



Resilience in Value Creation



INTEGRATED REPORT 2020





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2020

How to read this report

GRI 102-45, GRI 102-46, GRI 102-54



FIFCO reports for the eighth consecutive year its performance under the Integrated Reporting methodology, aligned with the **International Integrated Reporting Council (IIRC)**. This report presents the company's economic, social and environmental performance, as well as an account of how Florida Ice and Farm Company, known as FIFCO, creates value in financial and non-financial terms

This report has been prepared in accordance with the **GRI Reporting Standards** comprehensive option. FIFCO complements the guidelines and recommendations of the IIRC with the **United Nations Global Compact's** principles, and makes reference to the relationship between the company's strategy and the **Sustainable Development Goals (SDG)**.

The company reports on all FIFCO operations in Costa Rica, Guatemala, Mexico, El Salvador and the United States: Distribuidora La Florida, FIFCO Retail, Industrias Alimenticias Kern's (IAK), FIFCO USA, Florida Hospitality and Florida Capitals, for the fiscal year between January 1, 2020 and December 31, 2020.

Some sections of this report include data from El Salvador and Mexico; however, this does not represent "significant activities" for FIFCO, since they have less than 10 collaborators.

This report gives us the opportunity to present to our shareholders and other stakeholders how the different areas are interrelated and interact with each other, identifying the multiple ways how the company creates present and future value. At the same time, it evaluates the company's contribution to society and the environment at a local and regional level. The company's strategy and initiatives respond to the contexts under which FIFCO operates.

- ▶ Congruence and continuity with what was reported in the 2019 period
- ▶ Definition of materiality, according to stakeholder interviews and consultation
- ▶ Update of the sustainability strategy
- ▶ As well as key achievements and programs from the previous period

Verification process

The **GRI Materiality Disclosure Service** verifies that, at the moment of releasing the report, Disclosures 102-40 to 102-49 from GRI 102: General Disclosures 2016 were correct in the GRI Content Index and in the text of the final Report. GRI does not verify or review the full report

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www.fifco.com

and

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FIFCO and the COVID-19 pandemic

Since the beginning of the pandemic in March 2020, FIFCO activated its business continuity plan and the Emergency Committees of each geography where it operates began their duties, all under the unified *FIFCO SEGURA* (SAFE FIFCO) agenda.

From there, the strategy to maintain the operation was defined, which included three priorities maintained until the end of the period and the beginning of 2021

- 1) Ensure the health of our collaborators and their families
- 2) Preserve jobs during the crisis
- 3) Manage cash flow and minimize the pandemic's impact on P&L.

As the pandemic developed, exchanging knowledge with different health experts was key. They supported the construction and implementation of the "*FIFCO Segura*" operation model, which allows taking care of collaborator's

health, and supporting customers during this difficult situation.

For FIFCO, one of the most relevant lessons has been adapting effectively and quickly to change. The company worked simultaneously on a reactive strategy in order to be very disciplined with the company's expenses; and a proactive strategy to increase competitiveness after the pandemic. The latter is intended to transform FIFCO into an even more customer- and consumer-centric company through the use of information and technology (e-commerce, advanced analytics, digital marketing, etc.).

As a company that operates under a Triple Bottom Line model, the main sustainability projects and initiatives (environmental and social) are upheld. It is committed to projects that can be executed in line with health protocols and that have a high impact, such as *FIFCO Oportunidades* (FIFCO Opportunities), the program that seeks to eradicate multidimensional poverty within the company, *Consumo Inteligente* (Smart Consumption), and FIFCO Air Brands, among others.



This Integrated Report describes how COVID-19 impacted the company's strategy, projects and initiatives from the perspective of the Triple Bottom Line model. We report on the actions taken and how we worked intensively to meet the company's three priorities and project FIFCO's future.

Reporting according to the *Global Reporting Initiative Standards: Comprehensive Option*

Through its corporate strategy, FIFCO aims for sustainable development

To hold itself accountable regarding this aspiration, FIFCO publicly reports its positive and negative economic, social and environmental impacts. To do so, it reports in compliance with the Global Reporting Initiative (GRI) Standards, published on October 19, 2016 and it applies the latest updates made to them, which define a common language for the accountability of highly committed organizations.

This report is prepared by applying the 10 principles established by the GRI, both in terms of content and quality.

Content Principles

- 1 Stakeholder Inclusiveness
- 2 Sustainability Context
- 3 Materiality
- 4 Completeness

Quality Principles

- 5 Accuracy
- 6 Balance
- 7 Clarity
- 8 Comparability
- 9 Reliability
- 10 Timeliness

/ Reporting according to the *Global Reporting Initiative Standards: Comprehensive Option*

The International Integrated Reporting Council suggests that an integrated report must answer each of the following six questions in order to demonstrate how the information is interconnected:

1

General aspects and business model

What does FIFCO do and how does it create sustainable value in the short, medium and long term?

FIFCO is a Costa Rican public company, established in 1908. It is mainly engaged in manufacturing and distributing beverages and food products in Central America, the Caribbean, Mexico and the United States, as well as in hospitality business activities in the province of Guanacaste, Costa Rica and various investments. For 12 years now, FIFCO has been operating under Triple Bottom Line goals, where sustainability is the company's crosscutting priority, its driving force for innovation and constant improvement.

2

Strategic objectives

Where is FIFCO headed and how will it get there?

FIFCO seeks to lead the categories in which it competes, by developing economic proposals entailing minimum impact or a positive one for society and the environment. Innovation, commercial and operating excellence, category development and an entrepreneurial and customer-centric culture have become the means to reach our corporate purpose.

3

Corporate governance

What is FIFCO's corporate governance structure and how does it relate to the sustainability strategy?

FIFCO seeks to lead the categories in which it competes, by developing economic proposals entailing minimum impact or a positive one for society and the environment. Innovation, commercial and operating excellence, category development and an entrepreneurial and customer-centric culture have become the means to reach our corporate purpose.

/ Reportando de conformidad con los Estándares del *Global Reporting Initiative: Opción Exhaustiva*

4

Operational context

Under which conditions does the company operate, considering the key supplies and relationships the operation depends on?

FIFCO's operation is exposed to a wide range of contexts, not only geographically speaking, having operations in 5 countries (Costa Rica, Guatemala, Mexico, El Salvador and the United States), but also for participating in different industries, categories and segments. World tendencies and discussions regarding food, beverages, nutrition, alcohol in society, tourism and convenience stores, among others, are far-reaching circumstances for the business. The rational use of supplies or raw materials ensures the company's sustainable operation in the future. Likewise, an effective dialogue with its stakeholders is crucial to actually create economic, social and environmental value.

During 2020, FIFCO implemented the *FIFCO Segura* model, an occupational health and safety agenda to protect and care for the health of its collaborators, customers and consumers. At the same time, it worked closely with authorities to promote economic reactivation in the countries where it operates.

5

Performance

What was the company's performance regarding strategic goals?

FIFCO seeks to lead the categories in which it competes, by developing economic proposals entailing minimum impact or a positive one for society and the environment. Innovation, commercial and operating excellence, category development and an entrepreneurial and customer-centric culture have become the means to reach our corporate purpose.

6

Looking into the future

What opportunities and challenges could FIFCO face?

FIFCO's "North Star" is "Enhancing every beverage consumption occasion" which, along with its corporate purpose, "Share with the world a better way of living," guides the company's actions. In order to achieve this, the company defines a series of commitments for the future, classified into three strategic objectives:

1. Double sales and profitability.
2. Champion communities, employees and Smart Consumption (CEC Champions).
3. Reach a positive balance in Water Consumption, Emissions and Waste (WEW Positive).

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SECTION

1



Message from the Chairman of the Board



Wilhelm Steinvoth H.
Chairman of FIFCO's Board of Directors

Dear Shareholders,

2020 has been one of the most difficult and challenging years in modern history. It was an unthinkable year, with a deep impact on health, economy, the way we work, technological acceleration, changes in consumer consumption patterns and even the way we interrelate. For FIFCO, this was a year of many learnings and deep transformation.

The Covid-19 pandemic had a very significant impact on the countries we serve and, consequently, on our business. Specifically, the beverage business in Costa Rica was greatly affected by the closure for more than eight months of bars and other on-premise businesses and the changes in consumer consumption patterns, which also had an unfavorable impact on the sales mix. The beer category was also affected by increased competition in Costa Rica.

At the end of the period, and compared against 12 calendar months of 2019, the company had a 7% volume decline in the beverages volume (12% reduction in beer in Costa Rica and 16% reduction in refreshments in Central America), partially offset by 5% growth in FIFCO USA's sales volume, which had a very positive performance in 2020. These results show the effective implementation of FIFCO USA's new strategy, driven especially by the growth in flavored alcoholic beverages and a complete commercial reengineering.

In the food segment in Central America, we experienced 2.7% volume growth driven by exports of Ducal beans to the United States, as well as an increase in the consumption of these products in Central American households during the pandemic. However, such growth was partially affected by a decline in bread-making volume in Costa Rica owing to a reduction in foot traffic at Musmanni bakeries and Musi convenience stores.

A very important milestone of 2020 was the launch of Seagram's Escapes in Mexico under an asset-light model. This launch, for the time being, has been affected by closures and alcohol prohibition in most of Mexico's key states.

Meanwhile, the hospitality business experienced probably the most difficult year in its recent history caused by the sharp drop in both international and local tourism due to Covid-19. In fact, both hotels were closed for more than 7 months.

In response to the pandemic and to counteract the deep impact of Covid-19 on FIFCO's operations, mainly in Costa Rica, immediate actions were implemented based on 3 main priorities: 1) protect the health of our collaborators and their families, 2) protect as many jobs as possible, and 3) protect the company's cash flow and financial health, taking into consideration that we were facing a totally uncertain situation into the future. These actions included workday and salary reductions throughout the organization, as well as a series of cost and operating expense reduction measures, postponing non-essential capital investments, and protecting cash flow. In addition, an organizational downsizing program was implemented at the end of the period to ensure that the company has the lightest and most efficient structure to compete in the marketplace. All of these actions resulted in a very significant reduction in operating expenses (19,650

Mensaje del Presidente de la Junta Directiva

million colones, equivalent to a little more than US\$30 million).

As a complement to our actions to take care of the business, we adopted a very proactive role in supporting our collaborators, customers, and society in general to face the pandemic the best way possible. The most important social action was to maintain the jobs of our entire workforce for the most complex 9 months of the pandemic and the implementation of the *FIFCO Segura* program to ensure our collaborators' health and business continuity. In support of our customers in Costa Rica, we improved commercial conditions and additionally donated 36,000 Imperial solidarity boxes to bring food to more than 12,000 customers during 3 months. We also implemented multiple social impact projects: donation of Covid-19 testing equipment, installation of tarpaulins and hydration in practically all of the country's health centers, the first humanitarian flight and product donations, among others.

In financial terms, FIFCO closed the period with sales of 642,628 million colones (-9.7% vs. the twelve-month comparable period in 2019) and net income attributable to shareholders of 10,655 million colones (+13.9% vs. 2019). This net income was negatively impacted by the reduction in operating income due to lower sales volume and an unfavorable mix in Costa Rica, foreign exchange differential and the impact of affiliates (especially Cervecería Panamá), but closed above 2019 mainly due to the recording of accounting impairment in intangible assets of FIFCO USA, which occurred in the previous year. Despite lower operating results, in terms of cash flow, FIFCO generated more than 117,000 million colones in earnings before interest, taxes, depreciation and amortization ("EBITDA"), proving the company's financial strength, even in a year as challenging as 2020. Clearly, 2021 will be a year of transition in which we will continue to be very rigorous in our financial management, as the company

has always done. As a complement to these economic results, FIFCO met all of its environmental and social commitments including, as an outstanding milestone, that we exceeded 100% recycling of our plastic packaging.

In accordance with our Corporate Governance Code, we carried out our annual management evaluation of FIFCO's Board of Directors for this period, supported by a specialized and independent company. The result of this evaluation was outstanding for both the group and each director's performance. A very relevant aspect of 2020 was FIFCO's accelerated transformation and the update of the strategy for the next 3 years. This strategy has been adapted to the new market reality and is, more than ever, focused on best serving our customers and consumers, on digital transformation and a working model based on innovation, agility and inclusive collaboration.

The Covid-19 pandemic has shown the world its fragility and interconnectedness among all human beings. As Klaus Schwab of the World Economic Forum well states in his book "Stakeholder Capitalism," a company can only be successful if it goes beyond the focus on maximizing profit for shareholders in the short term and concentrates on creating long-term value for all its stakeholders and society. We are a single global community, and the social and environmental challenges the world faces are too large and interrelated to be solved in silos. This is precisely what we are doing at FIFCO. We have a unique way of doing business by creating economic value for our shareholders as we simultaneously create social and environmental value for all our stakeholders and society. Today, more than ever, we are confident that this way of doing business makes us special and will continue to be for FIFCO a positive source of differentiation, competitiveness and pride for our employees and shareholders.

Wilhelm Steinvorth H.

Presidente de la Junta Directiva

Message from our CEO



Ramón Mendiola S.
Chief Executive Officer / FIFCO

The COVID-19 pandemic has been a wake-up call for society worldwide

Therefore, in a challenging context, our Triple Bottom Line value creation strategy for all our stakeholders, takes on a meaning of special relevance.

2020 was probably the most challenging year in recent decades. To face it the best way possible, we quickly defined three priorities: ensure the health of our collaborators, preserve jobs and FIFCO's cash flow as much as possible. The COVID-19 pandemic challenged us in an unprecedented way, calling on resilience, creativity and hard work to pull through.

That is exactly why this past year has taught us some very strong and at the same time very valuable lessons. We learned to cherish what is really important and recognized the true meaning of solidarity, being empathetic to the realities of our collaborators, customers and the groups most affected by this situation. For this reason, I want to thank the commitment of each one of FIFCO's collaborators, the passion they work with day by day, the commitment to care for their health, that of their families and

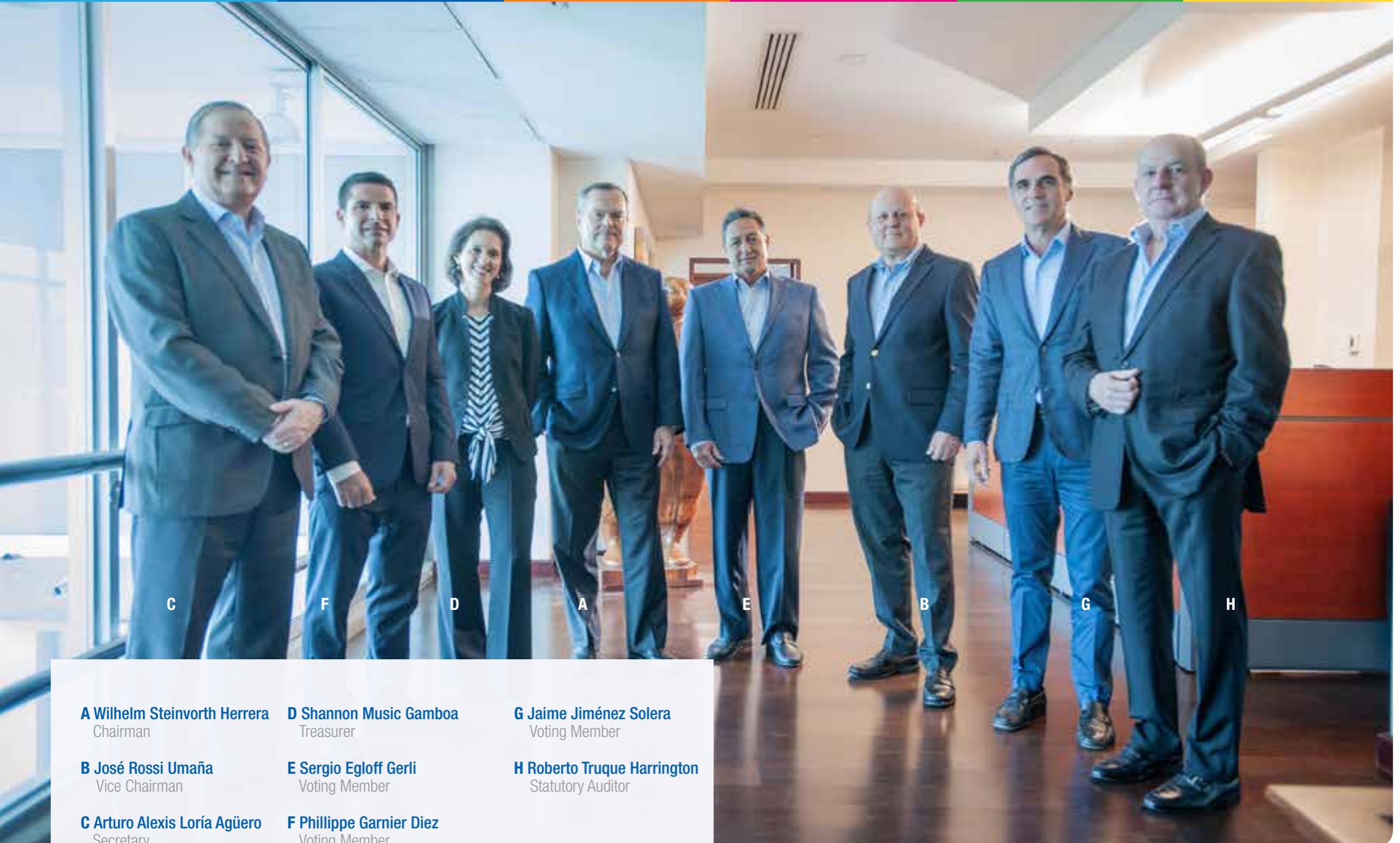
colleagues, and for making FIFCO a great company. During these months of great stress and uncertainty, our employees remained faithful to our purpose and values.

Within a more complex competitive context, 2021 will be a year of recovery and we will continue to manage the company in a highly uncertain context due to the pandemic.

I invite you to read our eighth *Integrated Report 2020*, a report that details how FIFCO faced this year, summarizes the company's performance in the three dimensions under which we operate and is a key instrument in our commitment to transparency and accountability. Today we are a more agile, more digital company, more resilient, closer to our collaborators, customers, consumers and society. Our leadership is based on trust, empathy, authenticity, transparency and adapting to change.

Ramón Mendiola S.

Board of Directors



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A Wilhelm Steinvorth Herrera
Chairman

D Shannon Music Gamboa
Treasurer

G Jaime Jiménez Solera
Voting Member

B José Rossi Umaña
Vice Chairman

E Sergio Egloff Gerli
Voting Member

H Roberto Truque Harrington
Statutory Auditor

C Arturo Alexis Loría Agüero
Secretary

F Phillippe Garnier Diez
Voting Member

Strategic Enrichment, Alignment and Leadership Team



Ramón Mendiola Sánchez
Chief Executive Officer



Carlos Manuel Rojas Koberg
Chief Financial and Corporate Services Officer



Scarlet Pietri Verenzuela
Talent Director



Rolando Carvajal Bravo
Business Executive Director



Gisela Sánchez Maroto
Director of Corporate Relations



Alejandro Miranda Ferrer
Corporate Marketing Director



Mariel Picado Quevedo
Corporate Legal Services Director



Rafael Segovia Fonseca
Transformation Director

Our Purpose



Share with the world a better way of living



Highlights of 2020



Economic Dimension



- 1 -7% volume growth in beverages due to temporary shutdowns and restrictions in on-premise and +2.7% growth in food products vs. 2019. Adoption of measures to **protect cash flow** amid the critical global emergency context. +US\$30 million savings in operating expenses.
- 2 Consolidation of the **Transformation Office**, strengthening the culture of innovation, based on data and focused on clients and consumers.
- 3 **Increased bean sales** in the United States, Guatemala and El Salvador.
- 4 **Entered the Mexican market** with the Seagram's Escapes brand, with an "asset-light" business strategy, positioning in more than 6,000 points of sale.
- 5 Investment in the region's **first aseptic monoblock** with dry technology, enabling Gatorade local production for Costa Rica and Panama.
- 6 **Successful launches:** H2OH Limonata, JET Cero, Tropical, Tropical Cas and Pineapple, Seagram's Escapes Mexico, Smirnoff Ice Screwdriver, Bamboo Horpacha. Addition of Tanqueray Sevilla and Smirnoff Infusions to the spirits portfolio.



Social Dimension



- 1 We kept 100% of our collaborators working with us during the most critical months of the Pandemic.
- 2 Implementation of a unified agenda to address the global emergency: **FIFCO SEGURA**.
- 3 Strengthening of the **FIFCO Oportunidades** program, support collaborators living in multidimensional poverty.
- 4 We adapted the main social strategy projects to the context. Contribution of more than **42,115 volunteer hours** in social and environmental causes for a total of **895,713 cumulative hours**.
- 5 Delivery of more than **36,000 Imperial Solidarity Boxes** to customers -bars and restaurants- most affected by business closures.
- 6 Launching of *La Pulpe Digital*, *Florida Asesoría* and *Tico Jala Tico* initiatives to support our customers and promote economic reactivation in Costa Rica.
- 7 **Smart Consumption:** 47% reduction in tons of sugar in the beverage portfolio.
- 8 Export of **Nutrivida products** to Nicaragua.



