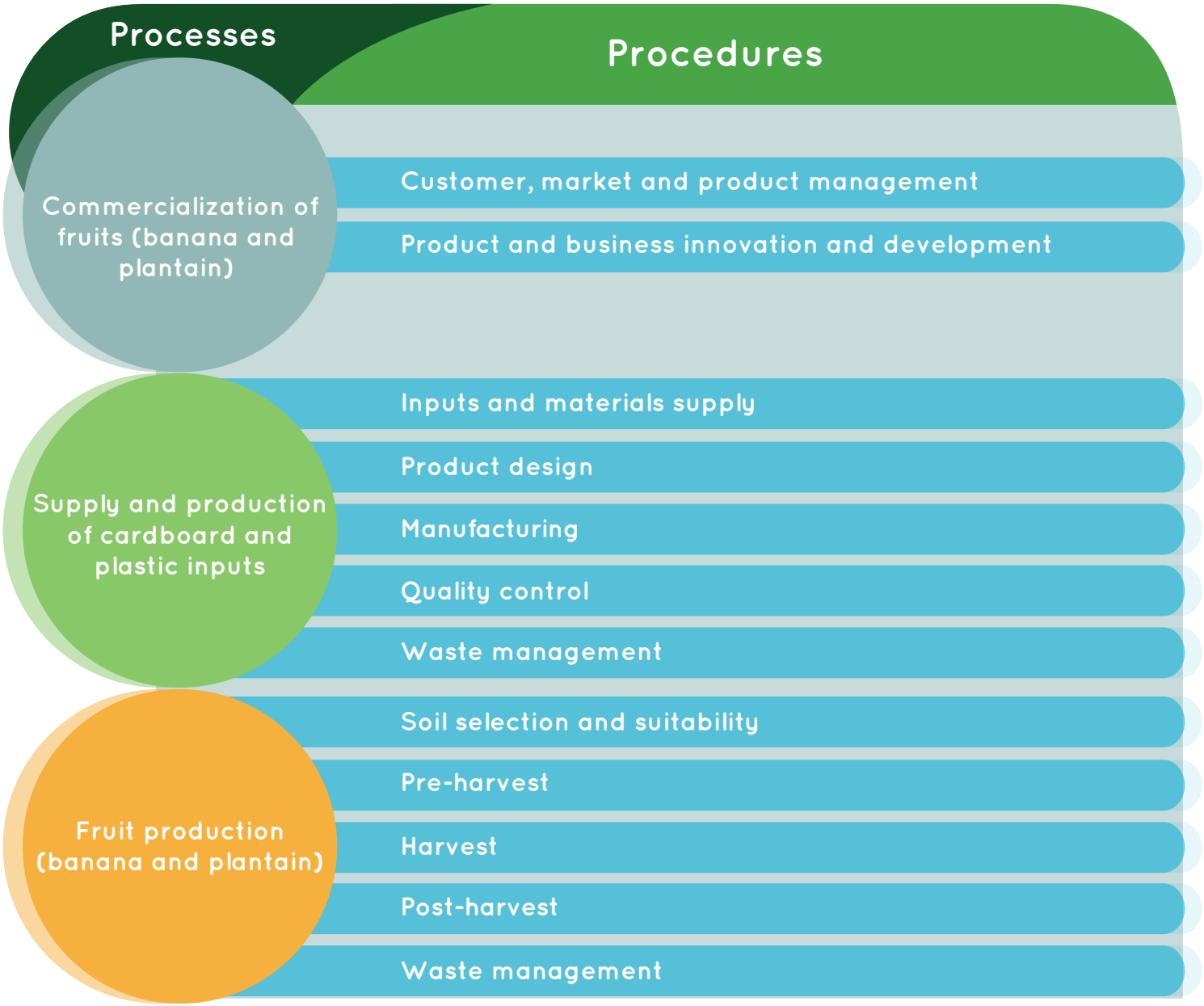
Commitment to people through close leadership

We know our people needs, so we are committed to a safe environment, taking care of our employees, and to generate equal opportunities.

Respect for environment

We focus on chain processes involve recycling, reuse and resource preservation practices, which strengthens our sustainability approach.

Our value chain



Commercialization of fruit

- We aim to establish close relationships with customers, based on compliance with quality standards and generation of trust as a business principle.
- We have a close relationship with customers, providing prompt response to their needs and concerns.
- In the perception survey conducted this year, customers said we are an organization focused on providing the best quality products and services, evidenced by the compliance with international standards. Likewise, constant communication and social and environmental management stand out, which compensates for the operational impact.

Inputs Supply and production

- Corporate sourcing is focused on competitive procurement of inputs and good relationships with our suppliers. In 2019, we made **domestic purchases for USD$48.5 million**, representing 62% of total purchases.
- With our Plastic Factory we cover requirements of our own inputs and banana industry, from the packaging materials that help protect growing fruit, to packing products.
- Through Corrugados del Darién (50% shareholding), we supply corrugated cardboard, sealing labels and packaging solutions needs for our products and other clients' products.
- All our processes have the best practices and are evaluated based on performance and efficiency indicators.

Fruit production

We highlight good agricultural practices throughout the production process.

Job evaluation

Our productivity, quality and performance depend on the correct execution of agricultural work. We have a permanent monitoring system, which allowed us to make 1,404 evaluations of agricultural practices during 2019

Raw materials

Banacol makes sure to have reliable suppliers, recognized and suitable companies, that handle good quality and certified raw materials.

Transportation to the farm

It is made with exclusive vehicles that comply with the transportation law for dangerous substances. Agrochemicals transportation is not allowed with other products.

Manipulation

Annually and/or before applying the product, workers who handle agrochemicals are trained in safe handling.

Containers

Proper handling of containers, no reuse allowed.

Raw materials

Every product for weed, pest and disease control must have its original label and be supported by the Agriculture area about doses, handling, season and technical conditions for application. Additionally, all phytosanitary products must be in the authorized banana products list, according to national regulations and allowed by our customers.

Normativity

Regulations are complied respecting re-entry indicated periods and, in some cases, signage is placed to warn of entry into the treated area.

Prevention and control

Banacol performs tests on workers who handle a particular agrochemical when necessary.

Sanitary products storage

Each farm has warehouses and devices to deal with emergencies.

Personal protection equipment

Delivered to the staff, verifying its use according to the handled product.

Soil suitability

We seek to improve areas where productivity has decreased, through fertilization, drainage and irrigation programs.

In 2019 we made a special renovation program for 239.92 hectares in farms of Chigorodó, developing processes of soil aeration, structural drainage improvement and planting alignment.

Natural covers have been planted on crops for soils management and conservation. They allow moisture retention, disease incidence reduction, soil microbiological process increase, soil loss reduction by runoff and herbicide application reduction.

In response to the challenges set for 2019, a management and care of the noble vegetable cover in the field plan was implemented, obtaining 375.2 hectares, equivalent to 6.2% of the total, achieving a reduction of agrochemicals use in these areas. This is an advance, compared to 5% the previous year.

The implementation of these good practices allowed a 29% reduction in agrochemical use, compared to 31% in 2018.

We have an irrigation system required in some farms, to meet the needs of productive areas affected by climate conditions.

New sprinklers were installed during 2019, to optimise water use and improve irrigation uniformity.

Each farm established a monitoring program to measure rainfall, evaporation, temperature and depth of the water table. Based on the records, water balances about moisture inputs and losses are prepared, to make decisions regarding the implementation or adjustment of irrigation and drainage systems.

Banacol has an adequate drainage structure to protect crops and channel water.

Irrigated area: 2.127,93 ha

Apartadó, Carepa and Chigorodó municipalities.

Irrigated farms: 15

Renovated area percent: 31%

irrigation method: Aspersión subfoliar

Agronomic programs

To maintain our productivity and crops good condition, we have a plan of prevention, management and integrated control of pests and diseases.

In **2019** we complied

100% with agronomic programs.

Igualmente, contamos con un calendario de eventos que nos permite prever y prepararnos para enfrentar y mi gar las condiciones adversas que afectan nuestros cul vos, como plagas, enfermedades y vientos o inundaciones, con base en un histórico.

Biosecurity scheme for crop protection against Fusarium TR4

Fusarium oxysporum f.sp. cubense race 4 tropical (Foc TR4), is a fungus that spreads easily in banana and plantain crops. It also spreads very easily through plant material, soil attached to shoes, work tools, vehicles and machinery, among other elements.

A biosecurity program was implemented to avoid irreparable loss of crop, since its presence was reported in Colombia in June 2019, in the Guajira department. Therefore, control and prevention policies for disease were reinforced in the banana growing areas of the country and strategies were developed to mitigate the impact on the business.

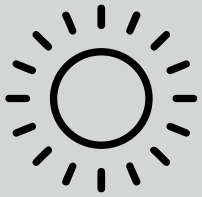
Banacol advances with the sensitization and generation culture, to prevent the fungus from entering our farms. As a contention measure, we established a pilot plan that will be replicated in all 39 farms and protocols have been designed, taking technical indications for the disease prevention given by the Colombian Agricultural Institute-ICA as a premise.

- Biosecurity policy
- Entry and exit from farms protocol for employees and permanent contractors
- Disinfectant mixture preparation. Waste use and management
- Visitor's protocol to entry and exit from farms
- Visitor's clothing allocation and disinfection protocol
- Disease identification and treatment protocols
- Biometric system registration and control protocol

Black sigatoka control

It is done in an integrated way with a chemical management and cultural work. There were fewer cycles of aerial chemical application on 2019, reducing them by 5%, without the risk of losing control of the disease.

20% of the products we use for ground and air chemical control of Sigatoka, are environmentally friendly products.

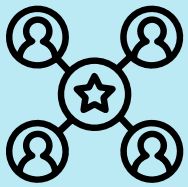


Weather monitoring

Climate change brings with it relevant risks for the agricultural sector , such as droughts, storms or rainfall that can affect productivity. In order to mitigate this situation, Banacol acquires policies to cover potential impacts.