Environmental Dimension



- 1 **Recovery and recycling of 100% of plastic packaging** placed on the market. 87% total packaging recovery (aluminum, tetra).
- 2 **ISO 50001 Energy Efficiency Certification** of FIFCO Retail's operation, 20% reduction in electric power billing in manufacturing operation.
- 3 Final stage of the **Alta Tensión Ciudad Florida** project, operations expected to start in the second half of 2021.
- 4 **WEW Positive Agenda:** 2% reduction in water consumption per liter of beverage produced, 7% reduction in Greenhouse Gas emissions per liter of beverage produced and 25% reduction in waste per liter of beverage produced.
- 5 **Zero Waste to Landfill Certification** for supply chain operations in Costa Rica.
- 6 **Progress on the environmental labeling agenda:** verification of the environmental footprint of Imperial, Pilsen, Agua Cristal and Agua Tropical throughout their respective value chains.
- 7 **Océanos Agenda:** testing and prototyping of PLA bottle for Agua Cristal.
- 8 Successful implementation of the "Raw Bee Honey Reserva Conchal" **organic honey** project.

Main actions in response to the COVID-19 pandemic



In the midst of a global crisis, the company defined three priorities:

1 Protect the health of our collaborators and their families

2 Protect jobs as much as possible

3 Protect cash flow

Protect the health of our collaborators and their families

- Activation of the **Emergency Committees** in Costa Rica, Guatemala and the United States. Daily monitoring of context and actions.
- A single, unified agenda, "**FIFCO SEGURA**", is implemented
- Prompt prioritization and timely implementation of measures and protocols for collaborator protection and business stabilization.
- **Partnership** with experts: Dr. Maria Luisa Ávila and exchange of best practices with suppliers and customers.
- Updating of **protocols along the value chain**. Delivery of **protection material**, conditioning of trucks and facilities.
- **Communication** agenda: telephone exchange, chats, webinars, manuals, internal website, trainings, videos.
- **Emotional wellbeing**, psychological support.

Protect jobs as much as possible

- Alliance with the Solidarity Association.
- Temporary closure of hotel operation, maintaining 100% of collaborators for more than 8 months.

Protect cash flow

- Reduction of working hours and salaries. Bonus elimination.
- Management of operating costs and expenses.
- Organizational reengineering (US and Costa Rican operations).
- Reprogramming of non-core capital investments.

Main actions in response to the COVID-19 pandemic

What did we do differently during the pandemic?

(Measures, processes that were designed and implemented)



Operational and Commercial

- **Route redesign and optimization.** New "zero contact" delivery protocols.
- Transfer to **telesales and telemanagement**, 18% of total sales.
- Promotion and launch of digital tools such as **FILL ASM**, a version for e-commerce internal use, **FILL** for customers and **La Pulpe Digital** for consumers
- Application of **agile methodologies**.

Talent Management

- New way of working- moving to **telecommuting**.
- Optimization of **digital tools** to encourage efficiency and collaboration. Staff training, Virtual Academies.
- Hospitality: **100% of collaborators were remained in their jobs for more than 8 months.**
- Reduction of working hours.
- Relocation of talent to meet new needs.

Value creation to our stakeholders

- Creation of content and customer support: **Florida Asesoría (consulting platform)**.
- Design **protocols for reopening bars**.
- New way of connecting with our consumers: **Quedateencasa.cr (Stay Home)**.

Social agenda

- **Imperial Solidarity Box** and **Tico Jala Tico (Tico supports Tico)** Campaign.
- Donation of medical equipment to the Costa Rican Social Security Fund (CCSS).
- First humanitarian flight.
- Placement of public hand washbasins in alliance with the Municipality of San José.
- Delivery of food supplies to sensitive populations.
- Canopy tents for medical centers.
- "Together-Guanacaste" Campaign." Main actions in response to the COVID-19 pandemic.

What did we do differently during the pandemic?

What did we achieve?

- 100% of our employees are in good health.
- Stay true to our 3BL strategy despite the current situation.
- We accelerated the digital transformation agenda (direct and that of our clients).
18% of sales through digital platforms.
- Achieve efficiencies along the value chain.
- Adoption of agile methodologies, incorporation to the FIFCO culture.
- We understood and connected even more with our stakeholders:
 - Almost 15% of collaborators in telework.
 - More than 500,000 admissions to [quedateencasa.com](https://www.quedateencasa.com), we brought new experiences to our consumers.
 - We updated and adapted our communication to the new context:
+60% of our brands' communication went digital.
 - +12,000 customers with access to “Florida Asesoría”.
 - Delivery of 36,000 Imperial Solidarity Boxes, impact in 7 provinces.
- Groceries and cleaning supplies to 100% of senior citizen centers in CR.
- We contributed to the national economic reactivation agenda.



Corporate Governance

Corporate Governance establishes the set of policies under which our company is directed and controlled. It regulates the actions of the Board of Directors, its technical committees, the Administration and the Internal Control Units in order to guarantee transparency of the decisions made and protect the interests of the company and its shareholders.

The Corporate Governance Code

FIFCO abides by the **Corporate Governance Code**, the second version of which was approved by the Board of Directors in May 2017 (the first version had been in force since 2009). Its compliance is mandatory for our entire staff. The code establishes the system through which the company is guided by the principles of transparency, accountability and sustainability, considering the following sections:

- I. Overview
- II. Corporate governance bodies
- III. Corporate governance policies and procedures
- IV. Mechanisms to certify Corporate Governance compliance

Our Board of Directors

The Board of Directors is the highest Corporate Governance body and represents the Shareholders' Assembly, which is in charge of directing and controlling the company, to guarantee its growth and sustainability.

Board members are appointed following a documented process. To date, 100% of the Board's members are Costa Rican and none hold executive or advisory positions within the organization. Further, they have not reported any internal or external influence that could impede their objective judgment. Therefore, all members are considered independent.

FIFCO also complies with Costa Rican legislation in terms of female representation and diversity in Boards of Directors. It should be noted that 95% of senior executives, such as the top executives who report to the Board of Directors or senior management positions, are hired within the local community.

The duties of the Board of Directors are documented in a Regulation that establishes that 12 ordinary meetings must be held during the year. This period reports 12 ordinary meetings and 4 extraordinary meetings.

Attendance to Board meetings

Member	Meeting Number														
	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628
Date	Jan 27	Feb 17	Mar 12	Apr 20	Apr 27	May 25	Jun 8	Jun 22	Jul 6	Jul 20	Aug 3	Set 10	Oct 19	Nov 25	Dec 14
Wilhelm Steinvorth Herrera	●	●	●	●	●	●	●	●	●	●	●	●	×	●	●
José Rossi Umaña	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Arturo Alexis Loría Agüero	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Shannon Music Gamboa	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Sergio Egloff Gerli	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Philippe Garnier Díez	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Jaime Jiménez Solera	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Roberto Truque Harrington	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●

× Justified absence
The meetings held on March 12, April 27, June 8 and July 6 were extraordinary meetings

The management of FIFCO's Corporate Governance is performed under and in compliance with the requirements of Costa Rica's General Superintendence for Securities set forth in the Corporate Governance Regulations.

Support Committees

In order to have technical support in strategic matters, the Board of Directors has two committees, with the following main functions:

Human Capital Management Committee

This committee establishes specific policies regarding remuneration and other benefits granted to members of the Board of Directors and executives. Said policies may consider aspects such as goals, individual performance and the Company's performance in general, using the **Balanced Score Card (BSC)** format, a methodology that evaluates the fulfillment of goals and metrics in the following areas: economic/commercial, internal social, volunteering, social investment projects and environmental impact indicators. The members of this committee are:

- Wilhelm Steinvorth
- José Rossi
- Phillippe Garnier

- Emilia Amado

Audit and Risk Committee

This committee promotes the supervision and responsibility (accountability) of the financial area. It ensures the development and execution of effective internal controls and adequate risk management. It makes sure internal auditors fulfill their role and that external auditors evaluate, through their own analysis, the practices of the executive team and internal audit, if applicable. The members of this committee are:

- Arturo Loría
- Sergio Egloff
- Roberto Truque

In order to guarantee the company's sustainable growth and the application of Corporate Governance standards, the Company has three control areas that report to the Audit and Risk Committee.

The Board of Directors is committed to the business's sustainable growth and the application of international corporate governance standards in the company.

For this reason, **it approved a new Corporate Governance Code and the Risk Management Corporate Policy.**

Support Committees

Through these documents, we seek to capture best practices in relation to:

1. The basic policies that regulate the company's interrelationship with its different stakeholders.
2. The level of risk tolerance, which was defined as conservative, in order to protect the shareholder's equity. To this end, the process leaders (directors, managers and headships) must establish the controls required to maintain the company's risks at the indicated level.

3. The role of the Board of Directors and its support committees:

Human Capital Management, which oversees the design and operation of the incentive system for the Board of Directors, Statutory Auditors, Senior Management and Management.

Audit and Risk, which is responsible for overseeing compliance with the annual program and the Corporate Audit and Business Risk processes. In addition, it performs assessments and recommendations of the activities required for the Company to achieve its business objectives.

4. Strengthening the control areas: **Internal Audit, Risk Management and Compliance**. These areas report to the Audit and Risk Committee of the Board of Directors and their main functions are detailed below in the "Internal Control Structure" table.

Internal Control Structure



Consulting the Board of Directors

Consulting the Board of Directors

FIFCO's **shareholders** have several mechanisms to communicate their concerns to the Board of Directors; among them, a fixed space in the Annual Meeting's agenda. Every semester, they are informed about the results obtained to that date.

For **collaborators**, there is a procedure at the Internal Audit level, through which they can express their concerns or complaints to the highest Corporate Governance body. In the case of *Industrias Alimenticias Kern's* and FIFCO USA, there is a trade union to which employees can freely affiliate. These unions are the highest body of labor representation and negotiation with top management in the company.

Our Board of Directors and sustainability

Our Board of Directors and sustainability Since 2008, when the company's operating approach changed to a Triple Bottom Line strategy, every month the Board of Directors learns about and approves the main challenges and projects for the three dimensions. **On a quarterly basis, Senior Management and the Corporate Relations Department share with the Board of Directors the progress achieved in each dimension**, as well as the main findings and respective action plans to present the sustainability report at the end of the year, approved by the members. Defining materiality and collecting statements to report in accordance with the GRI Standards, using the comprehensive option, include an exclusive meeting with the Board of Directors, positioning the members' role in the decision-making process regarding the company's sustainability.

The Directors and Managers of each Strategic Business Unit must include the performance on personnel management (Internal Social Dimension), Integral Smart Consumption and volunteering (External Social Dimension) indicators, as well as environmental indicators (use of materials, water and energy consumption, greenhouse gas emissions, waste management, among others), in their monthly reports.

Likewise, the administration may present its concerns on economic, social and environmental matters. These are documented in each meeting's minutes, with their respective agreements and timelines.

Ordinary Assembly 2020

During the year 2020, due to the COVID-19 pandemic and restrictions issued by government authorities, FIFCO's Ordinary Shareholders' Meeting was not held in person. During the period, virtual communication and information events took place for shareholders and investors.

Consulting the Board of Directors

Companies Circle



Fabrizio Papaianni, FIFCO’s Auditing and Compliance Director presides the Companies Circle Steering Committee. Some relevant issues this committee reviewed during the period were establishing criteria considered by investors regarding ESG (Environmental, Social, Governance) management by investee companies. The document’s preparation was guided by the IFC (International Finance Corporation), Bogota branch, Colombia and CESA (higher education institution).

Codes of Conduct

The following FIFCO codes of conduct are applicable and mandatory for all subsidiaries, their departments, collaborators and directors, all of which are published on our website www.fifco.com.

- ▶ Code of Ethics and Conduct
- ▶ Responsible Supplier Code
- ▶ Corporate Environmental Policy

Human Rights Policy

FIFCO assumes as common core principles and values the protection, respect and promotion of Human Rights. It undertakes to respect the human rights of its collaborators at work and in the communities where it operates. It makes sure Human Rights are respected and promoted throughout the value chain.

The Human Rights Policy focuses on priority aspects:

- ▶ The United Nations Universal Declaration of Human Rights and the two international covenants that comprise the International Bill of Human Rights

- ▶ The International Labor Organization’s (ILO) Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy
- ▶ The United Nations Global Compact. FIFCO’s Human Rights Policy is complemented by other company policies and regulations: Code of Ethics and Conduct, Responsible Supplier Code, Occupational Health and Safety, Environmental Policy and Policy against Sexual Harassment and/or Assault.

FIFCO is against and rejects any form of child labor along its value chain.

Risks

Risk management involves the process of identifying, measuring and managing risks that may affect a company’s normal activities and its assets.

Its purpose is to ensure that the objectives defined within the company are met to address situations that may hinder the achievement of these objectives and its strategic goals, while protecting the resources of shareholders. It guarantees financial viability by supporting the operation’s efficiency, mitigates negative effects when a risk incident occurs, and allows for the optimization of available funding sources.

At FIFCO, Risk Management is based on the ISO 31000 standard. Therefore, as part of this process, the Board of Directors approved the Corporate Risk Policy (the first guideline dates from 2017.) This policy establishes that the company will assume a conservative risk profile, which is based on the following basic management guidelines:

- ▶ The role of the Board of Directors and the Audit and Risk Committee is defined.
- ▶ The Risk Management’s functions are established.
- ▶ The parameters for managing the debt and investment portfolio and using financial hedges are established.
- ▶ The non-financial risk management and business continuity model is defined.

In order to implement this policy, Risk Management has worked with the company’s different areas to evaluate these risk factors and determine their impact and mitigation measures, using the risk management process.

Risk Management Process



Internal Context

- ▶ **Strategic:** Company’s strategy, legal and fiscal, relationship with suppliers, customer relations
- ▶ **Operational:** Employment and occupational safety, environment, product delivery and processing failures, information systems failures

External Context

- ▶ **Financial:** Economic environment and market
- ▶ **Related to climate and nature:** External factors and business continuity

The results of these analyses are grouped into four categories to ease their management: strategic, operational, financial and climate-related and external risks. Depending on the criticality of the residual risk, which is obtained after identifying the controls, mitigation plans are established when the risk appetite so requires.

Business Continuity

In terms of organizational resilience, progress was made in setting up a business continuity management system for the beer business in Costa Rica under the ISO 22301 standard.

To this date, the main advances in this area are described as follows:

- ▶ All methodologies associated with the process are documented.
- ▶ A risk and business impact analysis is available for the processes in the production chain associated with beer and flavored alcoholic beverages in Costa Rica.
- ▶ The organizational structure that provides governance to this process is consolidated through the following committees: Continuity and Crisis, Emergency Communications and Disaster Recovery.
- ▶ Business Continuity Managers are in charge of providing guidance on recovery strategies in case the company faces a disruptive incident.
- ▶ The following plans have been developed: Business Continuity, Crisis Management, Emergencies, and Disaster Recovery.
- ▶ Progress is being made in the implementation of 13 business continuity strategies, which seek to address incidents associated with the recovery of critical personnel, production and services, distribution, and technology.
- ▶ A technological tool was set up and implemented to keep all business continuity and risk management information.

Emergency Committee

In March, 2020, with the national alert in Costa Rica for COVID 19, the Emergency Committee comes into operation. At the same time, the Emergency Committees of the operations in Guatemala and FIFCO USA are activated. The Committees met on a daily basis, following up on the different actions implemented as part of “*FIFCO SEGURA*” in occupational health and safety, new access protocols, return and use of facilities, teleworking modality, and communication channels, among others.

Company Profile



FIFCO

Costa Rican public company, established in 1908, mainly dedicated to the production and distribution of food products and beverages in Central America, the Caribbean and the United States, as well as retail and hospitality businesses in Costa Rica, and various types of investments.



Operations

Our headquarters is located in Costa Rica and we have operations in Guatemala, El Salvador and the United States. We have **7** production plants and **12** distribution centers. Our value chain is made up of **4,676** local and international suppliers. We export our products to **16** countries around the world.



Categorías y productos

Originally a brewing company, FIFCO diversified its beverage portfolio during the 1990s and currently has over 1,500 products, including: beer, wine, liquor, flavored alcoholic beverages, as well as bottled water, juices, refreshments, nectars, teas, carbonated drinks, energy drinks, beans, preserves, tomato sauce and bakery products.

Subsidiaries

Distribuidora La Florida S.A.

Comprised of FCAM, Industrias Alimenticias Kern's (IAK), Florida Retail (Musmanni, Musi, *La Tienda de la Birra*, L'Artisan Café and Vinum Stores) and FIFCO USA.



Florida Hospitality

Hospitality projects in Costa Rica, Reserva Conchal, among others.

Florida Capitals

Investments in packaging production and breweries in Central America.



Our people

FIFCO has **5,386** collaborators and **2,291** shareholders, none of which own more than **10%** of the company's total shares.

*No disputed or prohibited products are marketed at FIFCO.

FIFCO and subsidiaries

DISCLOSURE GRI 102-4, 102-45



Our categories and products



Beer

- Imperial
- Pilsen
- Bavaria
- Rock Limón
- Heineken
- Bohemia
- Labatt
- Genesse
- Guinness



Carbonated Drinks

- Pepsi
- 7UP
- H2OH!
- Milory
- Pepsi Light
- 7UP Light
- Mirinda
- MUG
- Pepsi Black



Wines

- Casillero del Diablo
- Navarro Correas
- Trivento
- Riunite
- Marqués de Cáceres
- Freixenet
- Blue Nun
- Clos de Pirque
- Frontera
- Maipo



Flavored Alcoholic Beverages

- Smirnoff Ice
- Smirnoff Black Ice
- Cuba Libre
- Bamboo
- Seagram's Escapes
- Adán y Eva



Energy Drinks

- Maxx Energy
- Sobe Adrenaline Rush
- Jet



Stores and Bakeries

- Musi
- Musmanni
- La Tienda de la Birra
- Vinum Store



Sports Drinks

- Gatorade®
- Maxi Malta



Food Products

- Ducal
- Musmanni
- Kern's
- Nutrivida



Hospitality and Real Estate

- Reserva Conchal
- Bar Imperial
- RePUBLICa Casa Cervecera
- Hotel W
- The Westin Reserva Conchal an All inclusive Golf Resort & Spa



Waters, Juices, Refreshments & Teas

- Tropical
- Tampico
- Kern's
- Ducal
- Vitaloe
- Cristal



Spirits

- Johnnie Walker®
- Smirnoff®
- Bailey's®
- Old Parr®
- Buchanans®
- J&B®
- Black&White®
- Crawfords®
- Tanqueray®
- Don Julio®
- Flor de Caña®

Global presence

Country (Importing)	Brands		
	Food products	Beer and FABs	Refreshments
United States	Ducal	Imperial	Ducal
Nicaragua	Nutrivida, Ducal y Kern's	Imperial Bliss Smirnoff ICE Heineken	Tropical Kern's Ducal Maxi Malta
Honduras	Ducal y Kern's	Old Milwaukee	Ducal y Kern's
Costa Rica	Ducal y Kern's		Ducal y Kern's
El Salvador	Ducal y Kern's	Bliss Bamboo Adán & Eva Smirnoff ICE Heineken	Kern's Ducal Herbaloe
Panama	Kern's	Bliss Smirnoff ICE Heineken Old Milwaukee Adán & Eva	Tropical, Kern's, Maxi Malta Gatorade
Guatemala		Bliss Bamboo Adán & Eva Smirnoff ICE Heineken Old Milwaukee	Kern's
Belize	Ducal		
Trinidad & Tobago	Kern's		
Mexico	Ducal	Seagram's Escapes	
Bermuda		Imperial	
Peru		Smirnoff ICE	
Spain	Ducal		
Caribbean (San Andrés, Curacao, Bermuda, República Dominicana, Bahamas)		Smirnoff ICE	Maxi Malta

New strategic evolution



For over a decade, FIFCO's business strategy has been constantly evolving, marked by great milestones in its history.

2008 The company defined its way of operating following the Triple Bottom Line model, where economic results are handled with the same rigor as environmental and social results.

2014 The company defined its purpose and values, setting these as the guidelines that drive our collaborator's actions.

2016 a new leadership model and the route towards 2020, the so-called *North Star*, was defined.

2017 FIFCO revealed its seven commitments to the environment and society, which go hand in hand with the company's goals for 2020.

2019 The company begins a new strategic planning process for the following years.

Our purpose

Share with the world a better way of living

Our values

- Celebration
- Sustainability
- Passion for winning
- Imagination

Business model

FIFCO adjusts its strategy to **lead** in the new reality.