We are implementing our own meteorological stations system to prevent and develop mitigation actions and programs, as an additional value to the permanent readings provided.

In March, June, August and September **2019**, strong winds affected **713,578** plants.

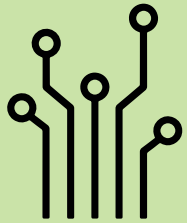


Good corporate support practices

The Company has production support areas for core business, such as logistics services, plastics Factory and Corrugados del Darién cardboard factory, which have good practices supported by Total Productive Maintenance-TPM and 5S methodologies (classification and discard, organization, cleaning, hygiene and visualization, discipline and commitment).

Our logistic processes' integrality and traceability allow us to finish the productive cycle, delivering the product to the client with security and reliability.

We also have transversal business support services, including legal, administrative, accounting, risk management, financial and technological processes, based on the best support process practices in the industry.



Good technological practices

We monitor and evaluate agricultural work and all the activities related to our value chain. This is how we have created tools linked to innovation and technological development processes:

Online monitoring of agricultural work: software improvement during the year, allowing analysis, measurement and work review. **100%** of the farms have devices for this purpose.

Circular Economy

Different pilots were carried out between 2013 and 2016, as part of our sustainability strategy, succeeding in banana flour production (Bananut), made of unsuitable bananas for export.

In 2019, **18 tons of flour** were delivered using 120 tons of bananas, closing the production cycle with a nutritional component, in benefit of communities from our influence area.

Thanks to these pilots, sufficiently tested and recognized, the Company will take advantage and scale up this initiative to have a greater economic and social impact. The new industrial plant for banana harvesting and flour production is currently under construction.

2020 challenges

- Hired and enroll **400** women to the company's production process, in order to be aligned with the ILO worldwide agreements.
- Soil renewal on **420** hectares of cultivated land.
- Implementing a management plan for noble vegetation covers, in order to reduce a **10%** of agrochemical use, on **100** additional hectares.
- Bring suppliers closer to our sustainability philosophy.

Integral management system

Our certifications: Experiencing certifications is a way to inculcate in our organizational culture, all the good practices we adopt to give our stakeholders quality and added value guarantees.

Certifies compliance with fair trade standards. This certification was obtained in 2019 for 5 Banacol corporations, grouping together 13 farms.

Socio- environmental certification. We are pioneers on this certification in the Colombian banana sector. Valid until March 2020.

Standard of good agricultural practices and safety. Valid until November 2020

Social standard aimed at improving working conditions, life quality and the wellbeing of our employees and their families. We lead the colombian banana sector in this certification. Valid until July 2020.

Socio- environmental, safety and quality standard.
Valid until November 2020.

Business coalition for a safe international trade.
Security certification in logistic processes.
Valid until May 2020.

Ship and Port Facility Security.
This certification guarantees people security in logistics operations.
Valid until October 2020.

Safety Management Standard. Safety certification of boats and naval devices.
Banacol is the first company in Colombia to obtain this certification.
Valid until 2021 with annual verifications.

5

Environmental Footprint

Material Aspect

Management Approach

We believe environmental care must go hand in hand with a responsible use of natural resources. It is important for stakeholders to know about our intention to respect nature and perceive our management is focused on biodiversity protection and conservation.

We understand the importance of maintaining ecosystems for a productive work integral development. We conceive environment as the most important goods and services provider, which must be sustained and maintained over time, so it is available for future generations.

In order to achieve impacts reduction, we are developing responsible actions including carbon footprint measurement, arising short and medium term plans and strategies, water sources care that allowed water footprint calculation, renewable energies use and proper waste management to help reduce global warming effects and Sustainable Development Goals (SDA) compliance.

We are constantly evaluating each years proposed goals and challenges at a legal level and in terms of compliance with certifications, as well as the commitments made to our clients.

We are permanently promoting environmental care awareness in our employees. Beyond certifications and regulations, the objective is to internalize good practices and define comparison parameters that help us continuously improve.

GRI indicators

103-1
103-2
103-3
302-1
302-3
303-1
303-3
304-3
305-1
305-2
305-4
306-1
306-2
306-5

Good Environmental Practices

- Recycling program
- Recirculation plant and dumping control management
- Water footprint measurement
- Carbon footprint measurement
- Maintenance and commitment with certifications

Biodiversity protection and conservation

We have voluntarily designated habitat protection and restoration areas in our banana farms and began a habitat characterization process in 2018, supported by Contreebute, identifying species, delimitating areas and ecosystems, defining their coverages. The protected or restored habitats are mainly related to dense low floodable forest and low secondary vegetation, followed by riparian forest with secondary vegetation and fragmented forest. The conservation area increased by 30.93 hectares in 2019, removing 30 meters of the main rivers.

- **Total area dedicated to conservation**

571.13 ha.

- **Conservation area for water resources protection: 95.35 ha (16.69%)**
- **Conservation area outside river withdrawal: 475.78 ha (83.31%)**

During characterization process of the properties designated for conservation in 2019, a new species of orchid was discovered at Bodegas farm, located in Venados area, in the town of Chigorodó.

The specie found belongs to the Orchidacea family, from the Epidendrum genus. Its discovery was confirmed by experts after a careful analysis and the scientific name proposed was Epidendrum Riverae.

This important finding was socialized on september 19 with the Corpourabá environmental authority and the Medellín Botanical Garden, represented by botanist Álvaro Cogollo.

We offer farm workers permanent training on fauna protection and conservation. Hunting is not allowed and we work with Corpourabá to relocate sighted species when required, since we formalized the conservation commitment to continue with the joint work plan for characterization and protection of flora and fauna found in our protected areas.

Fauna care is also tangible, thanks to the environmental commitment endorsed by our Rainforest Alliance certification.

Water Resources care

Water resources care and preservation are essential for Banacol, because our business productivity and supply for communities living in our area of influence depend on it. Water resources use is regulated by the current environmental legislation and use licences have been granted by Corpourabá, as competent environmental authority.

Catchment

Groundwater is the main supply source extracted through deep well concessions granted by Corpourabá for 10 years. The impact caused by water extraction process from the aquifer and dumping into surface resources, is monthly monitored by the environmental authority.

53 Deep wellts

44 Concessions

9 Licenses in renewal process

Concessioned water volume
7,894,447 m³

Underground sources water volume
6,306,437 m³

Reuse

We carry out water recirculation processes in order to use water resources efficiently in our production.

Recycled and reused water volume
287,629 m³

Recirculation plants in operation
39 (100% of our farms)

Reused and/or recycled water percentage
4.48%

Water volume used in reservoirs
88,622 m³

Dumping

30
Granted dumping licences and 10 pending

Domestic dumping
86,891 m³

Industrial dumping
154,111 m³

Total dumping
241,002 m³

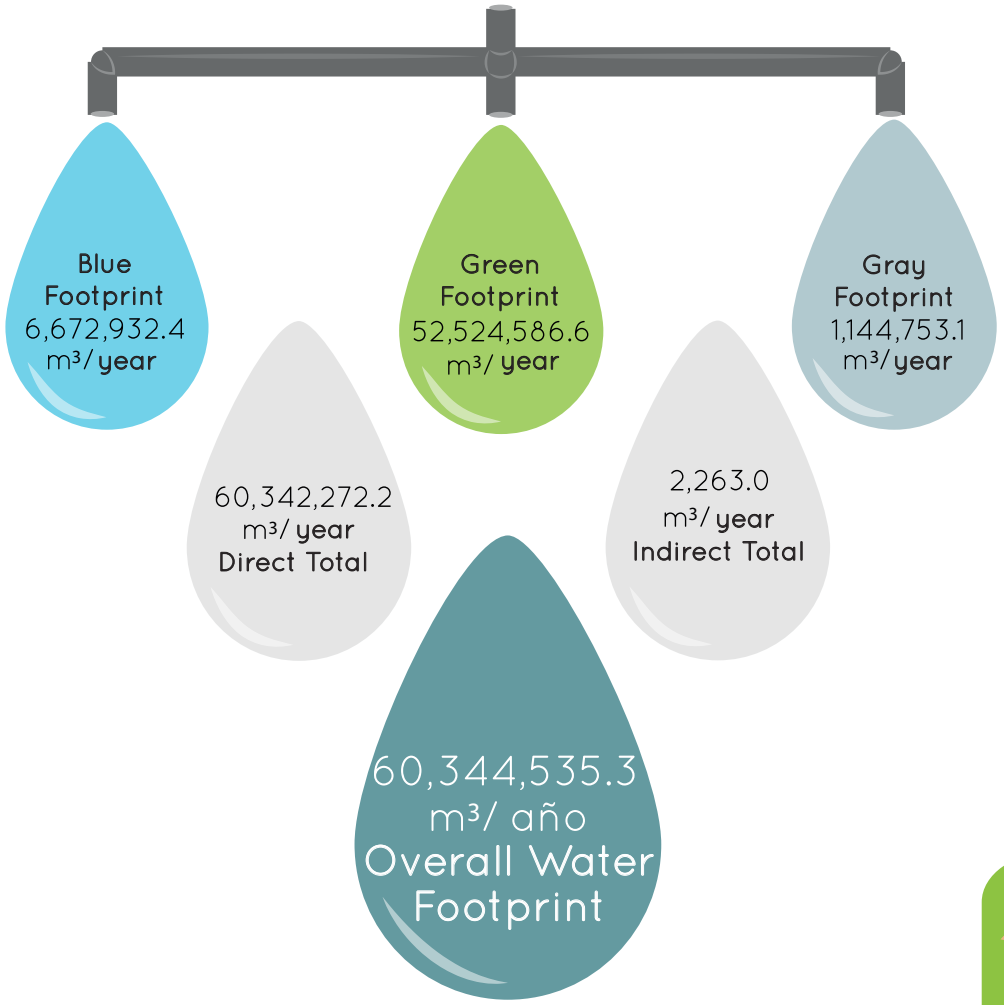
The region does not dump wastewater into the sewage system, so it has approved treatment systems, certified by the environmental authority.

The number of discharges has been reduced compared to 2018. Industrial dumping decreased by 31,990 m^3 and domestic dumping by 29,625 m^3.

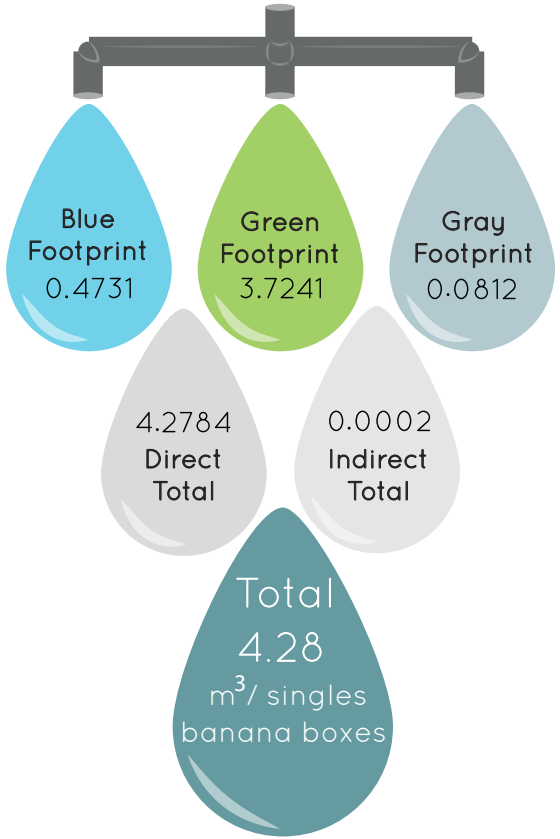
Wastewater discharge breakdown according to quality and destination is annexed to the GRI indicators table. The treatment method is primary. Once the water is used by Banacol, it is no used by any other organization or community.

Water footprint calculation

Banacol Overall Water Footprint (m^3/ year)



Banana Water Footprint (m^3/ singles banana boxes*)



* Singles banana boxes
Net weight: 40 lbs
Units: 150 por caja
Boxes per pallet: 48
Size: 500 mm x 400 mm x 250 mm

According to the National Water Study 2018, the blue water footprint of banana production in Colombia, including post-harvest activities, is 291.5 million m³/year and the green water footprint is 1,168.6 million m³/year (IDEAM, 2018). About Banacol's productive activity, the green water footprint represents 4.5% and the blue one 2.3% of each total.

To calculate water footprint we used the ISO 140 46 methodology. In 2019, Banacol calculated blue, green and grey footprints from each headquarter's water consumption: we considered the resource origin (aqueduct, groundwater collection, rainwater, cisterns and recirculated water), as well as the wastewater dumping.

Blue Footprint

Surface water or groundwater consumption, evaporated in the production process. It also refers to the water loss in available water bodies on the surface, or groundwater aquifers in the basin area.

Consumption data was consolidated for this calculation, considering each source (aqueduct, groundwater, recirculation water and groundwater delivered in tanks), as well as dumping.

Green Footprint

Evapotranspired water consumption from rainwater stored as moisture in the soil, including rainwater incorporated into the crop. Its value depends on the region's weather conditions as rainfall, temperature or humidity.

We collected data on rainfall, soil type, crop coefficient, root depth, available soil moisture, critical depletion, maximum rate of precipitation infiltration and initial soil moisture depletion. We used CROPWAT software to calculate evapotranspiration.

Grey Footprint

Water volume required to dilute dumping contaminants, to achieve the minimum water quality required by local regulations.

Biological Demand of Oxygen-BOD, Total Suspended Solids-TSS, fats and oils highest concentrations were taken for this calculation, as well as the dumping total volume and acceptable limits according to Resolution 631 of 2015.

Carbon Footprint

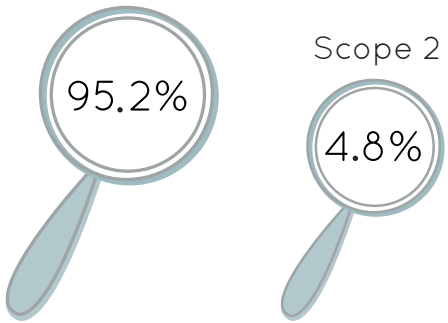
One of our challenges is greenhouse gas emissions mitigation, so we decided to measure the corporate carbon footprint in 2018, which was certified by ICONTEC. In 2019, the measurement tracked emissions in the supply chain, allowing us to be more efficient and continue complying with environmental policies.

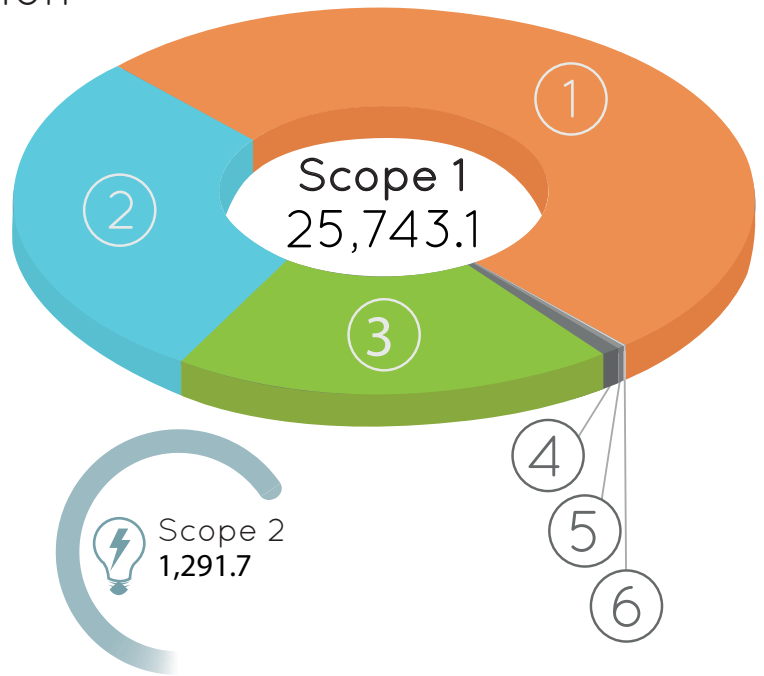
Measurement includes direct and indirect emissions from six of our locations. The following methodologies were used for this calculation: ISO 14064-1 (SGS, 2012), Green House Gas Protocol (World Business Council for Sustainable Development) and the national greenhouse gas inventories preparation guide (IPPC, 2006).

GHG emissions calculation

27,034.8

Ton CO^2 eq





1. Fertilizers
   13,196.78
   48.81%
2. Fuels
   7.030,54
   26.01%
3. Refrigerant gases
   5,383.82
   19.91%
4. Water treatment
   114.27
   0.42%
5. Lubricants
   12.96
   0.05%
6. Welding gases and extinguishers
   4.78
   0.02%

Scope 1: direct emissions in controlled processes.

Scope 2: externally generated electricity consumed by Banacol.

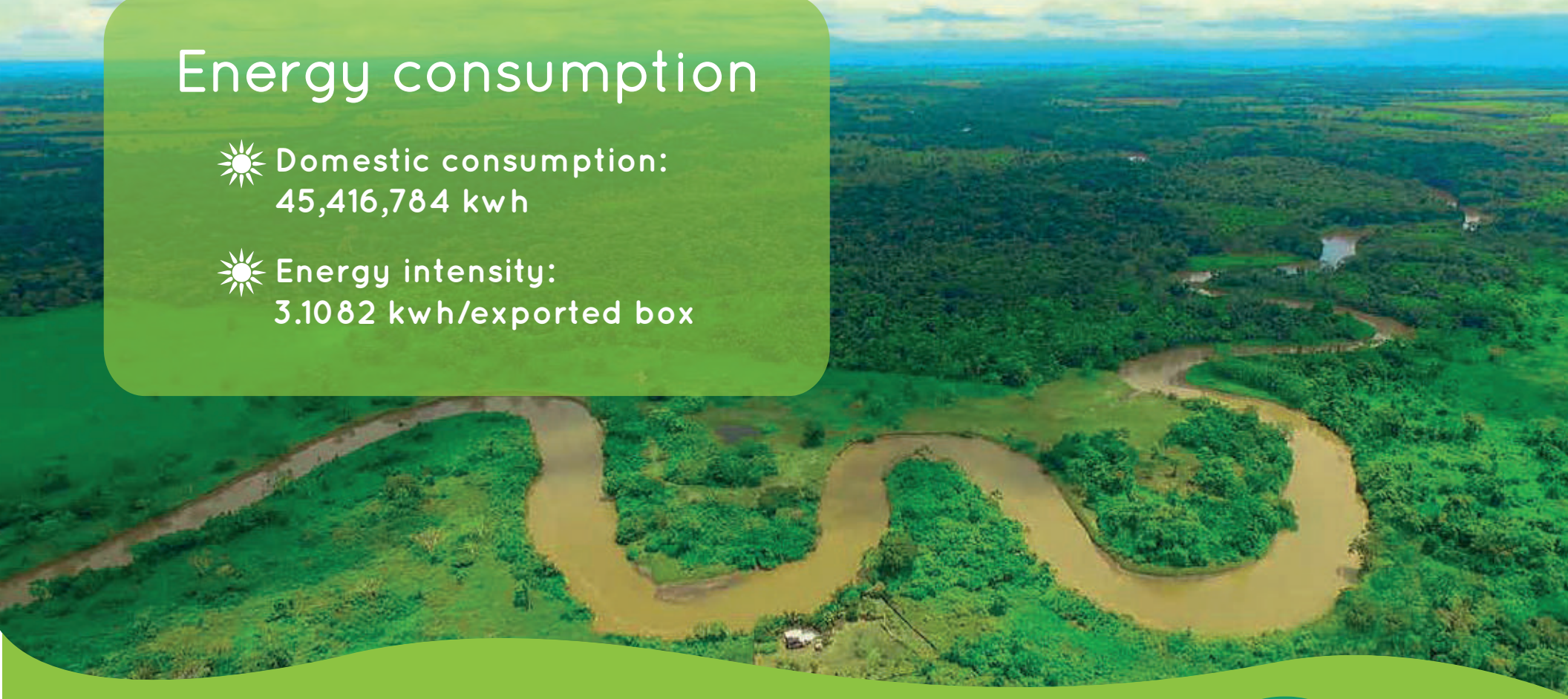
Emissions reduction related to the footprint certified by ICONTEC in 2018:

4,192 Ton CO^2 eq

Emissions intensity: 0.00185 kg CO^2eq/exported box

Energy consumption

- **Domestic consumption:**
  45,416,784 kwh
- **Energy intensity:**
  3.1082 kwh/exported box



Renewable energies use

Energía Verde
epm

During 2019, we made efforts to study new alternatives to have an implementation progress. A pilot test was proposed for solar panels installation in one area of the Company, to be repeated in the packing plants. Energy efficiency studies are being developed with the Pontifical Bolivarian University for this purpose, and there is a progress in the purchasing model and the structural capacity of the roof.

We are also advanced in the study of air conditioning renovation, converting to gas and changing to LED lights..

Waste Management

Collection, disposal and recycling processes, and materials reuse, are constant practices in Banacol. We also continued waste collection and disposal practices in 2019.

Recycling

We strengthened our organizational culture around recycling importance, through internal audits and a program called Mi Finca, Mi Casa, with which we generate and promote care habits for farms, waste management and disposal, and use and care of the Personal Protection Equipment-EPP.

FINCAS GANADORAS CAMPAÑA "MI FINCA, MI CASA"

Sistema de Gestión de Responsabilidad Corporativa

Durante este año, se realizó en las 39 fincas de Banacol la campaña **"Mi finca, mi casa",** cuyo objetivo fue promover el orden y el aseo, el buen manejo de residuos, el ahorro de agua, la reforestación y la ornamentación, entre otros aspectos, creando una cultura del cuidado y buen manejo de los recursos y haciendo de cada una de las fincas ***el mejor lugar para trabajar.***

Fue así como, cada dos meses se evaluó un aspecto diferente y se otorgó un puntaje, según el cumplimiento del aspecto evaluado. A continuación presentamos la finca ganadora, que ocuparon los dos primeros lugares en el consolidado del año, cumpliendo con cada aspecto evaluado, con un puntaje de 97,84 y 94,09 puntos, respectivamente.

Expresamos nuestras felicitaciones a estas fincas por el trabajo realizado y esperamos mantengan estos estándares.

A las demás fincas, la invitación es a trabajar con entusiasmo y promover internamente las buenas prácticas, para mejorar estos indicadores. **El reto continúa. ¡¡¡Ánimo para el próximo año!!!**

Fincas ganadoras

Puesto	Finca	Puntaje acumulado sobre 100
1°	Finca 1	97,84
2°	Finca Porfrancia	94,04

Banacol
El mejor lugar para trabajar

• The plastic bag which remains in the field from 12 to 13 weeks, is removed, compacted and collected every week by an environmental management company to make plastic wood and hoses.

• For nylon recycling, we have an agreement with an external company that monthly collects, washes, cleans and pelletizes it to make recycled nylon.

• 34.75% of the nylon produced at the Plastics Factory, comes from recycled material collected in farms and post-industrial material from the factory. This percentage increased compared to 2018, when it represented a 10%.

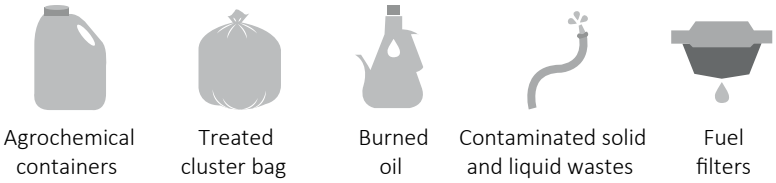
• Burned oil is delivered for final disposition, to duly constituted companies with the current environmental permits. Fuel filters are recycled through the Campo Limpio program.

• The organic waste we generate correspond to crowns and stems. Approximately 28 tons/year are back into the soil.

• This year, 10.23 tons of plastics and PVC pipes are reported as non-hazardous waste. This material was not previously reported, although it was recycled.

Waste disposal by quantity and method

Hazardous waste



	Agrochemical containers	Treated cluster bag	Burned oil	Contaminated solid and liquid wastes	Fuel filters
Tons Amount	14.47	296.99	9.61	5.23	0.90
Disposal method					

Total: 327. 20 tons

Non-hazardous waste

	Non treated cluster bag	Cardboard pipes	Cardboard	Fertilization bags	Scrap and stationary batteries	Nylon	Plastics and PVC pipes
Tons Amount	112.22	86.07	6.48	55.08	13704	409.78	10.23
Disposal method							

Total: 816.90 tons

Total disposed waste: 1,144.09 (ton)

2020 Challenges

- Strengthen conservation areas through a comprehensive management plan of flora and fauna.
- Continue reforestation programs on riverbanks, withdrawal areas and green corridors.
- Analyze increasing viability of water recirculation time period in production processes, as a strategy for blueprint reduction and constant monitoring to the overall water footprint.
- Continue carbon footprint reduction practices.
- Rationally use of plastic inputs.
- Generate environmental culture at all levels.

6

Social Footprint

Material Aspect

Management approach

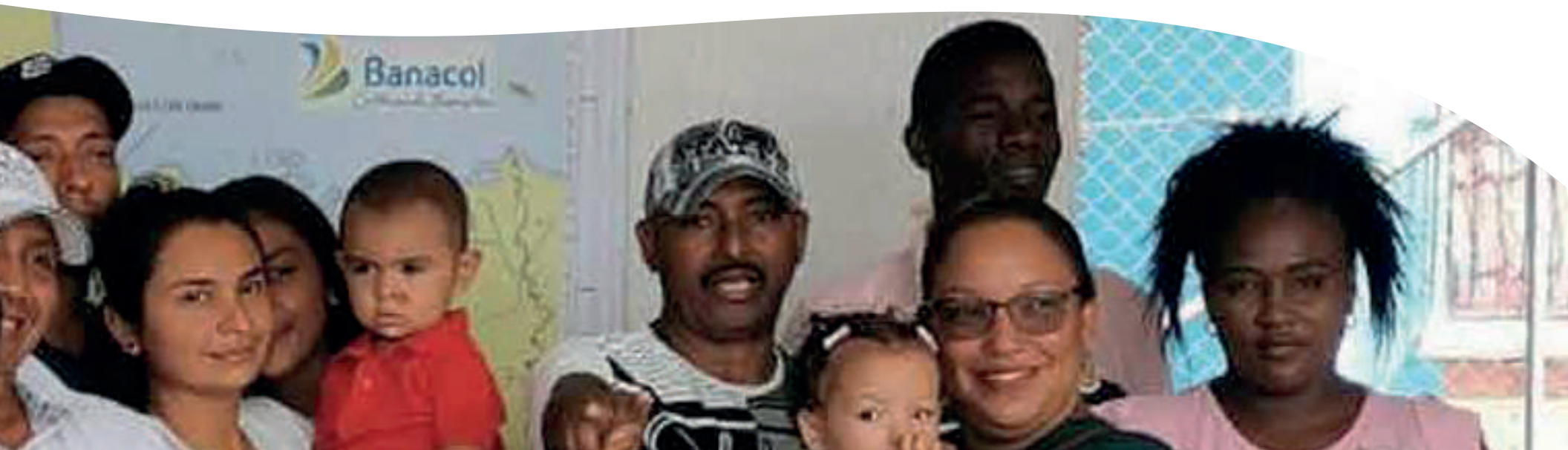
"The best people, in the best workplace" is one of our strategic pillars in Banacol. This concept has allowed us to cultivate wellbeing and life quality not only for our employees and their families, but also for the communities located in our area of influence and other strategic communities.

Our production chain is essentially agricultural. We responsibly implement good working practices, which allow us to have a valuable human factor. Working to help our employees become stronger as integral human beings, is one approach of our management and the reason why we are constantly improving and standardising our training processes.

The Human Management and Corporate Responsibility Department works together with Corbanacol Foundation to maximize the positive impact of our social footprint.

We focus on family as intervention center of our Social Foundation Banacol- Corbanacol, with public and private strategic alliances. Resource management from donations, contributions and different articulations, strengthen our work, increase our impact and show the confidence and credibility we have.