Sustainable profitable growth

Focusing on customers and consumers

Income and Profit

3BL ORGANIZATION

Drivers

Organic growth



- ▶ Defend our beer business in CR
- ▶ Strengthen our beverage portfolio
- ▶ Shine through in categories and businesses with high growth potential

Expansión: Geografías y ventures



- ▶ Consolidation of FIFCO USA
- ▶ Expansion in LA of RTD's
- ▶ Exploration of emerging categories

Sostenibilidad



- ▶ Purposeful and Air Brands
- ▶ Positive environmental value
- ▶ Smart Consumption

Enablers

Value enhancement



- ▶ Portfolio optimization
- ▶ Efficiency (P&L and BS)
- ▶ "Cost-to-Value"

Transformation



- ▶ Key processes
- ▶ New Capabilities: Analytics, Digital, Advanced consumer and knowledge
- ▶ Data-driven decision making

Cultura & WOW



- ▶ Agility and collaboration
- ▶ Rapid experimentation
- ▶ Inclusion and diversity

FIFCO and the Sustainable Development Goals (SDG)



2020 marks the 5th anniversary of the global launch of the United Nations 17 Sustainable Development Goals, a relevant fact that proves to be significant in times of a pandemic and sets a path towards prioritizing and focusing initiatives.

FIFCO is committed in contributing to the Sustainable Development Goals, thus prioritizing 10 SDGs in the Triple Bottom Line strategy. Through the strategic objectives defined for each of the dimensions, it contributes to these 10 priority SDGs.

In the pandemic, these initiatives and projects were not relegated, but only modified in form. Other initiatives that were developed during the period were also linked to one or more SDGs.

The company maintains its prioritization of the SDGs, following an impact and risk analysis, defining materiality, consulting stakeholders and studying the different contexts in which the company operates. The following Sustainable Development Goals are defined as priority:

- ▶ **Goal 1:** No poverty
- ▶ **Goal 3:** Good health and well-being
- ▶ **Goal 6:** Clean water and sanitation
- ▶ **Goal 8:** Decent work and economic growth
- ▶ **Goal 11:** Sustainable cities and communities
- ▶ **Goal 12:** Responsible consumption and production
- ▶ **Goal 13:** Climate action
- ▶ **Goal 14:** Life below water
- ▶ **Goal 15:** Life on land
- ▶ **Goal 17:** Partnerships for the goals

Impact on the SDGs

FIFCO'S positive or negative impact on the SDGs



■ The company's impact is positive
■ The company's impact is neither positive nor negative
■ The company's impact is negative

FIFCO and the Sustainable Development Goals (SDG)



Alignment with the Sustainable Development Goals (SDGs)

Dimensión	Meta de Triple Utilidad	ODS que impactamos	Algunos ejemplos de cómo gestionamos el impacto	Página
Environmental	Reach neutrality and go beyond, achieving a positive balance in water, emissions and waste	12, 13, 14, 15, 17	Zero Waste Project, <i>Océanos</i> Project and Post-consumer Recycling Program	171
Internal Social	Champion our employees	3, 5, 10, 17	Great Place to Work, <i>FIFCO Oportunidades</i> and <i>Estar Bien</i> (Being Well) Programs	122
		4, 8, 9	Training Program	128
		3,10, 17	<i>FIFCO Segura</i> to safeguard the health and welfare of collaborators during the pandemic	136
External Social	Champion Smart Consumption and the Community	3, 12, 17	Program to promote Smart Consumption of alcoholic beverages in society	155
		1, 2, 3, 4, 10, 11, 12, 13, 14, 15, 17	Volunteer <i>Elegí Ayudar</i> (I Chose to Help) program, Social Enterprise <i>Nutrivida</i> , <i>Formación Dual</i> (Dual Education), among others	159, 166, 168
		11, 16, 17	Code of Ethics, Customer Service, Integrated Report, among others	169, 1
		1, 3, 8, 17	Support to vulnerable groups during the pandemic	158
		3	Amplification of health messages and protocols to brand consumers	93
Economic	Double the company's sales and profitability	8, 9, 12, 17	Commercial and economic performance	69
		3, 8, 9, 12, 17	Support for economic reactivation with customers	121

FIFCO and the Sustainable Development Goals (SDG)



Alignment with the Sustainable Development Goals (SDGs)

Priorization	Goal	Target #	Description	Initiative Summary	Page
Priority	<p>1 NO POVERTY</p>	1.2	By 2030, reduce at least by half the number of men, women and children of all ages living in poverty in all its dimensions according to national definitions.	FIFCO Oportunidades Program	125, 163, 69
		1.5	By 2030, build the resilience of the poor and those in vulnerable situations, and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.	Imperial Solidarity Box Economic Dimension	
	<p>2 ZERO HUNGER</p>	2.2	By 2030, end all forms of malnutrition, including achieving by 2025 the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women, and older persons.	Social Enterprise <i>Nutrivida</i>	166
Priority	<p>3 GOOD HEALTH AND WELL-BEING</p>	3.4	By 2030, reduce by one-third pre-mature mortality from non-communicable diseases (NCDs) through prevention and treatment, and promote mental health and well-being.	FIFCO Segura	136
		3.5	Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol.	Integral Smart Consumption Agenda <i>Estar Bien</i> internal program	155, 131
		3.8	Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.	FIFCO Oportunidades Programa FIFCO Segura	125, 136,
		3.13	Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks	External Social Dimension / COVID Economic Dimension	151, 69

FIFCO and the Sustainable Development Goals (SDG)



Alignment with the Sustainable Development Goals (SDGs)

Priorization	Goal	Target #	Description	Initiative Summary	Page
	<p>4 QUALITY EDUCATION</p>	4.3	By 2030, ensure equal access for all women and men to affordable and quality technical, professional and higher education, including university education	FIFCO Oportunidades Formación Dual program	125, 168
Priority	<p>6 CLEAN WATER AND SANITATION</p>	6.1	By 2030, achieve universal and equitable access to affordable drinking water for all	Costa Rica sin Sed: Agua para Todos (Costa Rica Without Thirst: Water for All)	182
		6.3	By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally	Water Agenda: sewage treatment	182
		6.4	By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity	Water Positive Agenda	184
		6.5	By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate	Agua Tica Initiative	184
		6.6	By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes	Payment for Environmental Services – FONAFIFO, volunteering agenda	184

FIFCO and the Sustainable Development Goals (SDG)



Alignment with the Sustainable Development Goals (SDGs)

Priorization	Goal	Target #	Description	Initiative Summary	Page
Priority	7 AFFORDABLE AND CLEAN ENERGY 	7.2	By 2030, increase substantially the share of renewable energy in the global energy mix	Carbon Positive Agenda	191
		7.4	By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology	Carbon Positive Agenda – natural refrigeration system	161
Priority	8 DECENT WORK AND ECONOMIC GROWTH 	8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors	Economic Dimension	69
				Business Excellence	121
		8.3	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services	Economic Dimension	69
		8.4	Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programs on sustainable consumption and production, with developed countries taking the lead	Environmental Dimension	171
				Sustainable Procurement with Customers Program	114
		8.6	By 2020, substantially reduce the proportion of youth not in employment, education or training	Formación Dual Program	168
8.8	Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular female migrants, and those in precarious employment	Great Place to Work-Internal Social Dimension MANU Network (Nutrívida) Agenda	122, 166		

FIFCO and the Sustainable Development Goals (SDG)



Alignment with the Sustainable Development Goals (SDGs)

Priorization	Goal	target #	Description	Initiative Summary	Page
Priority	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	9.2	Promote inclusive and sustainable industrialization and, by 2030, significantly raise the industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries	Economic Dimension / Business Excellence	69, 121
		9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	Economic Dimension and Environmental Dimension. Examples: new production line of aseptic beverages	69, 171, 101
Priority	11 SUSTAINABLE CITIES AND COMMUNITIES 	11.1	By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums	Strategic Social Investment Agenda – volunteering	153
		11.4	Strengthen efforts to protect and safeguard the world's cultural and natural heritage	Strategic Social Investment Agenda – volunteering	153
		11.6	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	Environmental Agenda	171
		11.7	By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities	Strategic Social Investment Agenda – volunteering	153
		11.8	Support positive economic, social and environmental links between urban, per-urban and rural areas by strengthening national and regional development planning	Strategic Social Investment Agenda – volunteering	153

FIFCO and the Sustainable Development Goals (SDG)



Alignment with the Sustainable Development Goals (SDGs)

Priorization	Goal	target #	Description	Initiative Summary	Page
Priority	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	12.2	By 2030, achieve sustainable management and efficient use of natural resources	Sustainable Procurement Program, Environmental Dimension	114, 171
		12.4	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Environmental Dimension, FIFCO Air Brands	171, 85
		12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	Environmental Dimension	171
		12.6	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Value Chain Sustainability Exchanges in partner organizations	114, 68
		12.8	By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	Strategic Social Investment Agenda – volunteering. Environmental Education talks	159, 178
		12.10	Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products	Environmental Dimension	171
Priority	13 CLIMATE ACTION 	13.2	Integrate climate change measures into national policies, strategies and planning	Environmental Dimension	171
		13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Strategic Social Investment Agenda – volunteering. Environmental Education talks	159, 178

FIFCO and the Sustainable Development Goals (SDG)



Alignment with the Sustainable Development Goals (SDGs)

Priorization	Goal	target #	Description	Initiative Summary	Page
Priority		14.1	By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	Océanos Project Agenda	177
		14.2	By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans		
		14.3	By 2020, conserve at least 10% of coastal and marine areas, consistent with national and international law and based on the best available scientific information	Strategic Social Investment Agenda – volunteering	159
Priority		15.1	By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and dry lands, in line with obligations under international agreements	Strategic Social Investment Agenda – volunteering and Environmental Dimension	159, 171
		15.2	By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally		
		15.3	By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world		
		15.4	By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development		
		15.10	Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems		

FIFCO and the Sustainable Development Goals (SDG)



Alignment with the Sustainable Development Goals (SDGs)

Priorization	Goal	target #	Description	Initiative Summary	Page
	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	16.6	Develop effective, accountable and transparent institutions at all levels	Accountability and Transparency	1
		16.8	Broaden and strengthen the participation of developing countries in the institutions of global governance	Participation in Companies Circle	27
Priority	17 PARTNERSHIPS FOR THE GOALS 	17.1	Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection	Anti-smuggling Agenda	99
		17.7	Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favorable terms, including on concessional and preferential terms, as mutually agreed	Environmental Dimension: Natural Refrigeration System	171, 202
		17.17	Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	External Social Dimension and Environmental Dimension	151, 157



7 commitments for 2020

Commitment	Material topics	Internal policy or strategy supporting the commitment	Objectives and goals for 2020	Areas responsible for the commitment and resources available	2020 Achievements	Obstacles	Formal claim and/or complaint mechanisms	Goals and actions for 2021
Complete 1 million volunteer hours	Local communities, Strategic Social Investment	Volunteering Policy	Complete 1 million volunteer hours accrued since 2008	Social Strategy Management and 100% of FIFCO collaborators	2020 hours: 42,115 volunteer hours in strategic social and environmental causes. 895,713 cumulative volunteer hours	COVID-19 pandemic, budget constraints	elegiayudar@fifco.com	Complete 1 million volunteer hours. Strengthen the professional volunteering program.
Be recognized as one of the best companies to work for	Human Rights, Holistic Well-Being, Work Relations, Occupational Health and Safety, Talent Management, collective bargaining, target culture (live by values)	Human Rights Policy (in process), Compensation and Benefits Policies, Occupational Health Policies, Human Resources Policies	Be recognized as one of the best companies to work for	Talent Management	Application of internal consultation mechanisms, Implementation of a wellness agenda for collaborators. Calming Committee.	Prioritization of the Diversity and inclusion agenda in a challenging context. Adjustments to the organizational structure.	Anonymous ethics hotline Human Resources Department, among others.	Design and implement a diversity and inclusion agenda. Continue agility training, collaboration and rapid experimentation.
Be the benchmark for Smart Consumption of food and beverages	Alcohol in society, Strategic Social Investment	Champion Integral Smart Consumption	Be the benchmark for Smart Consumption of food and beverages	Smart Consumption Team, Innovation, Marketing, Special Events, Communication, among others.	Smart Alcohol Consumption Agenda and consultation of consumption patterns, August 2020. Sugar reduction of 47% vs. previous year. Average drink 8.36 g per 250 ml. Fat: reduction of 135 tons in the last 3 years.	COVID-19 pandemic	consumointeligente@fifco.com	Continue with the promotion of the Smart Consumption agenda. Balanced portfolio.

7 commitments for 2020



Commitment	Material topics	Internal policy or strategy supporting the commitment	Objectives and goals for 2020	Areas responsible for the commitment and resources available	2020 Achievements	Obstacles	Formal claim and/or complaint mechanisms	Goals and actions for 2021
Eradicate poverty within our company	Holistic Well-Being, Strategic Social Investment	Champion collaborator-related issues	Eradicate extreme poverty within FIFCO, promote multidimensional prosperity among our collaborators.	<i>FIFCO Oportunidades</i> , Talent, Communication, Finance Teams, among others.	Second application of the business Multidimensional Poverty Index (MPI). Design and implementation of the deficiencies eradication plan.	COVID-19 pandemic, population's widespread impoverishment.	fifcooportunidades@fifco.com	Promoting prosperity and addressing multidimensional deficiencies in key populations.
Become a water, waste and carbon positive company through our brands	Materials, energy, water, emissions, waste, impact of our suppliers and customers	Environmental Policy -Responsible Supplier Code, Water Positive Strategy, Carbon Positive Strategy, Sustainable Packaging Strategy and Waste Recovery and Zero Waste Strategy	Continue progress towards becoming WEW Positive by 2020	Safety, Health and Environmental Management, Production/ Manufacturing Plants, Logistics, Distribution and Procurement	Achieve a positive balance in water, waste and carbon. Third-party certification.	Restrains due to the COVID-19 pandemic	800-FIFCOCR, 800-CERVEZA or through the website www.fifco.com	Remain water, waste and carbon positive.
Accomplish 100% recycling of our products	Plastic packaging, post-consumer recycling	Corporate Environmental Policy, and Sustainable Packaging Strategy	Accomplish 100% recycling of the products we place in the market	and Environmental Management. Supply Chain. Multidisciplinary team <i>Océanos</i> Project Agenda	Recovery and recycling of 100% of plastic packaging placed on the market.	Change in consumption habits due to the COVID-19 pandemic	800-FIFCOCR, 800-CERVEZA or through the website www.fifco.com	Maintain 100% plastic recovery and recycling

7 commitments for 2020



Compromiso	Temas materiales	Política o estrategia interna que respalde el compromiso	Objetivos y metas para el 2020	Áreas responsables del compromiso y recursos con los que cuentan	Logros 2020	Obstáculos	Mecanismos formales de quejas y/o reclamos	Metas y acciones para el 2021
Lead with brands that make the world a better place to live	Local communities, product health and safety, and market leadership. Others: brands' social investment, products' nutritional content and brands' water, emissions and waste	FIFCO Air Brands Strategy	Verification of Imperial, Pilsen, Agua Cristal and Tropical footprint throughout the value chain for the environmental labeling project	Safety, Health and Environment Management. Air Brands agenda multidisciplinary team.	Verification of Imperial, Pilsen, Agua Cristal and Tropical footprint throughout the value chain for the environmental labeling project	Prioritization in view of context, suspension of brands volunteering	800-FIFCOCR, 800-CERVEZA or through the website www.fifco.com	Continue with the FIFCO Air Brands agenda

Our stakeholders

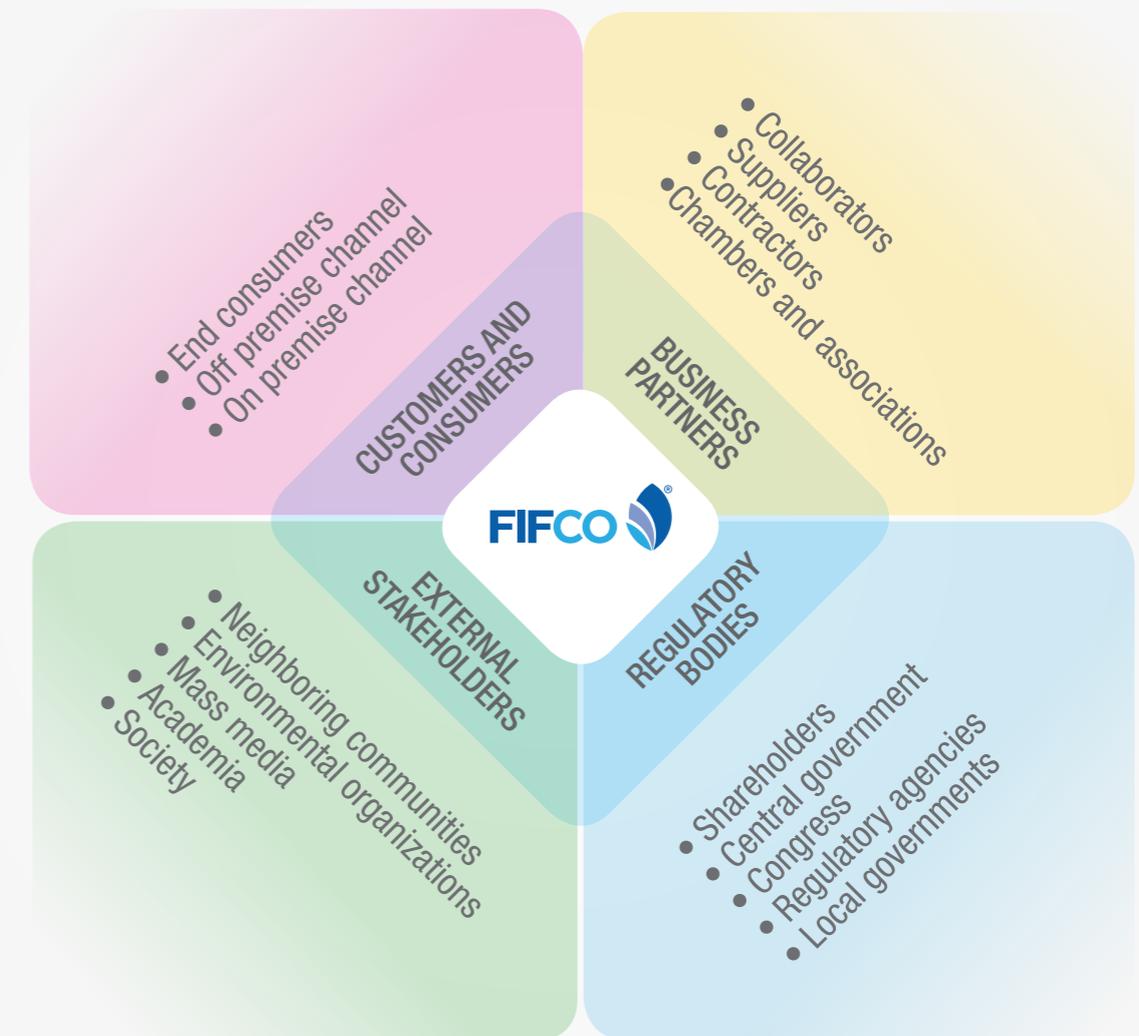
DISCLOSURE GRI 102-40, GRI 102-42

FIFCO has clearly identified its stakeholders, groups with which the organization interacts and have a special interest in it, are affected or may be affected by its actions, objectives or policies.

In 2020, because of the pandemic, **FIFCO designed and implemented a series of programs and measures considering its stakeholders.** This context led FIFCO to prioritize those key audiences and those most affected who deserved special, redesigned processes, explored new channels and services to continue creating value. Alliances with the Government, the business sector, trade and non-governmental associations became especially important.



Who do we interact with?



Our stakeholders

Communication channels for our stakeholders

Different mechanisms are established to encourage open and agile communication with our stakeholders, as reflected in the “Communication Channels” table below.

Communication Channels		
Stakeholder	Channel/Mechanism	Participation Channel
Collaborators	Email ●	Hotlines: email and telephone ●
	Meetings by department and the entire company ●●●	Meetings by department and the entire company ●●●
	Bulletin boards ●	Performance assessment ●
	Website ●	Surveys ●●
	Intranet ●	One-on-One meetings ●
	Integrated Report ●	Microclimate ●
	Mobile Application/Yammer/Whatsapp ●	Webinars with leaders ●
Suppliers	Online Supplier Portal ●	Online Supplier Portal ●
	Face-to-face and online meetings ●	Customer service lines ●
	Website ●	Online chat ●
	Integrated Report ●	Face-to-face and online meetings ●
Customers	Integrated Report ●	Face-to-face and online meetings ●
	Face-to-face and online meetings ●	Customer service lines ●
	Website ●	Online chat ●
	Webinars	Digital tools
	Phone call	Digital surveys ●
	Digital business platforms ●	
Consumers	Reporte Integrado ●	Face-to-face and online meetings ●
	Encuentros presenciales y virtuales ●	Customer service lines ●
	Sitio Web ●	Social networks ●
	Social networks ●	Online chat ●
Communities	Social networks ●	Customer service lines ●
	Integrated Report ●	Face-to-face and online meetings ●
	Email ●	Email and letters ●
	Face-to-face and online meetings ●	Studies/Surveys ●
Government, trade associations and media	Social networks ●	Customer service line ●
	Website ●	Online chat ●
	Integrated Report ●	Face-to-face meetings ●
	Email ●	Email and letters ●
	Face-to-face and online meetings ●●	Studies/Surveys ●
	Digital contact	Digital Online
Shareholders and Investors	Integrated Report ●	Shareholder service hotlines ●
	Email ●	Email and letters ●
	Online meetings ●	
	Website ●	

Note: Any reference to an online event describes actions carried out before the pandemic.