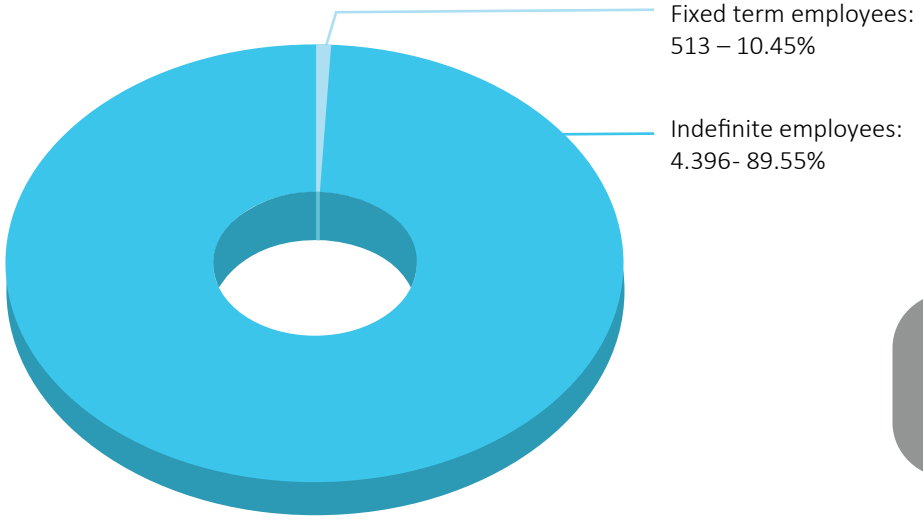
GRI indicators	102- 8 102- 41 103-1 103-2 103-3 202- 1 203- 1 203- 2 401- 1 401- 2 401- 3 403- 1 403- 2 404- 1 404- 2 406- 1 413- 1
Own indicators	HS- 1 HS- 2 HS- 3 HS- 4 HS- 5 HS- 6 HS- 7

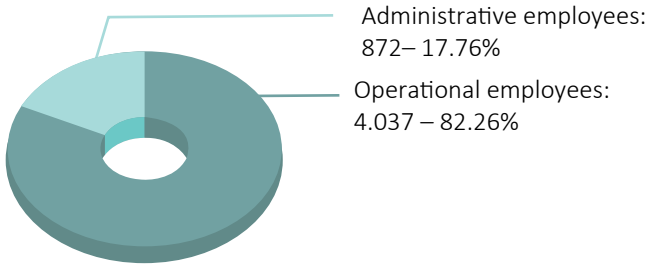


Job creation

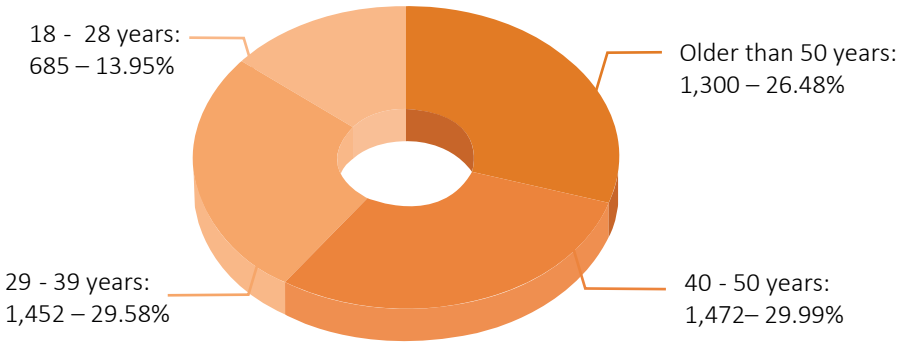
We generate jobs in the Urabá region within a healthy and safe environment, while providing work benefits beyond our legal obligations and guaranteeing equal opportunities to our employees.

Total jobs: 4,909

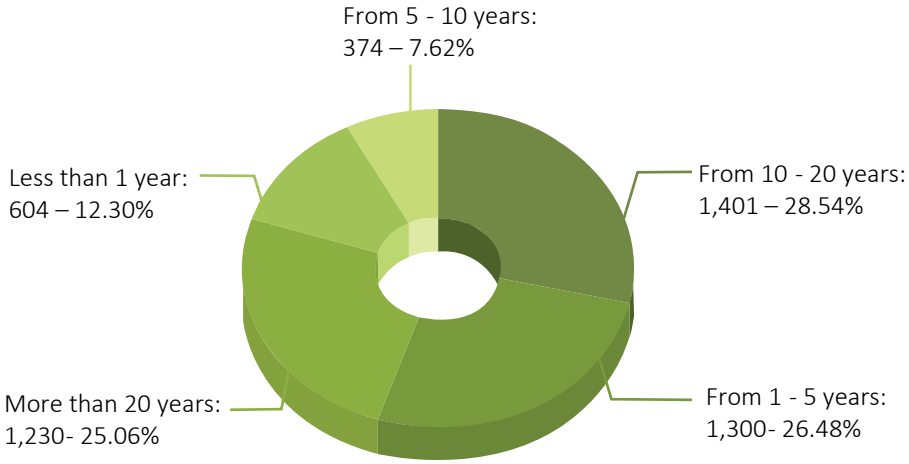




This year we only considered people working on farms as operational employees. Those working on industrial and marketing activities are in the administrative category.



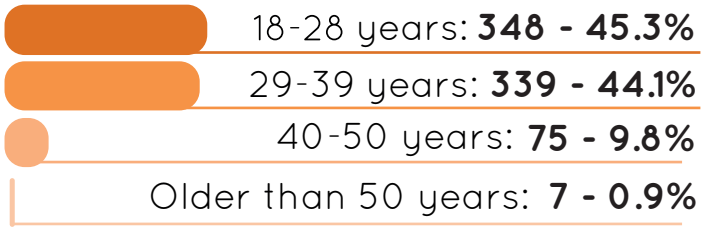
Job by age

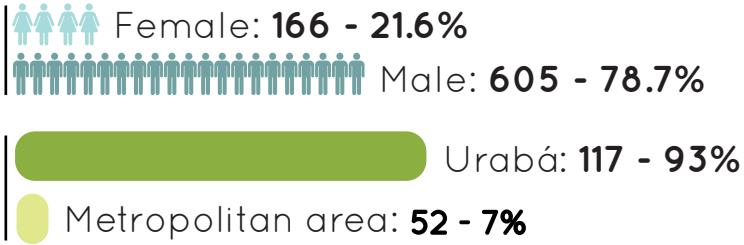


Job by seniority

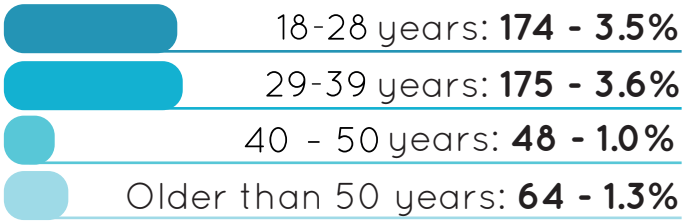
New contracts

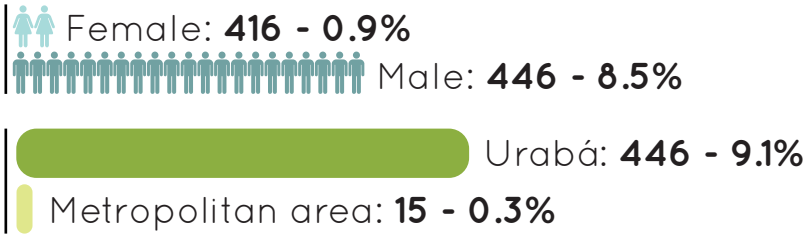
Total: 769





Voluntary retirements





Voluntary retirements percentage/total employements: **9.4%**

The labor dimension of our business sustainability is in charge of the Human Management and Corporate Responsibility Department, from where we manage internal human processes.

Equal opportunities

Our corporate philosophy is ruled by the principle of equal opportunities, reflected in our selection, hiring and compensation policies. Likewise, all the benefits offered and Workplace Health and Safety strategies are designed based on gender equity.

Maternity or paternity leave

- 131 employees enjoyed their leave, 28 more than the previous year. 23 were women.
- 125 employees returned to work after maternity or paternity leave.
- 119 of 125 employees who returned to work, continued working by 12 months. 14 were women.

Return to work rate: 95.4%
Retention rate: 95.2%.

Wage ratio

In terms of remuneration, Banacol is based on the principles of equality and non-discrimination by race, age or gender. Operating employees have agreed on payment units and values for each task performed on farms, through collective labor agreements. This remuneration system is established and agreed to ensure equal treatment.

The administrative and managerial employees payment is established and defined by a salary scale that ensures internal equity and external competitiveness.

Current legal minimum monthly wage in Colombia	USD $252.69
Operational average wage on farms	**1.67%***

* This value does not include extralegal benefits

Exchange Rate US Dollar Market on December 31, 2019: COP $3,277.14

Good practices with gender perspective

We highlight women rol in the productive sector, in which have had a historically low participation. We value female abilities like attention to details and fine motor skills, essential aspects in fruit handling process. We emphasize the value of women in family, society, Company and as a driving force of economy.

Women have always played a leading role in management positions in Banacol. This is why we currently have 26% representation of women in these jobs.

Seven women are members of the Directors Board of Banacol-Banafé Employees Fund, representing a 70% of female participation in this body.

Signing an agreement on November with the International Union of Food Workers (IUF), Sintrainagro and other organizations, to engage 400 women in operational work, was our great achievement in this area. This goal's maximum deadline is June 2020. Sixty women had already been hired by December 2019, as part of this agreement.

During 2019 the Women's Committee continued its consolidation as a strategy to promote and encourage the recognition of female essence. Its 30 members had the opportunity to address issues such as self-esteem, sexual and reproductive health, interpersonal relationships management and promotion of extra-occupational activities.

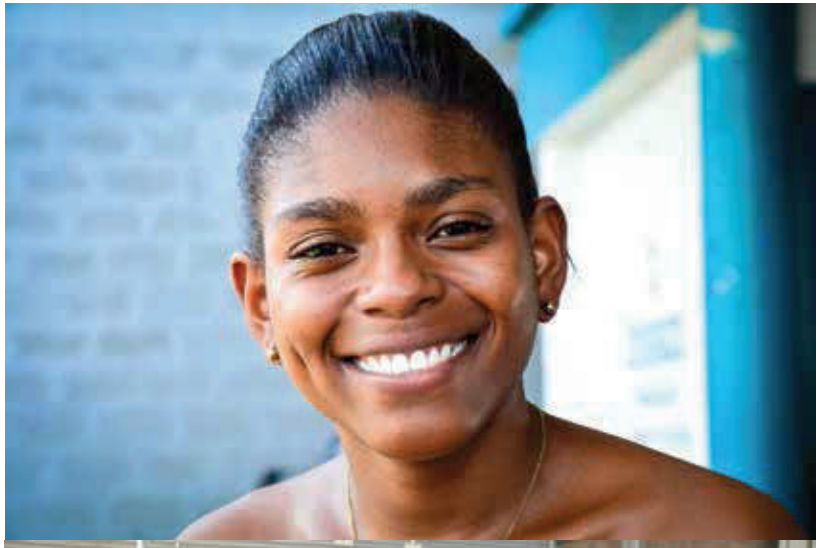
Occupational welfare

In Banacol we go beyond the legal obligations, because we consider it essential to take care of our people. Extralegal benefits delivered in this year, came to **USD$1.8 million** for the following concepts:

- Educational aids
- Lenses
- Vacation bonus
- Christmas
- Seniority
- Life insurance
- House
- Maternity

Ensuring our employees' well-being, generating a sense of belonging and commitment to our values and pillars, is a priority for Banacol. This is possible thanks to the Training and Welfare area, in charge of planning and executing activities, celebrations and leisure spaces, such as:

- Women's Day
- Secretary's Day
- Children's Day
- Love and friendship day
- Health Festival
- Soccer Tournament
- Christmas celebrations
- Accompanying victims in adverse circumstances



Exchange Rate US Dollar Market on December 31, 2019: COP $3,277.14

During the year,

29,783

employees, family members and community, participated in different activities.

We organized the third Soccer Tournament with the participation of 840 employees, promoting sports, fair play, collaborative work and new leaders' sport training.

For the first time this year, we held the Integral Health Festival with 949 assistants, an event to promote healthy habits, making operational employees and their families aware of health importance. This event enabled specialized medical care access and generated family unity and recreation spaces.

Additionally, we accompanied 52 employees who were affected by the flooding in Apartadó, on october 2019.

Corrugados del Darién cardboard factory

"The best packaging solution"

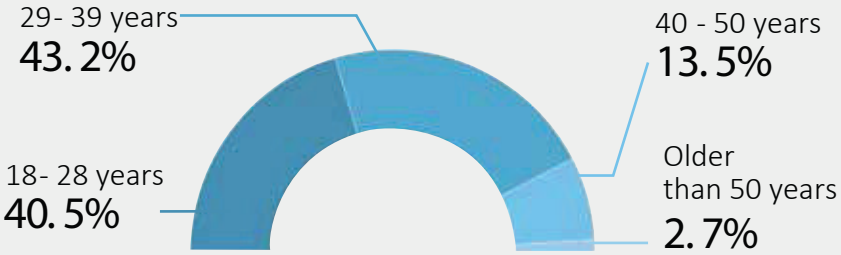
Since 1987, as part of our vertical integration strategy, we have held a 50% stake in Corrugados del Darién cardboard factory, which produces boxes, packages and labels. Its workforce is an essential part of Banacol family.

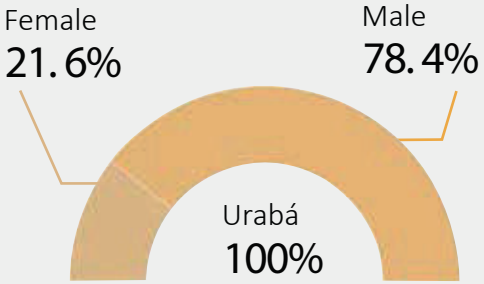
191 employements

24 retirements

5 voluntary retirements (2.6%) of total retirements

Total new contracts: 37





Wellbeing at work :

It is vital in the added value that we offer to our customers in Corrugados, so all the employees have benefits granted by **USD$145.8 million**, to help them strengthen their development:

- Educational aids (including children)
- Vacation bonus
- Christmas bonus
- Special days celebrations

Banafé Employees Fund

Banafé continues to be the largest employee fund in Urabá in terms of associates number and assets, and was created to promote its **3,679 members** wellbeing.

- 75% of Banacol's employees are associated to Banafé.
- 6,705 credits for USD$2.4 million granted in the year.
- USD$1.5 million collected savings.

Exchange Rate US Dollar Market on December 31, 2019: COP $3,277.14

Human talent training

We recognize knowledge is dynamic and it is important to provide tools through training processes, in order to improve performance. During the year, 4,716 hours of complementary training were given to employees in 1,761 sessions, with 94,409 assistants.

Each year we make a training needs diagnosis and course readings analysis we consider relevant and establish an annual training schedule. In 2019 we focused on:

- Fusarium and biosecurity
- Job specific knowledge
- Corporate induction and re-induction
- Certification of Competence
- Development of TPM and 5S methodologies
- University agreements
- Job training
- Women training
- Advanced training
- Facilitators network

Good practices of human talent training

We relaunched the Internal Facilitators Network, a strategy to generate synergy between our collaborators by training of trainers, so employees who have extensive knowledge about the processes they are in charge of, share their skills and train their coworkers.

The facilitators network is conformed by 50 trainers from different businesses: plastics, logistics, banana and plantain; and transversal areas such as: Human Management, Banafé, Corbanacol, Quality, Agriculture, Corporate Responsibility, Safety and Health at Work, Controllership, Information Technology, Works and Maintenance and Transport.

We developed and strengthened training exercise with a high level of service, excellence and human quality. We firmly believe that this group of trainers will make important contributions to model education in Banacol.

Safe and healthy environment

Improving working environment conditions for risks promotion and prevention, employees' mental and physical care and generation of perception and safety at work real conditions, are part of our mission. This is achieved by complying with rules and regulations, with which we promote a self-care culture, through training, support and communication processes.

- Banacol's 4,909 employees (100%) are represented in formal Health and Safety committees.
- During the year, 34 Joint Ocuppational Health and Safety Committees (JOHSC) were formed or renewed, with 324 members. These committees held 478 meetings.
- There were 1,418 occupational accidents, 15 of which were not disabling, for an accident rate of 2.41.
- Deaths from occupational accidents or diseases: 0
- Lost days (holidays or union leaves not included): 113,731
- Accident frequency rate/million hours: 29
- Occupational disease diagnosed.
- 30 days of absence due to occupational diseases.
- 23,044 disabilities due to common illness.
- Days of absence due to accidents: 22,128
- Severity rate lost days/million hours: 2,361
- Overall absenteeism rate: 10%.

1,575 regular control health assessments and further examinations were conducted, to identify diseases at an early age and implement control measures, to preserve our employees' health.

In order to identify acts and situations that put employees' integrity at risk during their work activities, the Workplace Occupational Health and Safety area made 180 inspections, during the year..

Good practices for safe and healthy environment generation

In 2019, we had 31 emergency drills at the Urabá and Envigado headquarters, in order to keep a timely and agile response active, and reactivated the Emergency Brigade at Envigado headquarter.

Safety and health issues are reviewed, adjusted and agreed for each conventional period. These agreements consider issues like economic recognition of disabilities generated by any contingency, pre-employment periodic and exit examinations, according to the current national regulatory guidelines, commitments to improve health benefits, relocation and retraining, procedures for application of sanctions or dismissals without just cause, hiring systems for normal and special activities, as well as respect for non-discrimination by age or gender.

In the conventional agreements signed with four unions, we ratified commitments to improve health services provision to workers in the Urabá subregion, which involves joint work with the different health promotion agencies and occupational risk management agencies.

Coexistence committee

We have coexistence committees which contribute to healthy and trustworthy environments generation, allowing transparency in the management of arising cases.

Discrimination cases and corrective actions

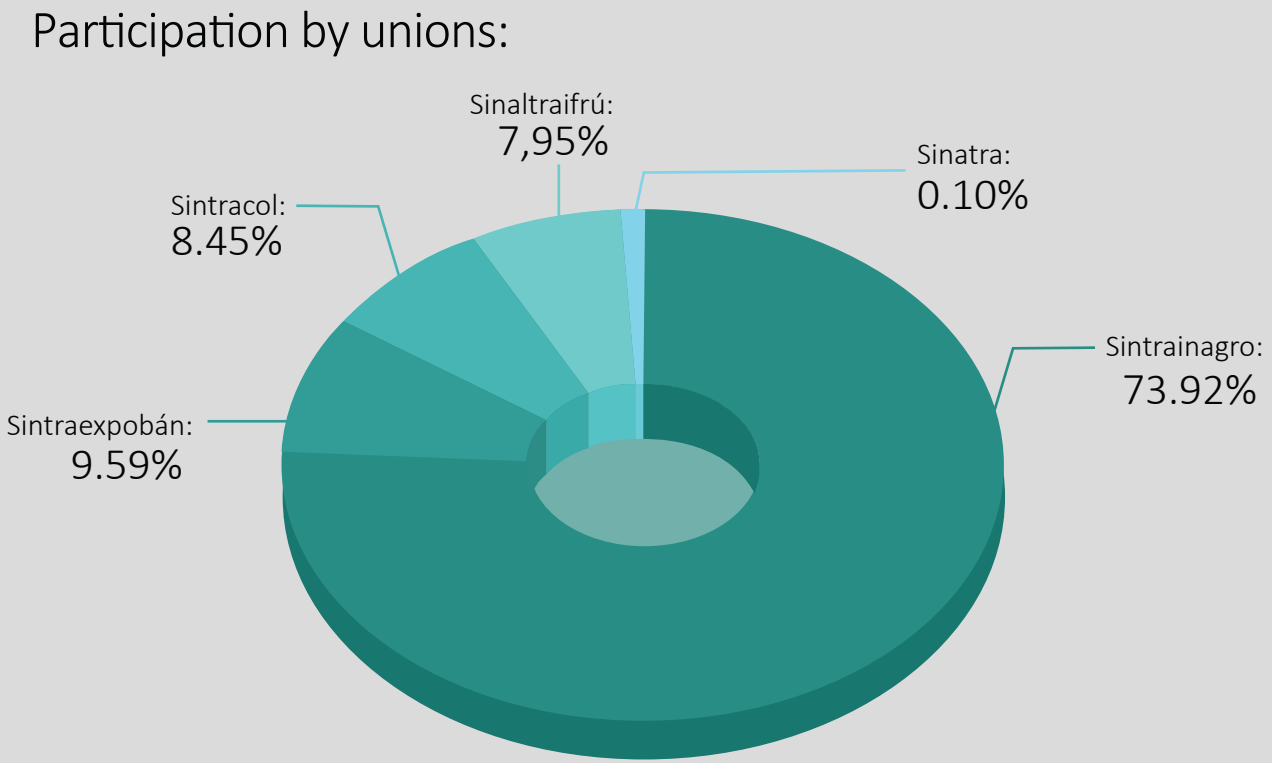
Respect and responsibility are basic principles to approach and handle cases. We ensure due process is followed with the investigations and decisions derived. There was a case involving probable sexual harassment, ending with the employee's dismissal.