Our stakeholders

DISCLOSURE GRI 102-43, GRI 102-44



About the consultation process

Every two years, a survey is conducted with those groups that interact with the company. An external firm administers it using a quantitative and qualitative methodology; the most recent one was conducted from July to August 2018 by external consultants. The results of this study allow us to realign priorities and create specific projects to address the expectations of the groups examined. The results of these consultations are subject to analysis and reflection by the General Management, the executive committees and the company managements. This valuable information about what the groups think and expect serves as a basis to guide FIFCO's scopes of action and priorities, and to define its commitments to its stakeholders. The study was divided into four specific consultations by Strategic Business Unit (SBU): Distribuidora La Florida S.A. (Costa Rica), FIFCO Retail, Reserva Conchal and Industrias Alimenticias Kern's. The general objective was to determine the perception, knowledge and expectations of all the stakeholders - considered a priority - towards the initiatives and sustainability programs performed by each of the business units.

Migration to a new methodology

In 2019, the first steps were taken to migrate to a Net Promoter Score (NPS) measurement model, through an internal measurement focused on customer perception of FIFCO in its telesales, distribution and pre-sales services.

Our stakeholders

Overview of stakeholder analysis findings

DISCLOSURE GRI 102-43, GRI 102-44

FIFCO's main footprints or impacts

Stakeholders identify 4 major areas as main impacts of FIFCO's operation:

Impact on development

1 The company has a positive impact on the economic and social development of the countries where we operate.

Environment

2 Use of natural resources like water, as well as impact on the environment due to the typical production processes of this kind of company, specifically emissions and packaging disposal.

Job creation

3 The company as creator of jobs and well-being.

Health

4 The company has an impact on the public health of the countries where it operates, specifically due to the trade of alcoholic beverages and products with sugar content.

How are these impacts prioritized?

The different stakeholders consulted prioritize FIFCO's impacts as follows:

Shareholders and Suppliers

1. Economic and social development
2. Environmental impact
3. Job creation

Millennials and centennials

1. Environmental impact
2. Impact on health: alcohol in society
3. Impact on health: obesity/products with high sugar and fat content

Opinion Leaders

1. Impact on health: alcohol and products with sugar content
2. Environmental impact: containers-recycling
3. Job creation

Impact prioritization by business unit

Business Unit	Environmental Impact	Impact on health	Job creation	Economic and social development
<i>Florida Bebidas y Alimentos Costa Rica</i>	1	4	3	2
<i>Industrias Alimenticias Kern's (IAK)</i>	1	3	4	2
<i>Reserva Conchal</i>	3	4	1	2
Florida Retail	1	3	4	2

What is expected from FIFCO?

- 1. Support for social causes through volunteer work.**
Address poverty in general.
- 2. Regarding the environment,** they expect enhanced protection, through different initiatives, mainly: packaging recycling, tree planting, adequate management of natural resources such as water, while promoting further environmental education.
- 3. Direct and indirect job creation.** Support for suppliers and entrepreneurs.
- 4. Educate and promote responsible drinking.** They express expectations about the development of health products (sugar reduction and elimination) and nutrition and welfare education.

Our stakeholders

DISCLOSURE GRI 102-43, GRI 102-44

Surveys in times of COVID-19

Given the unusual situation, two surveys were applied in 2020:

1) Customer Support Plan:

Aimed at identifying the type of impact caused by the pandemic, as well as reopening plans. The starting date was 5/22/2020 and was completed on 6/4/2020. 4,390 customers were addressed.

2) Database update::

The starting date was 7/14/2020 and was completed on 10/04/2020. 8,569 customers were addressed.



FIFCO ranks first in MERCO's Corporate Reputation Study

For fourth consecutive year, MERCO, the Corporate Reputation Monitor, appointed FIFCO as number one company in its three study categories:

- #1 Best Reputation in Costa Rica
- #1 Social Responsibility and Corporate Governance
- #1 Ramón Mendiola (CEO), leader with best reputation in Costa Rica

- Top 10: Gisela Sánchez (Director of Corporate Relations)

- Top 100: Rolando Carvajal (Business Executive Director), Wilhelm Steinvorth, José Rossi and Philippe Garnier, members of FIFCO's Board of Directors

This is a milestone for FIFCO, being recognized by a prestigious entity with a reliable evaluation for fourth consecutive year as a benchmark in reputation, sustainability and leadership in Costa Rica.

Merco's 2020 Ranking		Position	Score
Merco Companies		1	10,000
Merco Leaders		1	10,000
Merco Responsibility and Corporate Governance		1	10,000

Impacts and materiality in our value chain

DISCLOSURE GRI 102-46, GRI 102-47, GRI 102-48, GRI 102-49

According to the Global Reporting Initiative, materiality or material topics are those aspects that have a direct or indirect impact on the organization’s capacity to create, preserve or share economic, social and environmental value, either for itself, its stakeholders or society in general.

According to the Global Reporting Initiative, materiality or material topics are those aspects that have a direct or indirect impact on the organization’s capacity to create, preserve or share economic, social and environmental value, either for itself, its stakeholders or society in general

According to the IIRC, an integrated report should disclose information on matters that substantially affect the organization’s capacity to create value in the short and medium term. This analysis becomes a valuable input for our strategic planning processes and helps us focus our resources in a more efficient way on the issues that are critical for the economic, social and environmental sustainability of each business unit.

FIFCO defines a specific materiality matrix for Florida Bebidas y Alimentos Costa Rica (Costa Rica), Florida Retail, Reserva Conchal and Industrias Alimenticias Kern’s. In 2018, the company begins to establish its main material topics for the FIFCO USA operation.

These material topics are defined not only considering the inputs of the Stakeholder Study and the Customer Loyalty Study, but also analyzing for every topic their impact on the current operation and set on the 2020 goals, as well as the importance assigned to each of these topics or aspects by the respective stakeholders.

Given the situation, 2020 implied different prioritization regarding material topics. Specifically, the company prioritizes agendas related to:

1. Health and safety of our collaborators and their families
2. Job protection
3. Cash flow protection

Management approach for material topics

The material topics identified for each business unit become the central axis for said Unit’s management, being reflected both in the annual plans and in the establishment of policies, commitments, goals, objectives, key indicators, responsible parties, resources required and complaint mechanisms.

The management approach is evaluated via a methodology known as *Strategy Meet Up*; every month each unit monitors the effectiveness, behavior and evolution of each indicator using specialized software. These indicators respond to a specific material topic. Specific actions, such as projects and programs to address and manage each material topic, are explained in each of our Triple Bottom Line strategy dimensions (whether Economic, External Social, Internal Social or Environmental) the topic belongs to, according to the table below.

Creating value

Summary by dimension

As a corporate citizen, FIFCO seeks to migrate from minimizing our impacts to creating positive value in the communities where we operate. The different stakeholders with whom we interact become direct or indirect beneficiaries of the financial, intellectual, human, social and environmental value created.

In an atypical context such as the Pandemic, FIFCO's objective was to create value for its different stakeholders, especially to its shareholders, collaborators, suppliers, customers and consumers.



Economic dimension

- Contribute to commercial development and economic growth in the countries where we operate.
- Promote and support national industry and commerce, with special emphasis on economic reactivation due to the COVID-19 pandemic.
- Create jobs in the communities and countries where we operate
- Generate profits for our shareholders
- Distribute wealth throughout our value chain
- Pay corresponding taxes and duties
- Develop high-quality products, innovation. Develop categories and segments that promote healthy competition.
- Promote public policies and fair regulation



Environmental dimension

- Knowledge building and transfer
- Develop and promote new technologies with less impact on the environment
- Contribute to the country's goals and environmental causes.
- Empower and train communities and other key stakeholders on environmental matters
- Protect and preserve natural resources
- Reduce environmental risks
- Raise awareness and provide environmental education

Creating value



Social dimension

- ▶ Placement of quality products and services
- ▶ Job creation and related benefits
- ▶ Social and philanthropic contributions in times of pandemic.
- ▶ Promotion of healthy drinking patterns, initiatives focused on reducing harmful drinking patterns
- ▶ Addressing poverty inside and outside the company
- ▶ Transfer of knowledge and good practices
- ▶ Promotion of the holistic well-being of our collaborators and other stakeholders
- ▶ Local socio-economic development
- ▶ Development and promotion of teaching methodologies
- ▶ Inclusion of sensitive populations
- ▶ Addressing the national child undernutrition problem
- ▶ Promotion of Human Rights and optimal working conditions
- ▶ Sense of satisfaction and self-esteem among our collaborators and other stakeholders related to our programs
- ▶ Commercial/operational progress of our suppliers and customers
- ▶ Dissemination and promotion of Corporate Social Responsibility as a way of doing business

Changes in the Organization

Aiming to be a company organized by geographies and categories, more focused on the customer and the consumer, FIFCO reports relevant changes for the 2020 period:

- ▶ The **Business Executive Management** is created, composed of business units that respond to FIFCO's geographic presence. It is formed by the Country Management in Costa Rica, Guatemala, Mexico and the United States, in addition to the Retail Management, the Data, Analytics and Route to Market areas, as well as the Supply Chain Corporate Division.
- ▶ The **Corporate Marketing Management** was created.
- ▶ The **Customer Experience Center** department was created, which integrates Customer Service, Telesales and other departments to raise the level of experience of each customer and consumer.
- ▶ As a result of the pandemic and the economic situation of the countries where the company operates, FIFCO went through an organizational resizing process. This adjustment implied the dismissal of approximately 10% of its personnel and additionally, the revision of the working conditions of certain positions in view of the new reality.
- ▶ During 2020, due to the COVID-19 pandemic and the restrictions issued by the government authorities, the **Ordinary Shareholders' Meeting** was not held in person. During the period, virtual communication and information events were held for shareholders and investors.

Creating value

Certifications and Awards

- ▶ Essential Costa Rica License for the brands:**
 - Tropical, Imperial Exportaciones, Agua Cristal and Nutrivida.
- ▶ FSSC 22000 Food Safety System Certification**
 - Refreshments Plant
- ▶ ISO 45001:2018 Safety System Certification**
 - Refreshments Plant
- ▶ Better Award, Pepsico Latam**
 - Regarding environmental matters
 - Refreshments Plant
- ▶ ProNutri Technical Standard Certification**
 - FIFCO's Corporate Building, Costa Rica
- ▶ Leader in MERCOSUR's Corporate Reputation Study**
 - FIFCO, company with best corporate reputation
 - FIFCO, Responsibility and Corporate Governance
- ▶ IRAM 323 (HACCP) and IRAM 324 (Manufacturing Good Practices) Food Safety Certifications**
 - Beer Plant
- ▶ BRCGS Quality and Food Safety Certification**
 - Retail FIFCO Plant
- ▶ ISO 14001:2015 Environmental Management System**
 - Beer Plant, Refreshments Plant
 - Florida Retail Plant
 - The Westin Reserva Conchal and All-Inclusive Golf Resort & Spa
 - *Distribuidora La Florida* (Distribution Centers in the Greater Metropolitan Area and Recycling plant)
- ▶ ISO 14046 Water Footprint**
 - *Florida Bebidas Costa Rica*
 - Agua Cristal
 - Cerveza Imperial
- ▶ ISO 14064 Carbon Footprint**
 - Florida Retail Plant
 - The Westin Reserva Conchal an all-inclusive Golf Resort & Spa
 - *Distribuidora La Florida S.A.*
 - *Tropical Tés*
- ▶ ISO 50001 Energy Efficiency**
 - FIFCO Retail Plant
- ▶ INTE B5 System for demonstrating Carbon Neutrality**
 - FIFCO Retail Plant – Carbon Neutral Plus category
 - The Westin Reserva Conchal and All-Inclusive Golf Resort & Spa
 - *Distribuidora La Florida*, Carbon Neutral Plus category
- ▶ INTE ISO 14067:2015 Products Carbon Footprint**
 - Imperial Beer
 - Tropical Teas
- ▶ Zero Waste to Landfill Certification by Carbon Trust**
 - *Distribuidora La Florida S.A.*
 - FIFCO Retail Plant
- ▶ Ecological Blue Flag Award**
 - Beer Plant and Refreshments Plant – Micro Basins category
 - Beaches category, Playa Conchal
 - Communities category, Reserva Conchal community
 - Sustainable Homes category
 - Protected areas (Conchal Mixed Wildlife Refuge)
- ▶ Tourist Sustainability Certification awarded by ICT (Costa Rica Tourism Board)**
 - The Westin Reserva Conchal an all-inclusive Golf Resort & Spa y Hotel W Costa Rica Categoría Élite.
- ▶ Audubon Certification**
 - The Westin Reserva Conchal and All -inclusive Golf Resort & Spa golf course
- ▶ Sanitary Quality Seal Program Flag awarded by AyA**
 - Operating Agencies category, for Cristal Plant (4 stars) and Reserva Conchal (5 stars)

Creating value

Commitment to external initiatives

- ▶ Founding member of the **Alliance for Sustainability**
- ▶ Founding member of the first water fund in Costa Rica: **Agua Tica**
- ▶ Member of the **Latin American Corporate Governance Roundtable Companies Circle**. This group is driven by the Organization for Economic Cooperation and Development (OECD) and the International Finance Corporation (IFC). The Circle is comprised of 15 companies from five countries, which have demonstrated their leadership and adopted good corporate governance practices.
- ▶ Member of the World Economic Forum's **Global Growth Companies** initiative. Created in 2007, this community aims to involve dynamic, high-growth companies with the potential to become future industry leaders and a driving force for economic, social and environmental change.

- ▶ Member of the **Global Reporting Initiative's Community**. FIFCO is part of the nucleus of various "stakeholders" of the GRI network, essential for the GRI to remain an independent and democratic organization.
- ▶ Signatories of the **National Pact for Compliance** with Sustainable Development Goals, Costa Rica, 2016.
- ▶ Member of the **United Nations Global Compact** since 2014.

Precautionary criterion

According to the Rio Declaration on Environment and Development, the precautionary approach consists of the fact that the lack of scientific certainty must not be used as a reason to delay the adoption of efficient measures to prevent environmental degradation. This principle is supported by the environmental dimension of FIFCO's Triple Bottom Line strategy. Its Corporate Environmental Policy details the company's commitment to protect the environment, and prevent and avoid any negative impact.

Organizations we are part of

- ▶ American Society of Brewing Chemists (ASBC)
- ▶ Entrepreneurial Association for Development (AED)
- ▶ Association of Producers and Importers of Alcoholic Beverages of Costa Rica (APIBACO)
- ▶ Beer Institute
- ▶ National Stock Exchange
- ▶ Costa Rican Chamber of Securities Issuers
- ▶ Costa Rican Chamber of Commerce
- ▶ Heredia Chamber of Commerce
- ▶ Chamber of Industries
- ▶ Costa Rican Chamber of Food Industry (CACIA)
- ▶ Costa Rican Chamber of Restaurants (CACORE)
- ▶ Chamber of Retailers
- ▶ Guanacaste Chamber of Tourism (CATURGUA)
- ▶ Centrarse Guatemala
- ▶ *Cerveceros Latinoamericanos*
- ▶ Communications Company Community
- ▶ National Social Responsibility Advisory Council
- ▶ Costa Rican American Chamber of Commerce (AmCham)
- ▶ Ecolones
- ▶ World Economic Forum
- ▶ International Life Sciences Institute (ILSI)
- ▶ Master Brewers Association of America (MBAA)
- ▶ GRI Community
- ▶ *Redcicla*
- ▶ Global Compact Costa Rica local network
- ▶ Siebel Institute
- ▶ Costa Rican Union of Chambers and Associations of the Private Business Sector (UCCAEP)
- ▶ Yunus Social Business

Capitals

All organizations depend on various capitals to be successful.

Capitals Classification / International Council of Integrated Reports



Financial Capital

Pool of funds available for the production of goods or provision of services, obtained through financing or generated by the company's operations.



Intellectual Capital

Intangibles based on the organization's knowledge. It considers: intellectual property and organizational capital.



Social and Relationship Capital

Institutions and relationships within and between communities, stakeholders and other networks; and the ability to share information to improve individual and collective well-being. Includes: shared rules, relationships with key stakeholders, intangibles associated with the brand and reputation, among others.



Natural Capital

All renewable and nonrenewable environmental resources and processes that provide the goods and services that sustain an organization's past, current or future prosperity. Includes: air, water, land, minerals, biodiversity and the ecosystem's health.



Manufactured Capital

Manufactured physical objects available for use in the production of goods or provision of services.



Human Capital

People's competencies, skills and experiences, and their motivations to innovate.

Capitals



Capitals

Developing talent



Context

The core of our business model, strategy and understanding of sustainability starts with our collaborators.

Our corporate purpose faithfully reflects FIFCO’s new vision, a vision in which the organizational culture and way of working are characterized for recognizing and celebrating achievements in an authentic way; a company in which individuals come first and live the purpose, based on the confidence and progress of its people; a company that shares and promotes sustainability as the correct way to add value to the communities and countries where it operates. In addition, FIFCO defines itself as a company that works with simple processes and decision-making, is creative and innovative, challenges traditional methods; a company that brings revolutionary ideas to the market, that sets trends and seeks creative solutions to problems.

Inputs

- ▶ A workforce of 5,386 collaborators.
- ▶ Leadership model; as leaders we contribute to create a better way of living and we are a positive influence on others.
- ▶ Corporate purpose and values.
- ▶ Training Program – U FIFCO.

Activities

- ▶ Implement the unified health and safety agenda in face of the COVID-19 emergency, *FIFCO Segura*.
- ▶ Develop new telecommuting protocols.
- ▶ Adjust the organizational structure.
- ▶ Optimize the internal and external recruitment strategy.
- ▶ Implement the new leadership model.
- ▶ Redesign the induction program.
- ▶ Implement the 360 holistic wellness strategy for our collaborators through the *Estar Bien* (Being Well) program and rigorous Occupational Health and Safety standards.
- ▶ Implement a mechanism that promotes greater strategic alignment.
- ▶ Promote diversity focusing on gender equality (recruiting more women), sign the San José Convention on non-discrimination towards the LGBTI population and hire people with disabilities.
- ▶ Maintain and update UFIFCO contents.
- ▶ Training program in leadership, development of future skills in terms of commercial trends.
- ▶ Human rights awareness workshops.

Capitals

Promoting relationships



Context

An effective dialogue with our stakeholders is key to create real social and environmental value under a Triple Bottom Line approach. This approach and the consultation process allow us to manage expectations, as well as formulate answers to these shared challenges.

As a result of these same consultation processes, the company designs a series of initiatives and actions to meet these expectations and needs. In 2020, these consultations became especially important. FIFCO identified specific needs of its key audiences, especially those most impacted by the global COVID-19 emergency.

Inputs

- Formal consultation mechanisms and dialogue forums with important stakeholders.
- Study results for *Florida Bebidas, Florida Retail, Reserva Conchal and Industrias Alimenticias Kern's*.
- Results of the Loyalty Study applied to customers.
- Positive evaluation of the relationship and connection of our collaborators with their leaders and with the company's purpose.
- Acknowledgement among specialized stakeholders of the company's main sustainability initiatives.

Activities

- Conduct the Customer Loyalty Study, database update survey, consultation to NGOs.
- Create dialogue spaces with different stakeholders.
- Design and implement the following programs: *Florida Asesoría, Quedateencasa.com, Tico Jala Tico, Caja Solidaria, La Pulpe Digital*.
- Record complaints regarding the operation
- Preserve and expand the Sustainable Procurement program addressed to the company's suppliers.
- Preserve and expand the corporate volunteering program: *Elegí Ayudar* (I Chose to Help).
- Participation of collaborators, their relatives/companions, shareholders, suppliers, customers, consumers and other organizations in volunteering activities.
- Efforts to teach and promote Integral Smart Consumption habits among critical stakeholders.
- Create public-private partnerships as a way to maximize impact and encourage greater collaboration with the Government, other public agencies and civil society.
- Sign the National Pact for the Advancement of the Sustainable Goals, making a public commitment to help achieve SDGs.

Capitals

Driving operational excellence



Context

As a multinational food, beverage, retail service and hospitality company, we aim for high quality levels in our operations.

Strict standards for both, manufacturing practices and guest service protocols, as well as customer service in general, are imperative for business continuity.

The company is committed to excellence and to implementing best practices both at the manufacturing level, distribution, as well as in the service given to its internal and external customers. Likewise, it seeks to minimize, as much as possible, the negative impact caused on the environment and other stakeholders, if any, and to have a positive impact by creating value in the communities where it operates.

Given the COVID-19 emergency, the Business Continuity Committee and the respective emergency committees started operating. A unified Occupational Health and Safety agenda called *FIFCO SEGURA* is implemented as a way to ensure the operational continuity of the business.

The year 2020 accelerated the company's digital transformation agenda. This agenda implied several changes at the operational level, such as, for example, a greater emphasis on telesales management.

Inputs

- Properties, facilities and operations in 4 countries: Costa Rica, Guatemala, El Salvador and the United States.
- 7 Production Plants (considering the Recycling Plant and Nutrivida), 15 Distribution Centers.
- 1,256 hectares in Guanacaste, Costa Rica dedicated to hospitality projects.
- 213 Musmanni bakeries and 71 Musi convenience stores.

Activities

- Continue with the Master Plan: Within its “FIFCO 2020” strategy, the company has defined an investment plan (“Master Plan”) for its food and beverage business. This plan is focused on expanding the installed capacity of key production and packaging processes for beer, flavored alcoholic beverages and non-alcoholic beverages.
- Adaptation of facilities to new requirements resulting from the COVID-19 emergency.
- Continue renovation works in production plant in Rochester, New York.
- Progress of the *Alta Tensión* Project.
- Temporary closure of hotel operation, eventual reopening in November 2020.

Capitals

Financial capital optimization



Main comments on financial results

Sales

Sales declined by 9.7% due to the COVID-19 crisis which led to a total and/or partial On-Premise closure in Costa Rica, transfer of purchase opportunity to the modern channel with lower profitability, greater discounts and a larger competitive context regarding the beer sector. Further, traffic decreased in convenience stores, bread-making and the Westin and W hotels closed temporarily for several months. All of the above was partially compensated by higher volume of Flavored Alcoholic Beverages in the United States, the entry to the Mexican market with the launch of Seagram's Escapes and higher volume of beans in the United states, Guatemala and El Salvador.

Gross profit

Gross profit declined 17.8% mainly due to lower volume in Costa Rica, the unfavorable effect towards family formats (refreshments) and migration to brands/presentations with lower price per mL (Beer: liter, low price brand). The lower foot traffic is reflected in lower sales of bakery, franchises and convenience formats. The closing of both hotels at the end of March reduced the real estate segment. This is in contrast to higher bean volume in the most profitable markets, as well as higher efficiency in the Guatemala plant due to higher production levels.

Operating costs

As part of the containment measures for the drop in sales, reductions in operating expenses were applied mainly in the areas of salaries, advertising, events, point of sale, travel expenses, third party expenses, logistics expenses and utilities. There was an increase in the allowance for credit losses due to the closing of businesses and an increase in customer delinquency, as well as greater investment in occupational health expenses (Covid-19 protection implements for employees), as well as the Imperial Solidarity Box to customers.

Capitals

Strengthening innovation | FIFCO undergoes transformation



Context

Facing the 4th Industrial Revolution, the creation of **intellectual capital**, in all three dimensions, is a strategic priority for FIFCO.

The COVID-19 pandemic and associated trade restrictions accelerated the company's digitalization agenda. Digitalization, data-driven decision making and the design of processes, products and services based on customer and consumer needs became a priority issue for 2020.

In parallel, FIFCO continues with an important research and development agenda for products and services.

Input

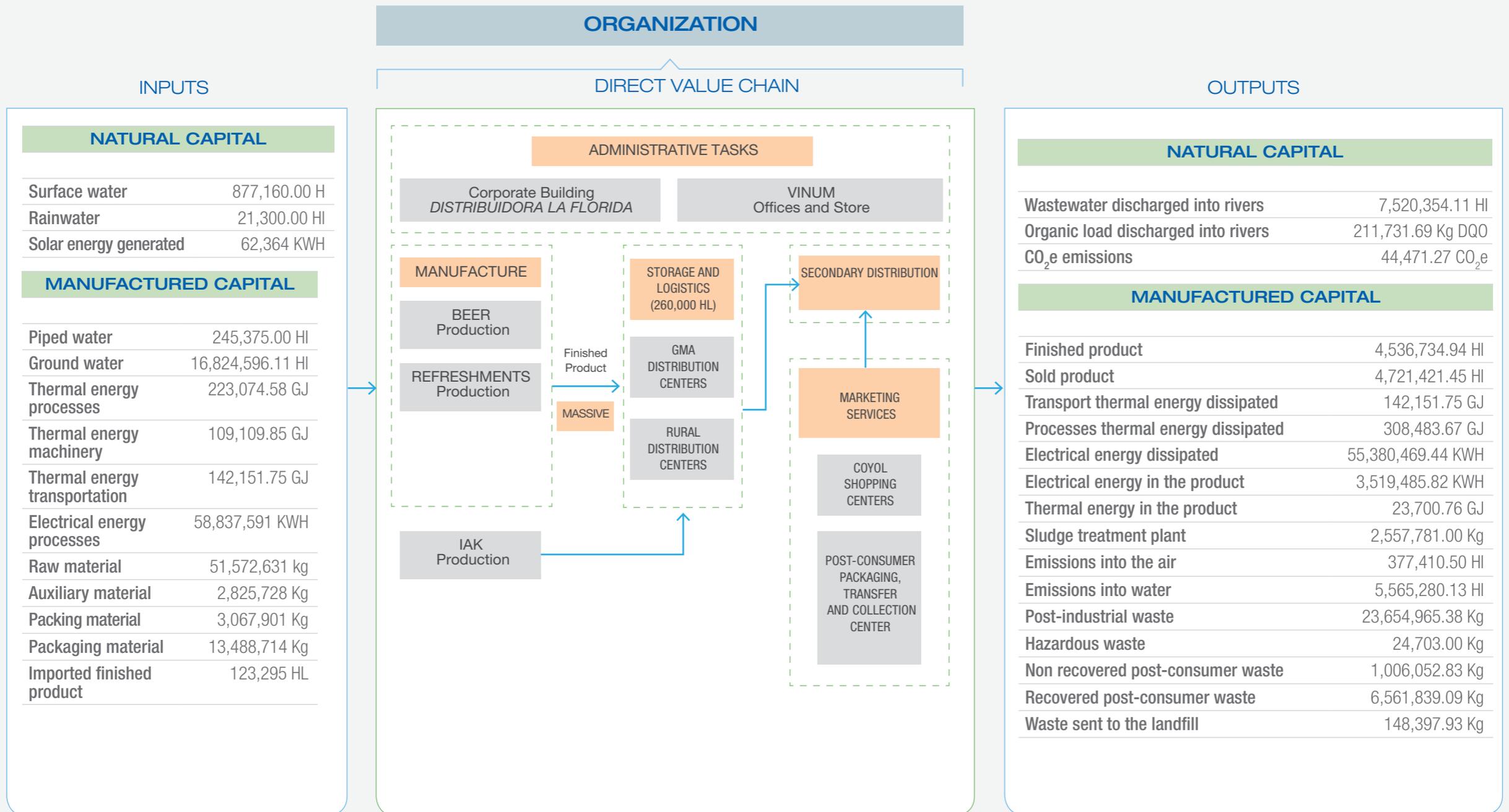
- ▶ Human Capital - Transformation Office.
- ▶ Triple Bottom Line Strategy, Air Brands agenda.
- ▶ Proprietary technologies and products.
- ▶ Procedures and services.
-
- ▶ Brands and their reputational value.
- ▶ Human resources.
-
- ▶ Organizational culture and leadership model.
- ▶ Intangible assets.

Activities

- ▶ FIFCO Agenda undergoes Transformation.
- Highlights:
 - ▶ Advanced Analytics COE.
 - ▶ Master Data Management.
 - ▶ Commercial Segmentation.
 - ▶ Fill E-Commerce.
 - ▶ *La Pulpe Digital*.
 - ▶ FIFCO *Asesoría*.
- ▶ Promotion of an organizational digitalization culture, focused on the client, data-driven decisions and new organizational structures that seek greater agility and simplicity.
- ▶ Market launch of 25 new products.
- ▶ *Océanos* Project agenda breakthrough: development of the first PLA packaging prototype for water.
- ▶ FIFCO Air Brands: verification of the environmental footprint of Imperial, Pilsen, Agua Cristal and Tropical for environmental labeling project.
- ▶ *Raw Bee Honey Reserva Conchal* Project.

Capitals

Gestionando los Recursos Naturales



Capitals

Capital flow analysis: natural resources



Natural capital

- Reduction of natural flow in the basin due to outflows in the form of water in the product and emissions to the air.
- Increased organic load to the river due to wastewater discharges. These are governed by the environmental legislation and are in compliance, but are loads that previously the body of water did not possess.
- Transformation of surface water in part into finished product, increasing the industrial flow and reducing the natural flow.
- Electrical and thermal energy through the use of fuels, in conjunction with the use of refrigerants within the process, generate greenhouse gas emissions that become part of the natural capital in atmospheric gases.
- The atmospheric emissions generated are compensated by reaching Carbon Neutrality of its operations, additionally it becomes Carbon Positive by compensating 20% more to the Carbon Neutral condition, offsetting 49,000 Tons.
- For the water footprint, a total of 846 hectares are offset, of which 451.8 hectares correspond to manufacture and supply chain, 394.2 hectares to product; both for the Water Positive condition.

Manufactured capital

- Transformation of groundwater in part to finished products. Part of this water remains in the basin as wastewater, entering the natural flow
- Transformation of raw materials, auxiliaries, and packing and packaging into finished products. Part of these materials are transformed into post-industrial waste and post-consumer waste.
- The electrical energy taken from manufactured capital becomes manufactured capital as dissipated energy and a fraction is energy “contained” in the product, due to the indispensable processes of its intervention in the productive processes, namely: preparation and blending of juices and carbonated beverages and PET bottle blowing. Dissipated energy includes machinery and lighting energy.
- Thermal energy is obtained from manufactured capital and divided into energy for transportation and energy for processes. The first dissipates in the process as part of manufactured capital. The second partly dissipates in the production process.

SECTION

2

Performance by Dimension





Economic Dimension



Material Topics of the Economic Dimension



SDGs this initiative contributes to



The year 2020 implied a reassessment of the corporation's material topics. **FIFCO identifies 5 material topics of its economic dimension** to achieve its sustainability in the midst of a challenging business and socioeconomic context.

- 1 Economic value created
- 2 Sales and profits
- 3 Product quality
- 4 Business environment and customer operations
- 5 Upstream value chain, suppliers



Business drivers and context

Resources

Committed collaborators

Innovation with a purpose

Our brands

Financial discipline

External factors

Global economy

“Although the world’s economic activity is recovering from the collapse caused by COVID-19 (coronavirus), it will remain below the tendencies before de pandemic during a prolonged period.”

WORLD BANK

Regarding Costa Rica, the World Bank specifically indicates that “the country is now facing the risk of a sudden interruption in capital flows. The Gross Domestic Product (GPI) is expected to reduce in 2020 to -5.4 percent. On the other hand, poverty and unemployment are expected to increase, partly due to the impact of the health emergency on tourism and trade, added to a contraction in areas such as agriculture and construction. Two development challenges outstand: the tax situation and persistent inequality. These challenges affect the basic pillars of the Costa Rican development model: inclusion, growth and sustainability.”

SOURCE: WORLD BANK, WWW.BANCOMUNDIAL.ORG

Price of key supplies

The price of our supplies has a direct impact on our competitiveness. Throughout the year we kept open a negotiation agenda with our suppliers, always searching for benefits for both parties.

Regulations and political environment

As a company with operations in several countries that participates in various categories and industries, FIFCO is exposed to multiple regulations and legal contexts. Participating in Chambers and other trade associations is key to timely control critical issues for the company’s operations.

It must be emphasized that the company does not receive financial aid from government entities for its operations. Economic reactivation, amid the global emergency, was a cross-cutting priority for the company’s operations in all geographies.

Specifically in Costa Rica, neutralization and illegal trade as well as the creation of new taxes, are critical topics for our operation in our agenda. In Guatemala, the political environment is a relevant factor for consideration, contributing to lack of confidence and uncertainty, among consumers and trade in general. In the case of FIFCO USA, business conditions improved during the period.

Natural resources

Like all companies, FIFCO depends on the availability of natural resources such as water and energy to operate. As a result, FIFCO promotes rational use of natural resources, for which it establishes rigorous goals and programs in environmental matters, specifically regarding: post-industrial waste, post-consumer waste, water resources and energy/ greenhouse gas (GHG) emissions.

/ Business drivers and context

Our relationships

Shareholders



The administration seeks a transparent and assertive relationship with its shareholders, systematically sharing the company’s performance in the three dimensions under which it operates: economic, social and environmental.

Collaborators



At FIFCO, collaborators are the company’s heart and engine. Ensuring their well-being was a corporate priority during 2020. Creating spaces and feedback mechanisms allows us to identify opportunities to improve and better manage these relationships, which results in high performance of the organization as a whole.

Consumers



The ability to identify the needs, preferences and priorities of our consumers guarantees loyalty towards our brands and the company as a whole. The ability to anticipate and offer products of the highest quality that come with added value, acknowledged by our consumers, validates the sustainability of the business.

Customers



Fair business relationships aimed at creating value and “win-win” situations ensure our brands’ growth. In this period, we did not conduct the traditional survey to reveal the Customer Satisfaction Index; instead, we are reformulating the format and content of the tool to be applied in 2020.

Suppliers



The company builds valuable relationships with its business partners, key allies in the company’s value chain. We seek the growth and development of our suppliers through different programs, such as the Sustainable Procurement Program, which accompanies them in implementing improvements in social and environmental matters.

Communities



Secure, vibrant and successful communities play a crucial role in our business. The company promotes the welfare and progress of the communities where we operate.



Key Performance Indicators



Main Financial Results

FLORIDA ICE AND FARM COMPANY, S.A. AND SUBSIDIARIES
Consolidated Statement of Profit and Loss and Other Comprehensive Income
(in millions of colones)

For the twelve-month period ended on December 31, 2020 and fifteen-month period ended December 31, 2019

	2020	2019
Net sales	642,628	890,383
Cost of sales	357,119	452,578
Gross profit	285,509	437,805
Operating expenses	217,170	297,184
Operating profit	68,339	140,621
Non-recurring items, net	3,643	83,933
Utilidad de operación	64,696	56,688
Financial expenses, net	28,572	38,016
Exchange differences, net	7,179	1,258
Share of profit of associates, net	(3,668)	(12,041)
Profit before tax	32,613	29,455
Income tax	15,193	33,020
(Loss) Profit for the period	17,420	(3,565)
(Loss) Profit attributable to:		
Owners of the Company	10,655	(1,243)
Non-controlling interest	6,765	(2,322)
	17,420	(3,565)

FLORIDA ICE AND FARM COMPANY, S.A. AND SUBSIDIARIES
Consolidated Statement of Profit and Loss and Other Comprehensive Income
(in millions of colones)

For the twelve-month period ended on December 31, 2020 and fifteen-month period ended December 31, 2019

	2020	2019
Net sales	642,628	711,587
Cost of sales	357,119	364,097
Gross profit	285,509	347,490
Operating expenses	217,170	236,820
Operating profit before non-recurring items	68,339	110,670
Non-recurring items, net	3,643	57,296
Operating profit	64,696	53,374
Financial expenses, net	28,572	30,796
Exchange differences, net	7,179	(3,534)
Share of profit of associates, net	(3,668)	(8,905)
Profit before tax	32,613	35,017
Income tax	15,193	24,476
(Loss) Profit for the period	17,420	10,541
(Loss) Profit attributable to:		
Owners of the Company	10,655	9,354
Non-controlling interest	6,765	1,187
	17,420	10,541

Comments on Financial Statements

The following comments correspond to the twelve-month comparable periods ended on December 31, 2020 and 2019.

Net sales

Sales decreased by 9.7% due to the COVID-19 crisis, which resulted in the total and/or partial closure of On-Premise in Costa Rica, the transfer of purchasing opportunities to the modern channel with lower profitability, higher discounts, and a more competitive environment in beer.

In addition, there was a decrease in traffic in convenience stores and bakeries, and the Westin and W hotels were temporarily closed for several months. All of the above was partially offset by higher volume of Flavored Alcoholic Beverages in the United States, the entry into the Mexican market with the launch of Seagram's Escapes, and higher volume of beans in the United States, Guatemala and El Salvador.

Gross profit

Gross profit declined 17.8%, mainly due to lower volume in Costa Rica, the unfavorable effect on family formats (refreshments) and migration to lower-price-per-mL brands/presentations (Beer: liter, low-price brand). Lower foot traffic is reflected in lower bakery sales, franchises and convenience formats. The closing of

both hotels at the end of March reduced the profit of the real estate segment. This in contrast to higher bean volumes in the more profitable markets, as well as greater efficiency in the Guatemala plant due to higher production levels.

Operating expenses

As part of the containment measures for the drop in sales, operating expense reductions were applied mainly in the areas of salaries, advertising, events, point of sale, travel expenses, third party expenses, logistics expenses and utilities. There was an increase in the allowance for credit losses due to the closing of businesses and an increase in customer delinquency, as well as a greater investment in occupational health expenses (Covid-19 protection implements for employees), as well as the Solidarity Box for customers.

Operating income before other expenses

Operating income declined mainly due to the COVID-19 effect in Costa Rica, partially offset by operating expense reduction initiatives and volume growth

of Flavored Alcoholic Beverages and beans in the United States, as well as in Guatemala and El Salvador.

Other expenses, net

Other expenses (income) decreased 94% mainly due to the absence of the accounting impairment of intangible assets in the United States for 53,400 million in 2019.

Net financial expenses

Lower indebtedness at favorable rates, net of increase due to IFRS16 implementation.

Gain on equity in income of associates, net

Mainly due to recording of impairment in Cervecería Panamá. Comegua and Inceca slightly lower than in 2019.

Profit attributable to controlling interest owners

Net income closed with an increase of 14% compared to 2019 mainly due to the absence of the impairment of intangible assets in the United States recorded in 2019, as well as lower financial expenses. An unfavorable effect is the lower operating income as a result of the restrictions related to the pandemic, the impact of the devaluation of the colon and lower income from associates.

Balance Sheet

FLORIDA ICE AND FARM COMPANY, S.A. AND SUBSIDIARIES

Consolidated Statements of Financial Position

(in millions of colones)

December 31, 2020 and 2019

Activo	2020	2019
Cash and cash equivalents	28,887	15,804
Investments in financial instruments	-	1,296
Accounts receivable, net	69,157	88,724
Inventories	69,034	61,411
Advances to suppliers	762	2,164
Disbursements paid in advance	18,644	17,653
Available-for-sale properties	4,651	952
Current portion of notes receivable, long term	3,704	2,421
Total current assets	194,839	190,425
Notes receivable, long term	1,668	10,370
Investment properties	38,133	41,565
Investments in associates and others	58,213	55,928
Properties, plant, and equipment, net	354,427	366,971
Right-of-use assets	23,187	-
Intangible assets	177,193	173,074
Goodwill	32,026	30,954
Other assets	2,099	2,291
Deferred income tax	20,160	16,765
Total non-current asset	707,106	697,918
Total assets	901,945	888,343
Liabilities and Equity		
Short-term bank loans	-	24,471
Current portion of the long-term loans	23,164	15,936
Bonds payable	-	10,000
Short-term lease liabilities	8,404	-
Accounts payable	52,200	62,535
Accrued expenses and other accounts payable	31,235	32,417
Income tax payable	3,646	1,996
Other taxes payable	12,772	13,277
Advances received from Customers	5,902	9,609
Total current liabilities	137,323	170,241
Long-term bank loans, excluding current portion	244,528	230,798
Standardized bonds payable long-term, excluding the current portion	108,000	108,000
Long-term lease liabilities	16,185	-
Deferred income tax	40,125	38,743
Total long-term liabilities	408,838	377,541
Total Liabilities	546,161	547,782
Equity:		
Capital in common shares	92,061	92,016
Less: treasury stock at nominal value	2,211	1,730
Capital in outstanding shares	89,805	90,286
Additional paid-in capital	54	54
Reserves	58,900	47,000
Retained earnings	165,930	171,521
Total equity attributable to Company owners	314,689	308,861
Non-controlling interest	41,095	31,700
Total equity	355,784	340,561
Contingencies	0	0
Total Liabilities and Equity	901,945	888,343

Comments on the balance sheet

The comments below correspond to the periods ended December 31, 2020 and 2019

Current Assets

Current assets increased 2.3%, mainly as a result of higher liquidity levels (+82%) as well as higher finished product inventory in the United States and available-for-sale properties, net of lower accounts receivable due to lower sales in Costa Rica.

Non-Current Assets

Non-current assets increased 1.3%, mainly due to the entry into force of IFRS16 and the effects of the conversion of the financial statements, net of lower investments in fixed assets, as well as a decrease in long-term notes receivable.