Freedom of association

We respect the freedom of association and currently have 5 unions (Sintrainagro, Sinaltraifrú, Sintraexpobán, Sintracol and Sinatra) with which we maintain harmonic and constructive relationships with a permanent communication.

In 2019 we successfully concluded collective negotiations with four of them, concluding in collective agreements for our employees' wellbeing, valid from 2019-2021.

All our operational employees are protected by conventional agreements.



2020 challenges

- Engage 400 new women in the company's production process.
- Implementing an individual performance assessment for administrative employees.
- Extend the Women's Committee scope and carry out activities in the different headquarters and the community level.
- Increase young people participation, between 18 and 22 years old, working on farms.

Responsible social practices

The Social Foundation Banacol-Corbanacol is in charge of implementing the social development strategy in communities from Banacol's area of influence and extends the corporate philosophy beyond the Organization. Its social work model focuses on the recognition of the family as the axis of social change, the neighborhood as a community developer and the community as the center of social processes. Strategic approach pillars:

Strategic approach pillars:

- Training for life
- Health promotion and prevention
- Sports and culture
- Housing and community infrastructure

Corbanacol's total investment in 2019: USD $2.9 million

- Exchange Rate US Dollar Market on December 31, 2019: COP $3,277.14

Good monitoring practices

We transform social environments, through diagnostics and baselines, technical assessments, community dialogues and surveys, among other instruments.

In 2019, we did a pilot poll for the construction of a baseline through 1,000 studies, started the socio-demographic baseline survey of administrative employees and contracted the impact evaluation design of Bananut banana flour.

This information, stored in the Integral Social Information System of Corbanacol-ISISC, allow us to define the intervention aspects at a human and social programs level, directed to our collaborators' families and their communities wellbeing.

Training for life

Corbanacol
Fundación Social Banacol
Cultivando un mejor futuro social

Training is a transversal element in processes that Corbanacol manages, for the integral development of people and families from the Urabá subregion:

We optimized training processes during the year, raising actions from each line of work, planning a methodology, processes and procedures for the Organization, under a macro strategy. We have a training and differentiated themes focus for households and other stakeholders, working on our projects.

Total investment in training strategy: USD $222,144

Sports training

- **4,685 children and young people in extra and intra-uricular training processes.**
- **42 people trained in arbitration and fair play.**

Agricultural nutritional training

- **30 banana growers trained in articulation with the SENA.**
- **30 families with implemented community gardens and laying hens production, to guarantee food and nutritional security.**

Exchange Rate US Dollar Market on December 31, 2019: COP $3,277.14

Health promotion and prevention training

- 2,250 people trained in alcohol and drug prevention habits.
- 1,400 beneficiaries of thematic health carousel training with Comfama.
- 30 people trained in food health.
- 70 people trained in healthy habits.
- 60 people trained in pregnancy prevention.

Family and community processes training

- 48 people trained in family finances, within the Papagayo housing project framework.
- 590 people trained in social and community plan, in association with the Association of Business Foundations-ABF.
- 80 people trained in community development and appropriation of community infrastructure - "Return to La Lucila neighbourhood".
- 835 people trained in neighbourhood, village or local community development.
- 67 educational scholarships for soldiers' children - Centenary Scholarships.

Environmental training

- 80 people trained in environmental protection habits.
- 3 organized groups for environment care in the municipalities of San Juan de Urabá, Turbo and San Luis, in alliance with the Business Foundations Association -BFA

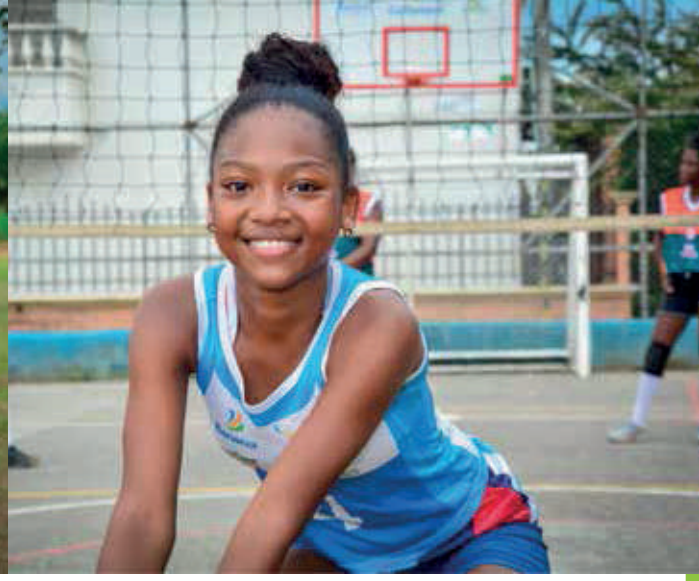
Health promotion and prevention

We try to generate good habits within the family relationships, family economy and self-care framework, focused on family and community health.

Bananut - banana flour

One of our great achievements in terms of sustainability, is the green banana flour with peel production, which is delivered as a food supplement for vulnerable communities improvement, a product that complies with colombian food regulations and INVIMA registration.

We continue with our good practice of donating Bananut flour to children, pregnant women, elderly, indigenous population and vulnerable population with nutrient deficiency, which are part of our social welfare programs. We delivered 16,698 units of 900 grams of flour in 2019.



Sports and culture

Having access to human being complementary processes, like those that are strengthened through sports and culture, which allow life projects' consolidation, skills development and the strengthening of values formation in communities, its necessary for an integral development.

This year, Corbanacol implemented its sports and culture strategy for children's training processes, through school days and complementary activities and new talents comprehensive coaching, developed programs with own resources and partnerships with third parties.

We have modules, technical evaluations, monitoring and follow-up strategies, and techniques coaching programs in our training spaces.

USD $729, 294
invested in sports and culture.

307 boys and girls participating in Corbanacol Sports Club- CSC.

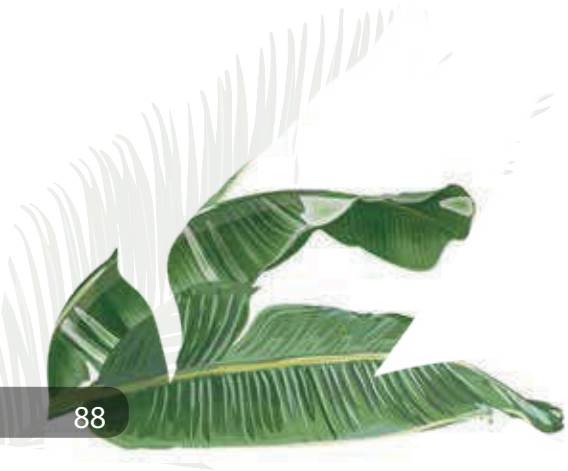
26 high performance athletes integrally accompanied.

✳ Exchange Rate US Dollar Market on December 31, 2019: COP $3,277.14

USD $278,596
invested in Health Promotion and Prevention.

USD $97,646
in bananut flour donations.

✳ Exchange Rate US Dollar Market on December 31, 2019: COP $3,277.14



297 certified families in healthy housing.

331 children, **7** pregnant women and **12** breastfed babies attended and recovered through a nutritional plan, with **1,203** parental consultations on parenting guidelines.

25 women assisted in nursing rooms.

756 beneficiaries attended through nutritional counseling.

11.210 kilos of Bananut flour donated to third parties.

5.488 kilos of banana flour, delivered in own projects.

1.635 medical attentions.

441 medical attentions at health festivals.

7 community campaigns including 6 health brigades in the banana zone and San Juan de Urabá.

Psychosocial support to **72** adults and **460** children associated to Corbanacol Sports Club.

30 families with new eating habits at home.

31 people with different abilities, with psychosocial and therapist support.

Housing and infrastructure

We manage the possibility for communities to have an infrastructure in which they can develop under optimal, close and accessible conditions.

USD $755,841
invested in housing infrastructure.

We designed housing improvement kits for technical assistance and executed integral housing solutions during the year, which included land bank analysis and new lots purchase.

Locative improvements were made in two Integral Community Centers in Apartadó and Carepa, where we expanded our coverage in order to generate a greater impact on community. We also designed and provided technical and financial viability to the Corbanacol Integral Center- Nueva Colonia, that will be constructed in 2020.

A relevant achievement in 2019 was the infrastructure work carried out with Empresas Públicas de Medellín-EPM for the construction of 5 water tanks at schools in the municipalities of the banana zone, benefiting 1,790 people.

22 families with improved housing projects, made eligible and nominated to Comfama.

24 disbursed credits for housing improvement through Parity Funds and the Envigado Housing Fund.

62 families applying for new housing..

USD $423,234 million in subsidies allocated to 59 families.

27 notarized deeds.

4 legalized houses.

62 credits for a total of USD $149.1 million, delivered through the Banafé Employees Fund.

USD $8.8 million
invested in community infrastructure.