Current and Non-Current Liabilities

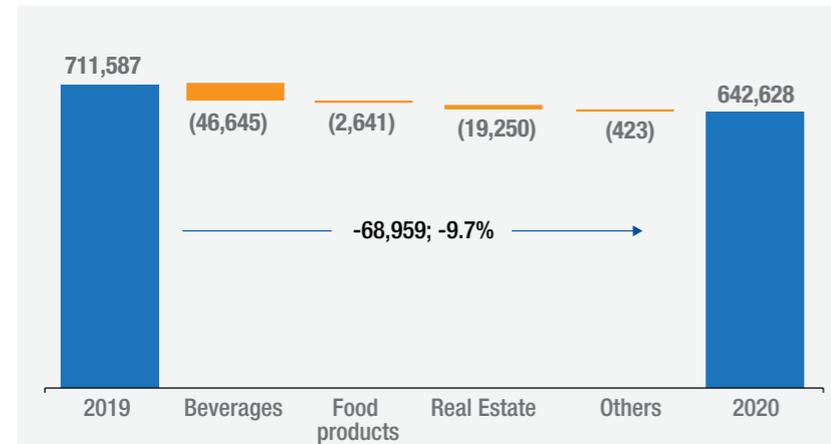
Lower total leverage with an emphasis on long-term refinancing. With the entry into force of IFRS16, a lease liability is included in the balance sheet. There is a reduction in accounts payable, as well as in customer advances for hotel reservations.

Equity Attributable to Owners of the Parent Company

Equity attributable to the Parent Company increased 1.9%, mainly due to an increase in reserves.

Main results and milestones of the period

FIFCO | Net sales (in millions of colones)



Beverages

Costa Rica

- Lower volume and channel mix
- Higher discounts and competitive Beer activity

USA

- Flavored Alcoholic Beverages grew significantly, offset by a decline in Beer

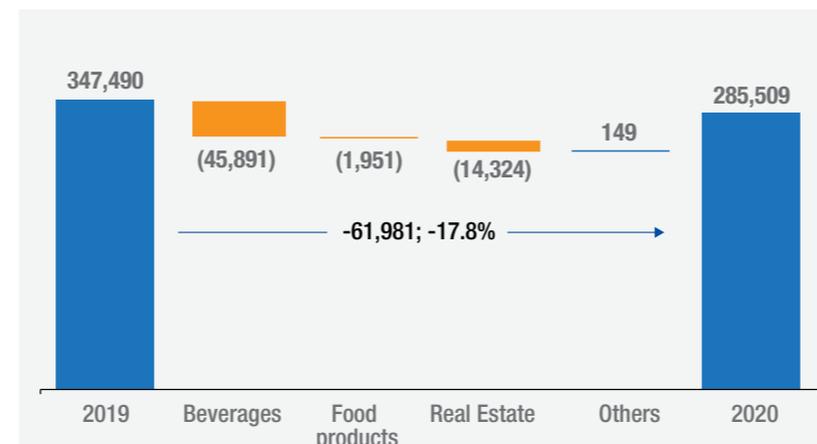
Food products

- Lower bread-making volume -18.6% due to lower PoS traffic
- Increased bean sales in the US, Guatemala and El Salvador.

Real estate

- Temporary closure of hotel operation at the end of March
- Lower amenity revenues

FIFCO | Gross profit (in millions of colones)



Beverages

- Mainly due to lower volume in Costa Rica
- Unfavorable effect of product mix towards family-size formats (refreshments) and larger liter, can and lower price/mL brands (beer).

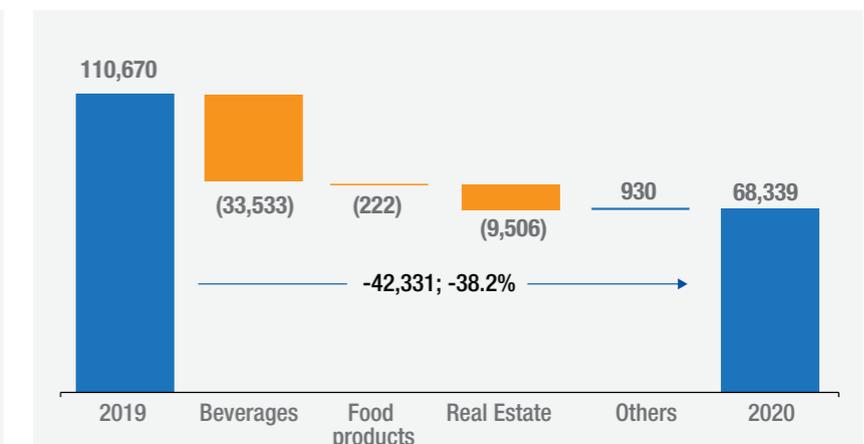
Food products

- Falling sales of bread in franchise and convenience formats
- Higher volume of beans in more profitable markets
- Improved efficiency at Guatemala plant due to increased production

Real estate

- Temporary suspension of operations of both hotels
- Lower amenity revenues

FIFCO | Operating profit (in millions of colones)



Beverages

- Negative Covid-19 effect in Costa Rica with unfavorable mixed effect
- Partial compensation for reduction of:
 - Advertising/marketing and point of sale
 - Solidarity working day
 - Operating expenses
- US with relevant growth vs. 2019, with lower sales and marketing expenses.

Food products

- Mainly lower performance in bakery and convenience stores.
- Offset by increased bean sales in the USA, Guatemala and El Salvador and lower operating expenses in bread-making

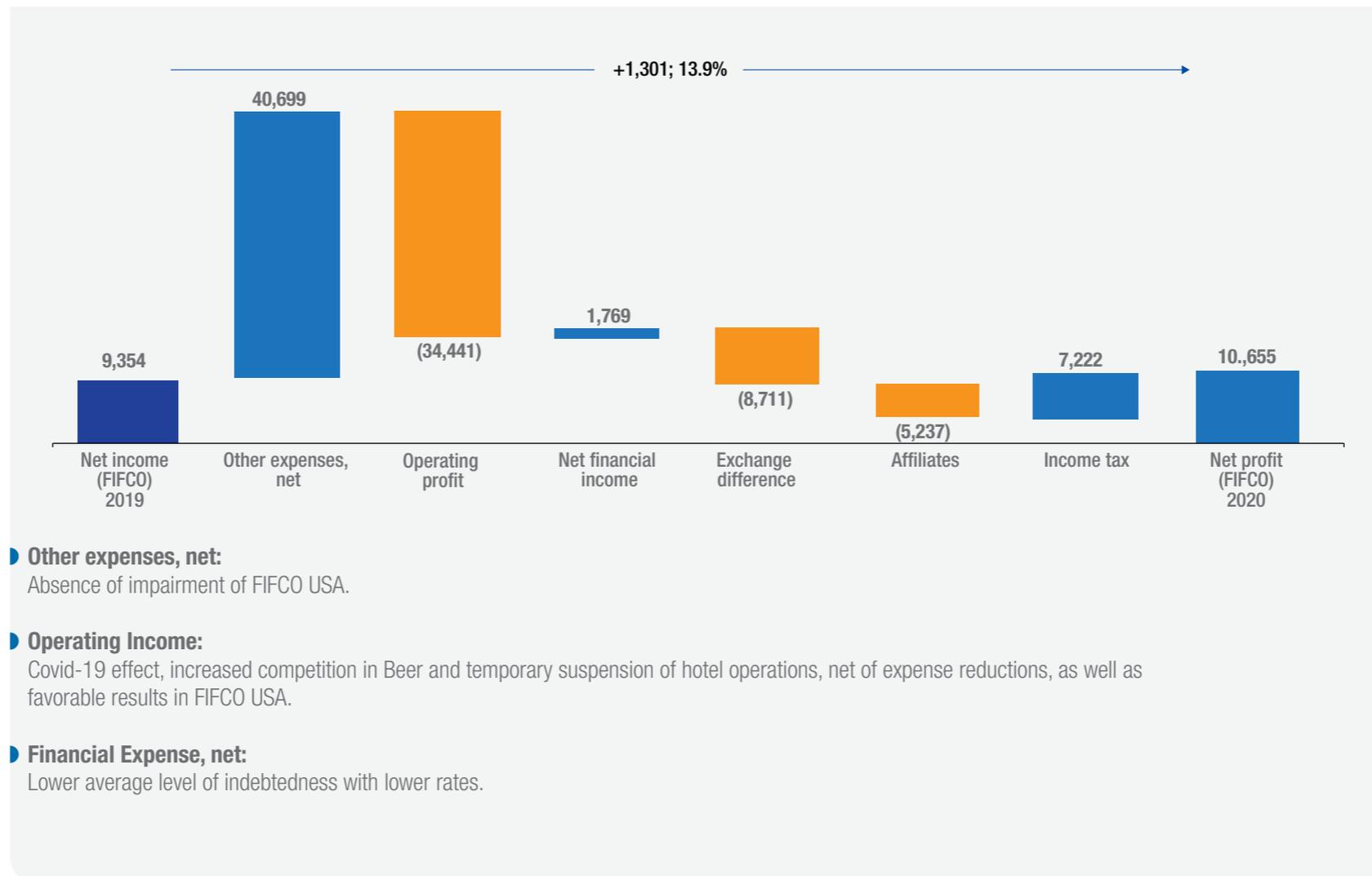
Real estate

- Temporary suspension of both hotels at the end of March
- Reduction in operating expenses

/ Main results and milestones of the period

FIFCO | Net profit attributable to shareholders

(in millions of colones)



Our approach to tax

DISCLOSURE GRI 207-1

Transparency is FIFCO's cornerstone; providing clarity on tax responsibilities is part of its Triple Bottom Line strategy and its commitment with its shareholders and other stakeholders. The 2020 Integrated Report responds to the most recent GRI update on taxes published in May 2020.

For this Integrated Report, the indicators of the referred standard are answered specifically, and thus, FIFCO provides greater amplitude in a highly relevant topic for the company.

GRI 207. Tax 2019.

FIFCO's tax and public strategy

Being an entity regulated by the Costa Rican Securities Market, FIFCO makes public, through the issuance of relevant facts, the execution of initiatives of fiscal relevance, such as corporate reorganizations, standardization bond issues, acquisitions, commercial sales, among others.

The organization is always characterized by a responsible vision in terms of tax payment, showing transparency in its decisions and total openness before tax authorities to collaborate in tax reviews. Regarding tax planning, any initiative of

tax importance requires the existence of economic substance that justifies the project's rationale or intention, in compliance with current regulations.

The tax strategy is built on fundamentals that FIFCO publicly communicates to stakeholders, such as:

- (i) Declare and pay what is right in due time and form.
- (ii) Act with transparency and in collaboration with the tax authorities.
- (iii) Maintain a conservative fiscal position.
- (iv) Operate under a delegation of competent authority.
- (v) Encourage constant updating in areas of fiscal importance.
- (vi) Operate under a permanent control environment with internal and external audits.

The organization's **governing body** or executive-level position that formally reviews and approves the tax strategy and the frequency of reviews;

Any situation of tax significance, in particular the tax policy and strategy, is reviewed and approved by the Corporate Tax Committee, which meets three times a year and is comprised as follows:

- Financial Management, acting as President
- Corporate Treasury and Risk Management, acting as a Vice President
- Corporate Tax Management
- Local Tax Management
- Legal Directorate
- Shared Service Center Management
- Corporate Affairs Management
- Corporate Financial Management
- External Tax Advisor (non-voting)

Focusing on regulatory compliance, FIFCO seeks to achieve compliance with

A necessary clarification

At the end of 2020, FIFCO publicly responds to questions on this matter. After a series of publications based on studies by the Institute of Social Research of *Universidad de Costa Rica*, FIFCO categorically rejects such accusations publicly.



[Learn about FIFCO's response](#)

its tax obligations in a correct, timely manner and in strict accordance with the tax regulations of the countries where it operates, understanding that there are legal gaps that require tax interpretation, for which it usually takes conservative tax positions.

In order to comply with the regulatory framework, internal control processes are established with multidisciplinary areas, constant training is provided to personnel involved in tax compliance tasks, significant investments are made in technology to support the demand of tax requirements, internal audits are coordinated and tax opinions on the degree of compliance are requested from external tax firms.

/ Our approach to tax

DISCLOSURE GRI 207-2

All of the above in order to guarantee permanent control, which helps us avoid human error and subjective interpretations without legal substance. The compliance process has working papers and supporting documentation, which support the tax payments, and are kept in custody for a period of 10 years -although tax administrations request an average of 4 years-, in order to facilitate to the Tax Administrations any review they may later require.

FIFCO has always been characterized for its commitment to taxation, carrying out commercial transactions only with formal suppliers and customers, leaving accounting and tax traceability in each purchase and sale transaction, information that is periodically sent to the tax administrations, for cross tax control.

iv. Relationship between the organization's tax approach and business and sustainable development strategies.

As a worldwide benchmark in the Triple Bottom Line business philosophy, FIFCO has a fiscal strategy that is aligned not only with economic, but also with social and environmental objectives. FIFCO considers that contributions in taxes and social charges, correctly made, allow for the development of countries and the stability of pension funds; therefore, FIFCO's tax strategy promotes the correct payment of taxes and supports

tax activities focused on tax control and responsibility.

FIFCO, as a responsible company that provides tax information to its shareholders, government entities and the public in general, understands that the values of its brands start by operating correctly and contributing to the country's development, paying taxes in an accurate and timely manner. FIFCO finds satisfaction in knowing that consumers and business partners are sure each unit sold is correctly taxed.

FIFCO believes that through a responsible and transparent tax strategy, the social components, which are embedded in the company's sustainability strategy, are guaranteed. In this way, a significant contribution is made to the development, progress and well-being of the communities where we operate.

Disclosure 207-2

Tax governance, control and risk management

According to the guidelines for this item, the reporting organization must present the following information:

a. A description of the tax governance and control framework, stating:

i. The organization's governing body or executive level position responsible for compliance with the tax strategy; FIFCO has a Corporate Tax Committee focused on the tax agenda, which includes risk management, approval of tax initiatives, review of tax indicators, update on tax reviews and ongoing litigations.

The day-to-day operation to ensure that the tax strategy is implemented in the tax compliance and planning processes is performed directly by the Corporate Tax Management in conjunction with the Corporate Risk and Treasury Management.

The corporate tax area is in charge of defining the controls for the tax compliance processes; the local tax areas are in charge of executing the established controls.

The tax area coordinates training programs for areas of interest, either for issues associated with the entry of new legislation, configuration of a new tax system, updating of tax indicators, among others.

The tax culture is present in the different departments of the organization. It is understood that the incorrect payment of taxes resulting from an erroneous

master data configuration has a high cost for the organization and care is taken to follow the relevant procedures and controls to ensure an accurate tax settlement.

The different projects developed by the organization are reviewed by the tax area, which ensures that the tax strategy is present in all business decisions.

ii. How the tax approach is integrated into the organization;

The tax approach is characteristic of a responsible, conservative culture that respects the regulations of the country where it operates and invests in controls and training to operate under a controlled tax risk environment.

iii. Approach to tax risks, including how they are identified, managed and monitored.

For the risk management process, there is a reference framework approved by FIFCO's Tax Committee, which allows for identification, risk definition, valuation in terms of probability and economic, reputational, social, environmental matters, materiality, etc., as well as the construction of action plans and controls to mitigate the identified risks.

/ Our approach to tax

DISCLOSURE GRI 207-3

The corporate tax area coordinates the management of the different risks of fiscal significance, being the Tax Committee and the Internal Audit in charge of supervising this management.

Once the risks are consolidated in the tax risk matrix, it is presented to the Tax Committee at its respective meetings.

iv. How compliance with the tax governance and control framework is evaluated.

FIFCO has a set of methodical provisions to corroborate the veracity of the figures indicated in the tax returns, prior to their submission. The degree of tax compliance is assessed by an external tax firm, which reviews the effectiveness of internal controls and the accuracy of the figures declared. This tax diagnosis is delivered to the External Audit and discussed internally with the Tax Committee, which must approve action plans to solve the findings considered relevant. Additionally, FIFCO has an Internal Audit area, which, within its work areas, incorporates tax compliance processes.

b. A description of the mechanisms for reporting concerns related to unethical or illegal conducts, and with the company's integrity.

Any internal or external situation, which may have an illegal connotation, must be reported immediately to the internal audit division, as established in FIFCO's Code of Ethics, such report may be made anonymously. Complaints are prioritized for investigation and if necessary, the respective judicial agencies are contacted.

c. A description of the process to verify the contents on tax matters and, if applicable, a reference to the verifier's report, statement or opinion.

FIFCO recognizes the value of financial reporting to shareholders, business partners, consumers, government agencies and other stakeholders. FIFCO's tax area constantly strives to provide enhanced, transparent and balanced disclosure in the communication of tax matters.

FIFCO's practice is to disclose any uncertain tax situation in its notes to the audited financial statements, and to the audited financial statements, and to provide for tax contingencies, when the chances of obtaining a favorable outcome are not expected to be high, in higher procedural instances.

Contenido 207-3

- a. A description of the approach to stakeholder engagement and the management of stakeholder concerns regarding taxation, including:
 - i. The approach to engagement with tax authorities; FIFCO's approach is respectful and cordial, in a collaborative and transparent environment with the tax authorities, recognizing that they are strategic partners in the fight against tax evasion and smuggling.
 - ii. The approach regarding the defense of public policies in tax matters; FIFCO is limited to exercising a reflexive point of view on tax policy, through the representative chambers where it is affiliated.

iii. The processes to collect and consider the opinions and concerns of stakeholders, including external stakeholders. FIFCO holds meetings with shareholders and stakeholders, these are held on a quarterly basis for the approval of the financial statements. However, any tax concern may be directed to any of FIFCO's communication channels, where administrative personnel will redirect the case to the specialized team to address tax-related doubts or receive opinions.

Economic Dimension

Main results and milestones for the period

Despite the Top Line’s lack of growth, partial results were achieved thanks to the rigorous management of the expenditure containment and a search for efficiencies, together with the great effort of commercial areas to hold up sales.

1

Consolidation of the Transformation Office, an agenda that strengthens our economic growth and takes FIFCO to the digital era, to databased decision-making, and to an innovation culture focused on customers and consumers.

2

Increased sale of beans in the United States, Guatemala and El Salvador and reduced operating expenses in bread-making.

3

Record sales growth in the iced tea and energy drinks category in Costa Rica, as well as a +5% increase compared to last year in flavored alcoholic beverages (Seagram’s Escapes) in the US market.

4

Entry into the Mexican market with Seagram’s Escapes, using an “asset-light” business strategy, positioning in over 60,000 points of sale.

5

Investment in the region's first aseptic monoblock with dry technology, enabling Gatorade local production of for Costa Rica and Panama.

6

The Business Continuity Plan is prepared to mitigate risk and maintain long-term value.

7

Relevant innovations: H2Oh Limonata. JET Cero, Tropical Cas y Piña, Seagrams Escapes México, Smirnoff Ice Screwdriver, Bamboo Horpacha. Ampliación de portafolio licores; Tanqueray Sevilla y Smirnoff Infusions.

8

Consolidation of the ECSA (Pepsi) and Cristal plants, on time and without affecting the operation.

9

Corporate reputation: FIFCO is recognized as the leading company in corporate reputation, sustainability and corporate governance in Costa Rica, according to MERCO’s ranking.

FIFCO Air Brands



COMMITMENT #7 FOR 2020

Lead with brands that make the world a better place to live



SDGs

this initiative contribute to



Along with a new strategy to generate greater synergy among social and environmental actions as a company and main brands, we maintain the **FIFCO Air Brands** initiative, inspired by our commitment of having lighter brands.

In essence, the brands minimize their environmental and social footprints and rather create positive value for the environment and the different stakeholders they relate to.

The company is clear that who best connect and communicate with consumers are FIFCO brands, and they are the ones that can target consumers and inform about the environmental and social initiatives being developed.

Towards lighter brands



Sustainability Brand Index

For this purpose, FIFCO created its own methodology, called *Sustainability Brand Index* which allows and ensures the brand's systematic measurement and its evolution towards greater sustainability. The commercial, environmental and social strategies converge in this methodology, a triple bottom line model applied to brands.

Air Brands



Discovering the brands' purpose

This step is one of the most important components in the brand development process. All activities, projects and communication associated with the brand must be aligned to each brand's purpose.



- Imperial** Inspire to create together a better Costa Rica
- Tropical** Offer to all the opportunity to enjoy magic at every moment
- Cristal** Care for life to enjoy a pure and better tomorrow
- Musmanni** Nourish those life moments that fill our hearts
- Ducal** Give value to your moments discovering the flavors of life
- Reserva Conchal** Inspire a better way of living

Milestones of 2019

- Progress in the environmental labelling agenda: verify the Imperial, Pilsen, Agua Cristal and Tropical environmental footprint throughout the respective value chains.

Marcas y la agenda WEW Positive

- Imperial remains as a water positive product, meaning that Imperial "returns" more water to the environment than it consumes throughout its value chain.
- Tropical maintains its focus on reducing sugar in its products. These and other initiatives to reduce sugar, fat and sodium in our brands are highlighted in the Smart Consumption section.
- In the social area, during the period only Tropical and Imperial were able to carry out volunteering days which are described in the External Social Dimension section of this report.



FIFCO undergoes transformation

The “Transformation Unit” was created in April 2019. This unit leads the important FIFCO’s Transformation agenda in face of the IV Industrial Revolution.

The **Transformation Unit** presents relevant progress in projects aimed at turning FIFCO into a more digital, modern and consumer- and customer-focused company.

Digital Marketing

The second stage of the Digital Marketing project was completed during 2020. This agenda aims at enabling internal capabilities, tools and work methods to evolve into a more digital market, based on data, customized and focused on the consumer. This year we were able to progress with 12 company brands already integrated and set up in the new tools available.

In addition, a new digital marketing equipment was integrated to help develop this new capability. Manuals and tools were developed, as well as a new way of operating.

New tool for sales teams: *Salesforce*

During 2020, we progressed with the implementation of the *Salesforce* tool, delivering 7 features, among them customer request management, collaborative management and 360-degree view of each customer to all sales teams.

We were able to complete training in and development of abilities despite the limitations caused by the pandemic. This was the beginning of a process that will continue throughout 2021, enabling new capabilities and technology to help sales teams have the elements required to better advice customers.



/ FIFCO undergoes transformation

Advanced Analytical COE

Work continued on capacity building and business support. Some of the initiatives implemented were:

Revenue Management Analytics:

- Price Elasticity Model to maximize business profitability through the definition of price points.
- Product portfolio optimization using tools to identify the value of each unit (SKU and SKU Quadrant).

Retail Analytics:

Portfolio basket analysis that allows defining product combinations that are most attractive to the consumer. In addition, we worked on in-store sensors to better understand the consumer's "journey" at the points of sale.

Route to Market:

Analytical model that allows us to design the number and profile of optimal customer service routes.

Credit Analytics:

Predictive model that allows to anticipate potential customer delinquencies.

Master Data Management (MDM)

We are clear about the importance of having the right data to design better strategies, and significant progress has been made in the implementation of MDM:

- Data Governance:** Policies, services, processes and technology were defined and implemented to create, maintain and manage data.
- MDM Party:** Implementation of the integrated data management system including customers, suppliers and employees.
- Data Quality:** It was designed based on the main opportunities detected to ensure the cleanliness of employee, supplier and customer data.



Market segmentation

In line with the objective of becoming a much more customer-centric company and designing more personalized value propositions, significant progress was made in the segmentation project:

- Potential of each Point of Sale**
Customer classification model considering not only the business line (channel it belongs to), but also how relevant the customer is for FIFCO's Sales and the market potential.
- Consumption occasions**
Theoretical design of consumption occasions and consumers' purchase missions and how customers interact with them.
- New attributes**
Expanding the variables to segment customers in socioeconomic and geographical terms, as well as profiling point-of-sale operators that allow us to deliver personalized value proposals.

/ FIFCO undergoes transformation

FILL E-Commerce

During 2020, the pilot plan of the first version of FILL, FIFCO's B2B e-commerce platform that allows customers to manage in an agile and personalized way their commercial transactions with FIFCO, anytime and anywhere, freeing time for the sales consultant to focus on generating value to the customer, was consolidated.

Progress was made with the development of new platform capabilities, offering a personalized experience to FIFCO's customers. At the same time, greater coverage is achieved, improvement in internal processes and in general, better support.

Organizational design

In order to achieve a design that enhances new capabilities and a customer-centric culture, during 2020, the organizational structure in the commercial areas was adjusted. The implementation required designing new job profiles, evaluating the people suitable for each function, defining new routines and working methods, as well as developing new capabilities.



*Picture taken before the COVID-19 pandemic



FILL: internal and external value

- ▶ Contingency plan to use **Fill** in response to COVID-19
- ▶ **431** customers purchasing on the platform
- ▶ More direct and segmented communication with customers
- ▶ **223,200** equivalent boxes billed through the platform
- ▶ More than **230** collaborators trained

Florida Bebidas y Alimentos (food and beverages)



2020 led FIFCO to redefine the way we innovate. The social and economic context significantly changed our consumers' habits, tastes and preferences.

Anticipation of needs, a high level of empathy and understanding of the new reality were the criteria that prevailed when offering new experiences, services and products. Creativity was channeled throughout the value chain, innovating the type of supplies and materials, the design of new products, packaging, as well as the presence in points of sale and forms of delivery.

Brands took on a leading role as ambassadors of positive messages, promoting new hygiene standards and practices and safety protocols. They motivated people to be at home and take care of their health, and eventually, as commercial reopenings took place, to go out responsibly.

Continuing with the focus of the previous period, of having the customer at the center of the operation and being a strategic partner for them, we strengthened the **Fill** platform to make it easier for customers to place orders, manage inventories and others. In addition, the **Pulpe Digital** platform was launched at a time of mandatory quarantine, connecting end consumers with the store closest to their location, with the purpose of providing a free digital platform to support and promote small and medium-sized businesses throughout the country and offer consumers a more modern shopping experience without having to leave their homes.



Quédate en casa (Stay home)

One of the first initiatives to be implemented in Costa Rica in response to the quarantine and the most severe restrictions was the entertainment platform [Quedateencasa.cr](https://www.quedateencasa.cr), a digital platform that offered, free of charge, concerts, magic shows, gastronomic tutorials, among others, with the aim of bringing consumers closer to our brands and providing a pleasant platform to comply with the authorities' order to stay home.

/ Florida Bebidas y Alimentos

As a complement to these initiatives, **Florida Asesoría** was created in May 2020. With this digital tool, more than **12,000** FIFCO customers will be able to receive training and advice on different administrative, legal and commercial topics.

In this digital platform, customers receive advice on topics of interest, both legal and commercial, as a result of the COVID-19 situation: marketing, management of social networks, use of delivery platforms, financial management, among others.



“At FIFCO our customers are our reason for being. With the *Florida Asesoría* platform we intend to answer questions, provide training in relevant topics and support them in this new stage of important adjustments for some and reinvention for others. *Florida Asesoría* joins other FIFCO initiatives to support our customers at this time when they need us the most”



Innovation count and impact

	Beer and FABs			Refreshments			Food products		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Total number of innovations or projects (this includes label and/or image changes, reformulations, new packaging, new materials, new products, new presentations, etc.)	10	35	16	37	39	23	23	3	25
Total number of launches (only new brands or new products in existing brands, SKU unit)	20	19	9	15	27	10	9	1	9
Total sales volume (%) (based on the total number of launches)	0.72%	1.23%	0.72%	1.2%	1%	1.0%	1.2%	1%	4.06%
Sales value (%)	0.79%	3%	0.67%	1.5%	1.56%	2.0%	3.65%	0.6%	4.7%
Number of projects in progress	20	15	23	43	64	48	14	15	33

Note: SKUs = number of presentations launched

Florida Bebidas y Alimentos

Beer and Flavored Alcoholic Beverages (FABs)

The main value of beer and flavored alcoholic beverage (FABs) brands was evidenced in the impact and loyalty shown by consumers.

In the midst of an atypical context, brands adapted, in real time, their strategy to listen to and cater to consumer tastes and preferences, facilitate purchases and adjust to more intimate and safe consumption occasions at home.

Three factors negatively affect sales and results in this category for the 2020 period: temporary closure -for more than seven months- of the open consumption channel: bars, restaurants and others, a strong competitive environment and a higher incidence of illicit trade.

One of the most relevant events for the flavored alcoholic beverages (FABs) category and for FIFCO in general, was the incursion into the Mexican market with a new "asset-light" business model, that has as its spearhead the development and commercialization in that country of the Seagram's Escapes brand.



Regional expansion is among FIFCO's growth pillars. This new business model allows us to develop products with the high-quality standards that FIFCO works with, but produced and marketed by a third party in Mexico, who knows perfectly the local consumer. This strengthens the positioning of the company and the Seagram's Escapes brand in that country. Our team will lead from Costa Rica the effective execution of the business strategy".



Beer

During 2020, beer brands took advantage of their leadership to carry, in a different way, messages that encouraged compliance with health and safety regulations and recommendations issued by the authorities.



More about solidarity initiatives on Page 163

Imperial Solidarity Box and humanitarian flight

Imperial led, together with several partner companies, the **Imperial Solidarity Box** initiative. In May 2020, it began delivering more than **36,000** boxes with basic food basket products. The boxes were delivered personally to employees of more than **4,000 bars and restaurants affected** by total or partial closures due to the COVID 19 emergency.

Pilsen joined this solidarity wave and supported the first humanitarian flight of Costa Ricans who were out of the country when the pandemic began.

/ Florida Bebidas y Alimentos / Beer and Flavored Alcoholic Beverages (FABs)

PortémonosReBien

The brands Imperial, Bavaria, Pilsen, as well as Adán y Eva and Casillero del Diablo joined forces with messages adapted to the language of each brand so that all of them would comply with the rules and protocols established by the Ministry of Health, under the *Portémonos ReBien* (Let's behave really well) concept.

Each brand spoke to its consumer in order to generate more information and encourage respect for the new consumption reality in bars, which is even more conscious, and which must have **individual responsibility** as an essential ingredient.



Imperial



Among Ticos we help each other

The COVID-19 pandemic reached Costa Rica and had an economic impact on thousands of Costa Ricans. The Imperial brand sought that connection and demonstrated its solidarity with those who needed it most, the brand decided to do what any good Tico would: help one another

Destapá Costa Rica

At the beginning of 2020, Imperial launched the *Destapá Costa Rica* (Unbottle Costa Rica) initiative, inviting people to enjoy the brand by getting to know Costa Rica. The campaign managed to engage its followers and consumers with an original, dynamic and positive narrative.

TICO JALA TICO

To close the year, Imperial promoted the *Tico Jala Tico* (Tico attracts Tico) campaign. Through a digital solidarity chain, driven by consumers themselves, all types of businesses nationwide were promoted and given greater visibility, especially those most affected by the COVID-19 pandemic.

Reactivating the Pura Vida



In the second half of the year, Imperial developed a campaign that has rarely been conducted in Costa Rica. Through a powerful storytelling, it showed the country that the brand not only understood what we were going through as a result of the pandemic, but also that it was willing to help and do what it could to get through it together.



With a short but forceful message, **Imperial** caught Costa Rica's attention. On September 22, 2020 more than **150,000** bottles, billboards, ads and even trucks were seen 'upside down'.

By word of mouth, the message behind this iconic campaign was released. The brand built on one of its strongest pillars, the *pura vida* slogan.

The *Pura Vida* reactivation took place on three fronts:

1. Reactivation of tourism
2. Reactivation of hope
3. Reactivation of music

/ Florida Bebidas y Alimentos / Beer and Flavored Alcoholic Beverages (FABs)

Heineken

Heineken launched its *Heineken Draft en Casa* (Heineken Draft at Home) platform, placing 300 **Heineken Draft** dispensers in consumers' homes in just 6 months. With Heineken Blade's innovative technology, consumers can enjoy a cold, fresh beer in the comfort of their homes.

Being part of *Heineken Draft en Casa* allows consumers to learn more about the world of Heineken beer and enjoy a world-class draft experience by mastering the perfect serving ritual, better known as the *Heineken Star Serve*.



Pilsen

Pilsen ratifies its commitment to the fight against prostate cancer with its **"Mostacho que se Respeta"** (Any Respected Mustache...) campaign, through which consumers received, courtesy of the brand, prostate antigen and rectal exams. In addition, we continued to support **Hospital México** in the remodeling of Section 14, which treats hemophiliacs and cancer patients.

The brand joined AMCHAM and AED's *De Vuelta al hogar* (Back Home) initiative, making possible, through a donation, the first humanitarian flight that returned more than 161 Ticos who were trapped in Argentina, Chile, Colombia and Uruguay due to the COVID-19 health emergency.



/ Florida Bebidas y Alimentos / Beer and Flavored Alcoholic Beverages (FABs)

Bavaria

#BavariaMastersNoSeVa

To reinforce leadership in the premium beer segment, Bavaria Masters' Edition was the standard bearer for a bold strategy in which consumers were told that 2020 would take one more thing: their favorite beer. A farewell campaign was launched with a special price and, at the same time, a viral movement was created against the exit of Masters' from the market.

Various brand ambassadors organically created a topic of conversation, the "conflict" was resolved by creating a site where consumers could vote to rescue the Masters' Edition.



#GraciasPor



Bavaria Special Craft Edition, a limited handcrafted edition of only 2,000 units, was created to generate a movement of gratitude in a difficult year.

To close on a high note, a short film *Un Segundo para Agradecer* (A Second to Be Thankful) was created, directed by Costa Rican filmmaker Dinga Haines using shots sent in by users to reflect the things they were thankful for in 2020.



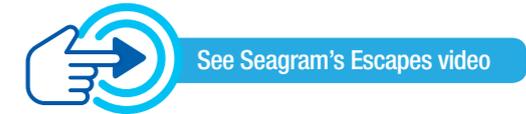
La Micro Brewing Company

For this craft beer category, in the first quarter of the year, before the pandemic, a new 10 hl fermentation tank was installed and it increased production capacity by 20%, mainly to meet the estimated growth in demand for *Domingo 7* and *República Casa Cervecera* products.

The launch of two new beers was planned, but had to be postponed due to the pandemic.

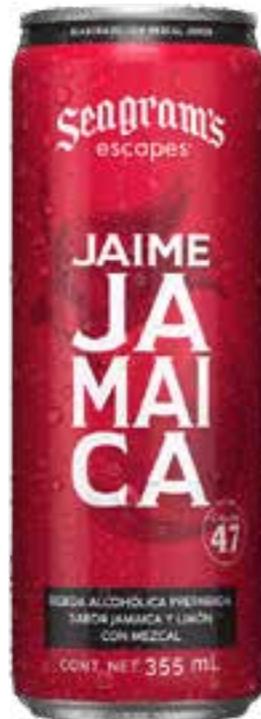
/ Florida Bebidas y Alimentos / Flavored Alcoholic Beverages (FABs)

Flavored Alcoholic Beverages (FABs)



2020 was an important year for the FABs (flavored alcoholic beverages) portfolio and for FIFCO. In May 2020, FIFCO entered the Mexican market with Seagram's Escapes.

With an "asset-light" business strategy, FIFCO runs the day-to-day business from Costa Rica. Over 6,000 points of sale are available in Mexico, without investing in its own production plants, supply or distribution equipment or other assets. The flavors, presentation, communication and marketing strategy will be entirely focused on the Mexican consumer, with high-demand flavors such as cucumber, hibiscus, tamarind and blackberry, each with 4.7% alcohol. All products will be manufactured in Mexico.



Smirnoff Ice

In January 2020, the brand introduced its Smirnoff Ice Screwdriver innovation, with a party attitude aimed at high-energy youngsters willing to try new flavors and experiences. The brand's new communication tone was introduced to the market under the *El más buscado* (Most Wanted) concept



Bamboo

At the beginning of the year, Bamboo Horpacha was introduced to the market, an innovation that, as is the brand's custom, responds to the creations that its target consumes organically, in this case horchata + pacha.

Bamboo is also "assembled" in Guatemala and El Salvador, as it includes the sale of a 350 ml can in open channel for the month of August and the export of the innovation Bamboo Jet in its 710 ml presentation for December.



ADÁN&EVA

In January 2020, Costa Rica's first hard seltzer crossed borders to El Salvador, Panama and Guatemala, bringing a global trend to Central America.



Florida Bebidas y Alimentos

Wines and Spirits



Wines

During the 2020 period, the wine division achieved **significant growth** in its Premium wine segment and, with the addition of new brands, it rounds out its portfolio to reach all types of consumers. The successful addition of the Contenda brand for the more accessible wine segment must be highlighted. In line with market trends and preferences, the company consolidated its sangria offering, achieving greater participation and leadership in the category. This demonstrates a balanced portfolio, with leading brands that are highly valued by consumers.



Distilled Spirits

In anticipation of local consumer tastes, we introduced **Tanqueray Sevilla** and **Smirnoff Infusions**, gin and vodka ideal for cocktails, which are also low in sugar. Both launches were very successful and contributed to the category's growth. The division also reported moderate but valuable growth in market share for the whiskey and vodka categories.



Flor de Caña

Flor de Caña received the prestigious “**Sustainable Brand**” award, the highest distinction given during the Green Awards 2020, from the *Drinks Business*, in recognition of the brand's leadership in the industry and its historical commitment to sustainable practices. Today, *Flor de Caña* is the only distillate to hold the two main sustainability certifications in the world: Carbon Neutral and Fair Trade. While this achievement impressed the judges, it was also the family-owned company's other efforts that secured its position as an award winner, in particular the use of 100% renewable energy to distill rum, the planting of 50,000 trees each year since 2005, and its local community support programs.



The Carbon Neutral certification, awarded by the Carbon Trust, assures consumers that *Flor de Caña* offsets all carbon emissions during the rum's life cycle, from field to market.

The Fair Trade certification, granted by Fair Trade USA, verifies that the rum is produced sustainably in compliance with more than 300 rigorous labor, social and environmental standards.

VINUM Store

Launching the vinumcr.com e-commerce platform

Adapting to the new normality, VINUM Store launches its e-commerce platform, guaranteeing a simple and secure shopping experience with delivery within 24 hours.

This portal allows access to the world of wines and spirits from different electronic devices, offering the opportunity to buy and pay online anytime, anywhere. Non-presential in-store sales now account for close to **40%** of total sales.



VINUM Club

It was created to accompany the consumer and offer spaces for fun and relaxation, in a reliable and simple way. Members receive, month after month, a package of carefully selected wines, as well as complementary information, with exclusive benefits and direct contact with consumers.

Currently, three memberships are offered, aimed at those who have recently discovered the charm of wine and wish to continue discovering it, to those who have extensive experience in oenophilia and wish to taste the best of the portfolio.

True to its description, Vinum Club is **Love for Wine**.



Strategic Alliances

With the changes in consumer buying preferences due to the new normality, this year VINUM stores focused on making consumers enjoy shopping experiences in a **100% virtual** environment.

Thanks to new commercial alliances, "AMEX for Foodies at Home" gastronomic experiences were carried out, bringing VINUM closer to consumers, strengthening the wine culture in Costa Rica and establishing itself as a much more complete and closer specialized store.

Fight against smuggling

Especially in Costa Rica, smuggling and illicit trade of beverages with alcoholic content has been on several agendas, from Congress, private sector initiatives, actions by the authorities and others. Some of these initiatives show effectiveness and impact, others generate doubts and concern, as they carry with them high operational costs and low levels of efficacy.

The pandemic and economic contraction also played a leading role related to smuggling.

The following stand out regarding the reality of illicit trade:

1. Formulation and approval of the strategy and work plan of the Joint Commission to Combat Illicit Trade.
2. The proliferation of sales through social networks as a channel for the sale of illicit trade.

Achievements and progress in 2020:

1. Formulation and approval of the strategy and work plan of the Joint Commission to Combat Illicit Trade.
2. . Opening of collaboration channels with the Public Prosecutor's Office and the Judicial Investigation Agency (OIJ), for training and actions against illicit trade operators.

3. Actions for intervention by authorities against illicit trade operators.

It is worth mentioning FIFCO's joint efforts with organizations such as the Costa Rican-North American Chamber of Commerce (AMCHAM), the Association of Producers and Importers of Alcoholic Beverages of Costa Rica (APIBACO), or the Observatory Against Smuggling in Central America, to implement various projects and initiatives to minimize the impact of smuggling and illicit trade of beverages with alcoholic content.

Florida Bebidas y Alimentos

Refreshments



See Tropical Cas video

The focus of the refreshments portfolio was to anticipate and respond to the trends of consumers increasingly aware of the importance of a healthy lifestyle and a balanced diet.

In addition to the above, the COVID-19 pandemic accelerated the portfolio's adaptation to be present in the virtual shopping platforms of commercial partners.

Tropical

Cold tea category leadership maintained

In a highly competitive market loaded with commercial dynamics, FIFCO continues to defend its participation and maintains its leadership.

The refreshments category is strengthened

Responding to consumption trends and appealing to nostalgia, Tropical brings back two flavors highly requested by its consumers: pineapple and cas. Both were launched at different times of the year, in personal and family presentations, capitalizing on different consumption occasions.



Promotion

Tropical accompanies consumers in the end-of-year season, giving them more in family presentations and rewards them for their preference with a 500 ml free promotion, for a limited time.



Our priority: a balanced portfolio

2020 adds up to:

- More presentations of Tropical Té Cero
- Tropical Pineapple, no sugar added
- Jet Cero
- H2OH! Limonata



The zero segment continues to grow!

More and more consumers are aware of the benefits of a balanced diet and are looking for products that allow them to follow a healthy lifestyle. Tropical has capitalized on this trend, bringing new flavors and presentations, which continue to contribute to the growth of this zero-sugar and zero-calorie line, thus continuing to increase coverage and offering accessibility to all our consumers.



/ Refreshments

Energy drinks

Mobility restrictions, together with virtual work and study, had a significant impact on the reduction of canned energy consumption occasions. This context specifically affected the MAXXX Energy and SoBe Adrenaline Rush brands.