✳ Exchange Rate US Dollar Market on December 31, 2019: COP $3,277.14

Regional development

In 2019 we continued with the NJO Alliance (New Jobs and Opportunities), executed by Comfenalco Antioquia with the Inter-American Development Bank, the International Monetary Fund-IMF and 17 partners in the region, to increase 1,615 young people under 29 years old employability, as well as 11,000 young people training to improve their skills.

For the second consecutive year, we continued developing the Association of Business Foundations ABF collective project in the municipalities of San Juan de Urabá and San Luis. We are part of the Directors Board of this project that involves 17 foundations and benefits 1,189 people from 391 families, seeking to develop sustainable communities, with a Corbanacol investment of USD$15,257.

Banacol is partner and part of PINCEL Plan Integral de Nueva Colonia/Alianza Prourabá Directors Board, which aims to promote sustainable development in the region.

2020 challenges

- Implement a new organizational structure to strengthen the Training Area and standardize coverage and processes.

- Make an impact evaluation of the Bananut flour delivery to extend coverage.

- Deliver information analysis and sociodemographic profile of operational employees and community. Stabilize the SIISCOR system and make projections.

Discharge source	Area or farm	Discharged volume Household dumping (m3)	Discharged volume Industrial dumping (m3)
Currulao River	Cafetal	50,11	4.049,74
	Durazno	40,61	2.695,68
	Magdalena	50,98	4.658,69
	Monterrey 1	57,89	6.041,09
	Monterrey 2	57,59	4.195,58
	Rancho Amelia	100,8	3.511,3
	Rita María	57,02	4.644,86
	Salpicón	95,04	2.711,58
	Tapartó	46,66	4.478,98
Chigorodó River	Alameda	95,04	3.386,88
	Arrocera	3.196,8	5.184
	Farm 1	1.555,2	4.354,56
	Farm 2	3.110,4	4.700,16
	Farm 3	622,08	4.008,96
	Farm 4	622,08	4.008,96
	Malagón	432	4.216,32
	Negritos	6. 134,4	4.078,08
	Paraíso	760,32	3.248,64
	Sol Luna	5.529,6	3.594,24
	Tatiana	10.368	4.631,04
Arcua River	Manzana	71,71	4.389,12
Guadualito	Monterrey 3	46,4	2.232,44
Churidó River	Alex Helena	708,48	3.386,88
	Porfrancia	5.788,8	3.179,52
Carepa River	Banafinca	5.788,8	5.391,36
	Diamante	6.739,2	4.008,96
	Hacienda	776,6	5.806,08
	Triganá	95,04	5.875,2
	Virginias	7.430,4	4.492,8
Vijagual River	El Carmen	7.689,6	0
	Lejanía	7.171,2	4.976,64
	Retiro	8.035,2	4.631,04
	Pista Los Almendros	501,12	0
Apartadó River	Doña Ángela	109,64	2.336,26
	Guaro	143,42	3.670,27
	María Rosario	44,76	5.315,33
	San Jacinto	55,99	3.594,24
Grande River	Guadalupe	50,98	2.757,89
	Tarena	55,99	3.926,02
	Villa Alicia	374,37	1.741,82
Artificial canal - León River	Jetty N1	858,47	0
	Plastics Factory	516,33	0
	Jetty 2	214,62	0
	Jetty Z2	643,85	0

Indicators Table	GRI or own standard	Indicator	Pages	Observations
Report Profile	102- 10	Significant changes to the organization and its supply chain		Does not apply
	102- 14	Statement from senior decision - maker	2 y 3	
	102- 15	Key impacts, risks and opportunities	2, 3 y 37	
	102- 46	Defining report content and topic boundaries	4	
	102- 48	Restatements of information	63 y 70	Emission factors were added in the carbon footprint calculation. Classification criteria for operational employees was changed.
	102- 49	Changes in reporting	4	
	102- 50	Reporting period		2019
	102- 52	Reporting cycle		Annual
	102- 53	Contact point for questions regarding the report	4	
	102- 54	Claims of reporting in accordance with the GRI standards	4	
	102- 55	GRI content index	93, 94, 95 y 96	
	102- 56	External assurance	5, 6 y 7	
Corporate Profile	102- 1	Name of the Organization		Banacol Group
	102- 2	Activities, brands, products and services	11, 14 y 15	
	102- 3	Location of headquarters	4	
	102- 4	Location of operations	4	
	102- 5	Ownership and legal form	14 y 15	
	102- 6	Markets served	16	
	102- 7	Scale of the organization	17	
	102- 8	Information on employees and other workers	17, 70 y 76	
	102- 13	Membership of associations	17	
	102- 16	Values, principles, standards and norms of behavior	9, 10 y 11	
	102- 47	List of material topics	19	
Dialogues with stakeholders	102- 40	List of stakeholder groups	22	
	102- 42	Identifying and selecting stakeholders	23	
	102- 43	Approach to stakeholder engagement	23	
	102- 44	Key topics and concerns raised	24, 25, 26 y 27	

Indicators Table	GRI or own standard	Indicator	Pages	Observations
Governance	102- 11	Precautionary principle of approach	32, 37 y 57	
	102- 15	Key impacts, risks and opportunities	2 y 3	
	102- 16	Values, principles, standards and norms of behavior	35 y 36	
	102- 17	Mechanisms for advice and concerns about ethics	37, 38, 39, 40 y 41	
	102-18	Governance structure	32, 33 y 34	
	102- 22	Composition of the highest governance body and its committees	32 y 33	
	102- 29	Identifying and managing economic, environmental and social impacts	32	
	205 - 1	Operations assessed for risks related to corruption	38 y 39	
	205 - 2	Communication and training about anti-corruption policies and procedures	38 y 40	
	205- 3	Confirmed incidents of corruption and actions taken	39	
	408- 1	Child labor	36	
	409 - 1	Forced or compulsory labor	36	
Responsible Value Chain	103	Management approach	43, 44, 48, 49 y 50	
	103-1	Explanation of the material topic and its boundary	43	
	103-2	The management approach and its components	44	
	103- 3	Evaluation of the management approach	48, 49 y 50	
	102- 9	Supply chain	46	
	102- 12	External initiatives	54 y 55	
	201- 2	Financial implications and other risks and opportunities due to climate change	52	
	204- 1	Proportion of spending on local suppliers	47	
	CV- 1	Agrochemicals' management and control	49, 50 y 51	Own indicators
		% Reduction in agrochemical use	49, 50 y 51	
		% Natural hedges	49	
		Soil suitability	49	
		# Renewed hectares	49	
	CV- 2	# Assessments of agricultural practices performed	48	
	CV- 3	Drains - Channel Coverage	49	
		# Hectares with irrigation systems	49	
		% Area sown with irrigation system	49	
	CV- 4	Compliance with agronomic programs	50	
		Development and progress of the Fusarium control program	50 y 51	

Indicators Table	GRI or own standard	Indicator	Pages	Observations
Responsible Value Chain	CV- 4	Sigatoka control process	51	Own indicators
	CV- 5	% Online monitoring of agricultural work	48	
	CV- 6	Tons of banana flour produced	53	
		Profited tons of rejected bananas	53	
Environmental Footprint	103	Management approach	57	
	103- 1	Explanation of the material topic and its boundary	57	
	103- 2	The management approach and its components	57	
	103- 3	Evaluation of the management approach	57	
	302- 1	Energy consumption within the organization	64	
	302- 3	Energy intensity	64	
	303- 1	Interactions with water as a shared resource	60	# deep wells
				# concessions
				# permits in process of being renewed
				Volume of granted water
				Volume of used water from underground sources
	303- 3	Water withdrawal	60	# recirculation plants
				Volume of water used in reservoirs
	304- 3	Habitats protected or restored	59	# Hectares destined for water sources removal
	305-1	Direct (Scope 1) GHG emissions	63	
	305- 2	Energy indirect (Scope 2) GHG emissions	63	
	305-4	GHG emissions intensity	63	
	306- 1	Water discharge by quality and destination	60 y 92	# dumping permits
	306- 2	Waste by type and disposal method	66	
	306- 5	Water bodies affected by water discharges and/or runoff	93	Annex 1

Indicators Table	GRI or own standard	Indicator	Pages	Observations
Social Footprint	103	Management approach	69 y 83	
	103-1	Explanation of the material topic and its boundary	69	
	103- 2	The management approach and its components	69	
	103- 3	Evaluation of the management approach	83	
	102- 8	Information on employees and other workers	70, 71 y 76	
	102- 41	Collective bargaining agreements	80	
	202- 1	Ratios of standard entry level wage by gender compared to local minimum wage	72	No gender breakdown is reported as there is no differentiation
	203-1	Infraestructure investments and services supported	89	
	203- 2	Significant indirect economic impacts	90	Partnerships for development
	401- 1	New employee hires and employee turnover	71	
	401- 2	Benefits provided to employees	74	
	401- 3	Parental leave	72	
	403- 1	Workers representation on health and safety committees	78	
	403-2	Hazard identification, risk assessment, and incident investigation	78	
	404-1	Average hours of training per year per employee	77	It's partially reported. Not average reported
	404-2	Programs for upgrading employee skills and transition assistance programs	77	It's partially reported. No transition assistance programs reported.
	406- 1	Incidents of discrimination and corrective actions taken	79	
	413- 1	Operations with local community engagement, impact assessments, and development programs	83	
	HS- 1	Number of employees according to years of service	70	Own indicators
	HS- 2	Description of gender approach	72 y 73	
	HS- 3	Number of COPASST members trained	78	
	HS- 4	Union Relations Approach	3 y 80	
	HS- 5	Investment and beneficiaries of Training for Life programs	84 y 85	
	HS- 6	Investment and beneficiaries of Health Promotion and Prevention programs	86	
	HS- 7	Investment and beneficiaries of Sports and Culture programs	87	

Banacol
Cultivating Wellbeing

Banacol

Banacol

@ banacoloficial

www.banacol.co