The Jet family grows to continue building unique value propositions in the energy drinks category. The addition of **JET Zero Sugar** and the incorporation of **more environmentally friendly packaging** stand out.

Reduction of the PET plastic footprint

As of February 2020, the transition in the **reduction of the percentage of single-use plastic to recycled plastic, RPET**, was implemented in the Milory (355 ml, 600 ml and 2.5 L) and Jet (350 ml) brands.

From **0% to 50%** RPET was used in the family presentation and from **15% to 50%** RPET in the personal presentations. In addition, in the 3L presentations of PepsiCo and Milory products, we reduced from **56.7 grams to 54.1 grams**.



Gatorade

FIFCO made an important investment in the first aseptic monoblock with dry technology in the region. With this technology, significant savings for production, such as bottle sterilizing chemical, water and steam, as well as the reduction of line start-up and cleaning times were achieved. It also allowed the opening of production in the isotonic products portfolio, improving the plastic footprint in this category with the Gatorade brand by lightening the bottles, and innovating in products with fruit chunk content.

With this, FIFCO started local production of the Gatorade brand for both Costa Rica and Panama, with a new bottle image for both markets.



Carbonated drinks

As in other categories, commercial dynamics and consumption habits changed significantly due to the impact of the pandemic. In the carbonated drinks category, this impact is reflected in the mix and type of presentations preferred by consumers. Specifically, PEPSI reports greater promotion and the canned presentation is more popular. Also noteworthy is the incorporation of healthy lifestyle trends and the launch of more balanced products with **7UP Zero Sugar**.



New H2OH! Limonata flavor

H2OH! expands its flavor portfolio, bringing to Costa Rica one of the most successful flavors in Latin America: LIMONATA. For all those food lovers, who like to combine their meals with a refreshing flavor and zero calories. It comes in three presentations: 600 ml, 2L and BIB.



Florida Bebidas y Alimentos

Nectars



Kern's JR Nectars hand in hand with Technology

Kern's JR was a pioneer in the category by using a **mobile application** full of content and prizes, which allowed us to get closer and get to know JR moms of Guatemala even better; strengthening the ties between the brand and its consumer.

Reduction of the Sugar Footprint in Kern's Nectars and Ducal Beverages

In 2020, the added sugar of the entire portfolio is significantly reduced, maintaining flavor quality and complying with the objective of FIFCO's brands: always seek what is best for the consumer

	% average sugar reduction in 2020	% average added sugar in 2020
Kern's JR Nectars	-47%	5.8%
Kern's Nectars	-43%	7.2%
Ducal Beverages	-53%	6.5%



Kern's - Justice League

Kern's Nectars joined the well-known DC Comics license with a promotional campaign that included the production of 13 collectible cans.



FIFCO USA



FIFCO USA starts 2020 with a new CEO, Rich Andrews

During the first quarter, the Executive Committee redefined the business strategy and optimized the organizational structure to maximize the performance of the business unit.

The focus was on strengthening the flavored alcoholic beverages or Beyond Beer portfolio. Highlights of this important agenda:

- Seagram’s Escape tripled sales versus the prior year, resulting in a relevant volume increase at the unit level.
- Addition of Labatt Blue Light Seltzer, a brand that quickly became the best-selling hard seltzer in upstate New York.

A premiumization approach to the category led to growth in share for the Labatt and Genesee brand families.



Sales growth

From FIFCO USA's performance, it is important to highlight an increase in volume, net sales growth, double-digit profit growth and record EBITDA increase.

In terms of operations, FIFCO USA optimized its delivery model, operating the Rochester, New York brewery at full capacity. The business unit moved production of Magic Hat beer to Rochester, closing the Burlington, Vermont facility. This change reduced operating expenses and resulted in a significant decrease in environmental impact per barrel of beer produced.

Florida Bebidas y Alimentos

Food products



As a result of the pandemic, restrictions on traditional trade and lower foot traffic affected the performance and sales volume of the bakery and convenience store division.

As a result, there was a double-digit decline in bakery sales. This sales contraction was partially offset by double-digit growth in bean sales in northern Central America and the United States. This food division's higher profitability is the result of increased sales in more profitable markets and greater operating efficiency.

Kern's

The Kern's family expanded its portfolio to add more tomato and more flavor to all dishes. During this period, the image of the ketchup portfolio for the Central American region was renewed.



Ducal: The King of Beans

In response to consumer trends and a commitment to constant innovation, Ducal, the leading bean brand in the regional market, consolidated its presence by launching a modern and minimalist image.



Ducal turns 50

In 2020, the added sugar of the entire portfolio is significantly reduced, maintaining quality in taste and complying with the objective of FIFCO's brands: always seek what is best for the consumer.



Ready-made sauces

Kern's ventured into a new category with Ready-made Sauces in 4 flavors: Ranchera, Beef, Creole Cheese and Mushroom.

Artisanal sauces

New artisanal sauces that provide convenience and good taste in 3 presentations: Tomato and Basil, Tuscan Marinara, Mushrooms and Mediterranean Herbs.

Video recipes

During 2020, consumer behavior changed due to the pandemic, which meant a great challenge in terms of communication. Successfully, the brand reinforced video recipe content teaching new ways to use its products.

FIFCO Retail



FIFCO Retail, previously referred to as Florida Retail, focused on anticipating its customers' needs, offering a safe, versatile and reliable service at its points of sale.

Consistent with the corporation's priorities, FIFCO Retail prioritized the health, safety and well-being of its employees, franchisees and customers.



Musmanni

The pandemic postponed growth plans; however, it maintains its leadership in the Bakeries category with **211** active points of sale in Costa Rica, despite being a year with contracted investments, 6 new stores were added, 3 of them opened during the pandemic.

In business strategy, Musmanni encouraged the use of **delivery platforms**, creating value in each promotion. It implemented the **"Fill" platform** as an agile, easy and safe solution for FIFCO product orders.

Likewise, a low-cost franchise format, which allows continuing to grow in more contracted markets, through smaller stores and more sustainable investments.

At the end of 2020, it launched the **"Musmanni con Cariño"** (Musmanni with Love) campaign to strengthen the brand's bond with its customers and assure them that the brand is present in their homes and that "together we will rise above this".



Musmanni: looking after its franchisees

Focused on supporting franchisees to guarantee the continuity of their operations, support was provided through the **"Bono Melcochón"** (Melcochón Bonus) initiative, which granted more than 7,300 boxes of product to mitigate the economic impact. In addition, we worked with franchisees on training in financial management, resource optimization, smart purchasing, and credit flexibility.

Other actions carried out by Musmanni as an ally of its franchisee partners were: open communication channels, webinars, safety and security materials and a "Prevention and accompaniment guide for the management of the COVID-19 national health emergency", a document to facilitate and unify the protocols issued by the Ministry of Health. Between April and June, 600 combos of product were donated to Public Force personnel who were on the front line containing the pandemic.

/ Florida Retail



Musi

This period faced great challenges in the convenience format. One of the keys to ensuring the sustainability of the business and meeting consumer preferences was the ability to forge alliances. Business alliances with partners such as BAC Credomatic, UberEats, Glovo, Rappi, among others, stand out.

MUSI's attributes of proximity, price and convenience strengthened the alcoholic beverage category, which grew at double digits compared to the previous year. The bakery proposal was consolidated, renewing the category's image and promoting the smart purchase of products that are always fresh to the consumer's order. **BREAK by MUSI** was born, a brand of its own, as a differentiation strategy in the market, in order to improve competitiveness and remain in the business.

By the end of 2020, MUSI defines a new value proposition for the format. Throughout the year, the business applied a strategy of prioritizing strategic points of sale, resulting in the closure of 17 points of sale.

NEW VALUE PROPOSITION



Musi will be dedicated to making life easier for the “pulseador inteligente” (smart hard worker), being his or her best option in beverages, food and complementary services, at a fair price and within an agile, safe and enjoyable shopping experience.”



La Tienda de la Birra

La Tienda de la Birra (the Beer Store) remains as a store specialized in gifts with products from FIFCO brands. During 2020, the store diversified its sales and distribution channels, betting strongly on virtuality..



L'Artisan Café

After more than 2 years, L'Artisan Café closes its doors. A convulsive commercial environment, product of the pandemic, led FIFCO to prioritize and close the operation of this premium coffee shop.



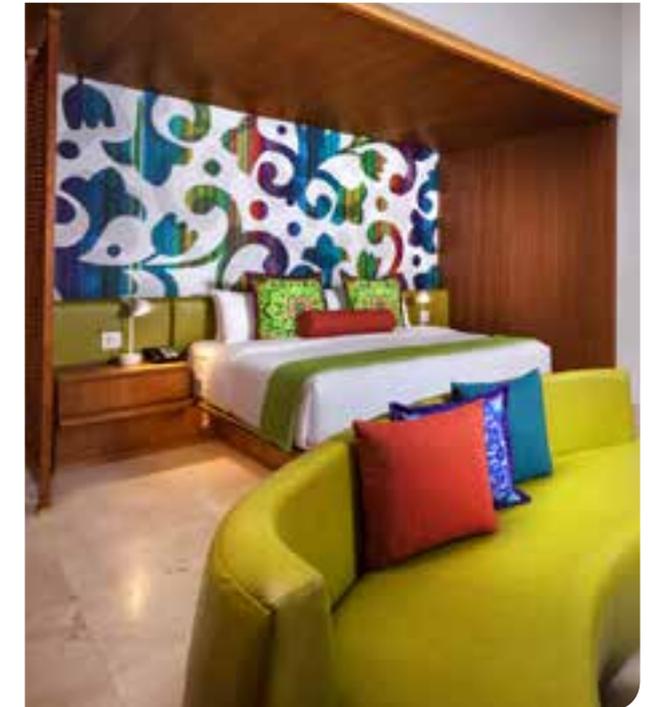
FIFCO Hospitality



Hotels

Both hotels, the **Westin Reserva Conchal**, and **All-Inclusive Golf Resort & Spa**, and **W Hotel Costa Rica**, in Reserva Conchal, were forced to suspend operations at the end of March due to the closing of borders to foreigners.

Eight months later, with the opening of borders and in line with the respective guidelines, "COVID SAFE" protocols and guidelines were developed, which allowed both hotels to resume operations in a safe manner for both their employees and guests. The **Westin Reserva Conchal Hotel**, and **All-Inclusive Golf Resort & Spa**, resumed operations on September 1, 2020, to serve local tourists. **W Costa Rica**, resumed operations on November 1, 2020



Solidarity with our employees

Even with the hotels completely closed, the company responsibly maintained all employees until December. However, taking into account the estimated occupancy levels for 2021, the operation of both hotels was redesigned, adjusting their structure to the expected occupancy levels, so as not to compromise the long-term competitiveness of the business.



/ FIFCO Hospitality

Reserva Conchal, real estate



During 2020, infrastructure works for the real estate projects “**Cocobolo**”, consisting of 5 single-family lots and 2 development plots, and “**Lotes W**”, consisting of 14 single-family lots for the construction of residences under the "W" brand, were completed.

In addition, the sale of 2 residential units and 8 single-family lots within Reserva Conchal was formalized.

República Casa Cervecera



Open consumption businesses, bars and restaurants, were one of the sectors most affected by the pandemic. *República Casa Cervecera* responded in time and adapted its operation to cope with the closure and restrictions and offered its menu in different delivery platforms. Subsequently, once the operation was up and running, protocols were implemented for both restaurants, República Sabana and República Alajuela.

During 2020, remodeling work was carried out at the new República restaurant in San Pedro, which began operating in January 2021.

Florida Capitals



INCECA-Nicaragua

- Despite the difficult situation in Nicaragua (socio-political crisis, natural disasters, international sanctions and the pandemic), revenues grew 2.4% versus the previous year.
- A cost and expense efficiency program was implemented, as well as a debt restructuring that resulted in a profit in line with the previous year.
- All jobs were maintained and the number of employees in convenience stores (100 PoS) increased.

COMEGUA

- Decrease in sales and operating income due to the pandemic's impact (Guatemala, Costa Rica, Panama, Dominican Republic, Mexico and Jamaica), but partially offset by lower operating costs and expenses.
- Favorable EBITDA compared to the previous year, especially due to the dissolution of *Vidrios Panameños* and consequently the sale of assets among affiliated companies.

Cervecería Panamá

- Due to restrictions and alcohol prohibition (almost all year round) because of the pandemic, the beer category decreased by 32% in 2020. The months without restrictions (Jan-Feb and Oct-Nov 2020) showed growth versus the previous year.
- Strong competitive environment.
- Launch of Cristal in Chiriquí (5-6% of total sales volume at the end of the period) and double-digit growth.
- Due to the loss of market share and reduction in sales volume and profitability, FIFCO had to reflect an impairment in the book value of Cervecería Panamá for US\$8M.



Food quality and safety

One hundred percent of the products manufactured by FIFCO undergo evaluations to verify their impact on consumer health and safety. .

How is this verification carried out?

- ▶ Internal and external audits of Heineken commercial partners with LSS (Laboratory Star System) and HPQ (Heineken Process and Quality). Diageo with LTO (Licenses to Operate) and PepsiCo with AIB International, FSM (Food Safety Mandates) and QAS.
- ▶ External audits, applied by recognized entities (INTECO, NSF), to verify compliance with the standards implemented by the Food Safety Management System.
- ▶ Production lot traceability, physicochemical, microbiological and sensory analyses, according to their respective management systems.
- ▶ In the case of FIFCO Retail, the plant receives audits for the management systems: FSCC 22000, BRC Start Intermediate for Subway products production lines, as well as ISO 9001 audit.

Responsible product labeling

All products manufactured and sold during the 2019 period provide correct and accessible information in their labels or packaging boxes, following current laws and guidelines set by the Ministry of Health, Ministry of Economy, Industry and Trade of Costa Rica, Central American Technical Guidelines, as well as the applicable standards in every country where we operate.

Each package specifies:

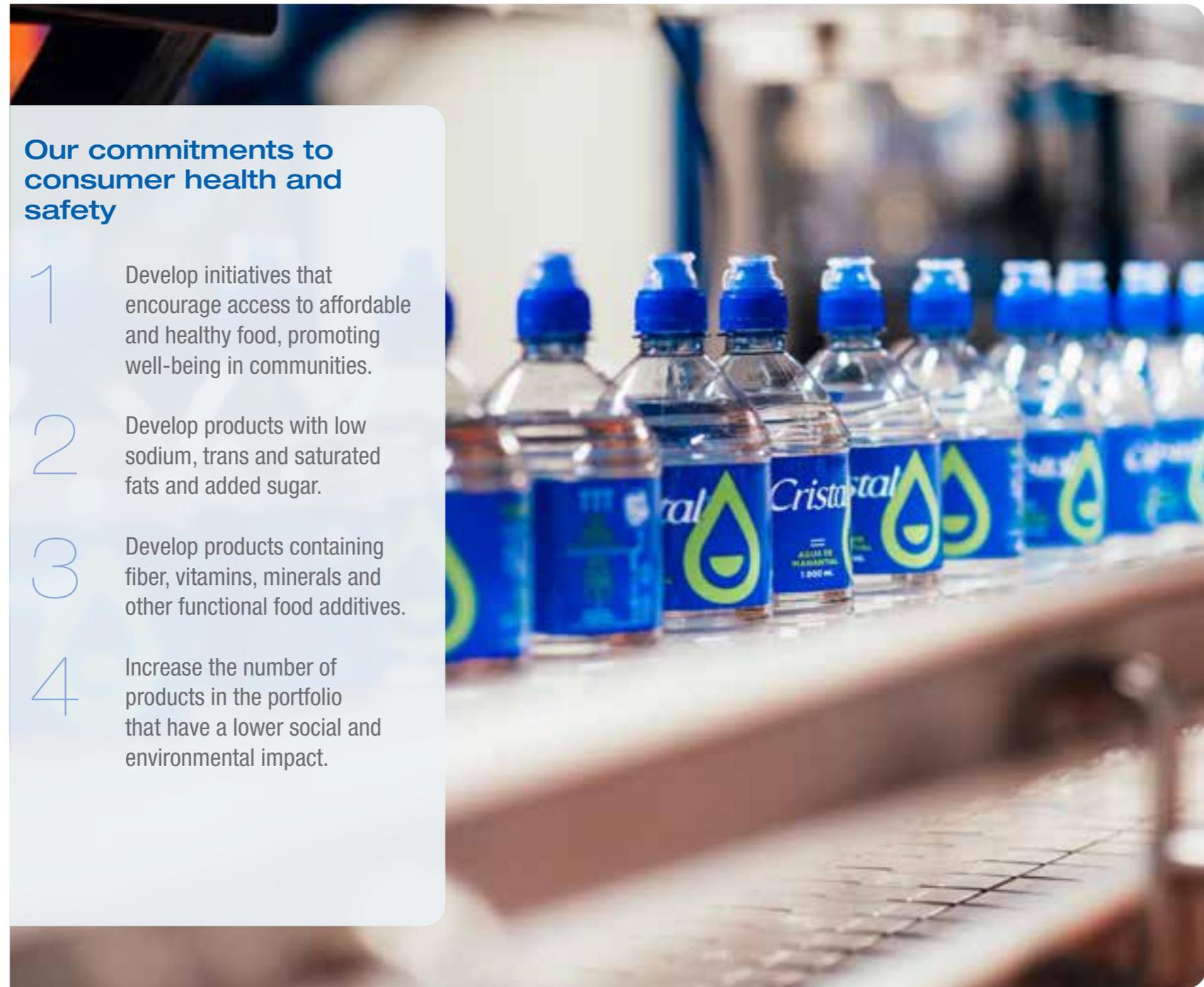
- Food product’s name
- List of ingredients
- Nutritional information (when applicable)
- Net content
- Manufacturer’s name and address
- Country of origin
- Lot ID
- Expiration date
- Health registration
- Product’s benefits
- Customer service phone number
- Recycling program’s logo

Quality criteria reports by operation per applicable law

Criteria	2019		2020	
	Must report	Must not report	Must report	Must not report
Origin of product or service components				
Contents, especially regarding substances that might have an environmental or social impact	Refreshments - IAK	FIFCO USA	Refreshments - IAK	FIFCO USA
Product or service safety instructions				
Product disposal and environmental or social impact				

/ Food quality and safety

Consumer safety and health



Our commitments to consumer health and safety

- 1 Develop initiatives that encourage access to affordable and healthy food, promoting well-being in communities.
- 2 Develop products with low sodium, trans and saturated fats and added sugar.
- 3 Develop products containing fiber, vitamins, minerals and other functional food additives.
- 4 Increase the number of products in the portfolio that have a lower social and environmental impact.

- 2020 was a year of challenges, in which all manufacturing plants focused on protecting the health and safety of collaborators and customers, ensuring product quality and always focused on continuous improvement.
- During 2020, the Beer production plant underwent a recertification process in Heineken’s LSS standard and the recertification of the FSSC 22000 version 5 scheme, with satisfactory results in both processes.
- The Retail manufacturing plant obtains for the first time the “**BRCGS**” (Global Standard) quality certification, a leading global brand under a consumer protection scheme which assesses the quality and safety of the entire production system. This certification brings together and synthesizes more thoroughly all standards, thus replacing ISO 9001 and FSC 22000.
- In January 2020, the FDA audits with positive results for export to the United States and other countries. **Carbon Positive** certification was maintained and for the first time it was recognized with ISO 5001 certification for Energy Efficiency, meaning that the entire production system is audited for energy savings.

Customer Service

The Experience Center (CX) was born in September 2020, as a project of the Transformation Area.



*Picture before the COVID-19 pandemic

This area is comprised of a Customer Service and Support team that includes the former Customer Service and Telemangement, Customer Service, Logistics Customer Service and a Commercial Team in charge of Telesales and E-Commerce processes.

MISSION

To satisfy the needs of our customers and generate positive experiences in each of our interactions, with the purpose of becoming their preferred business partner.

The Experience Center focused during 2020 on the following 3 strategic pillars:

1. CX commercial expansion and unification

Improve and increase the use of digital purchasing by customers, either via Telesales or e-commerce, seeking to offer omnicality in service.

- Unification of FOCUS and commercial strategy by customers.
- Relevant achievements in General Performance, Telesales, e-commerce, EDI.
 - Integration of technological tools, leveling of capabilities between areas and others

2. Logistics Area growth

Provides a complete solution to the modern channel (supermarkets, grocery stores, and others), implementing technological enablers, standardizing the way of serving modern channel customers in the region, through the integration of areas working towards a common goal.

3. Simplifying support

Improving the customer experience, increasing first contact resolution, making resources more efficient in order to improve service times; for this we are working on the following tasks:

- Integration of the 800-FIFCOGR (800-3432627) call center and integration of service schedules
- Capacity leveling among other areas and technological tools
- Mapping processes and generating improvements
- New customer service channels (Chatbot and WhatsApp).

/ Customer Service

Customer Service

Now integrated to the **First Contact Center**, it handles queries, requests, claims and complaints from end consumers and customers. On average over the period it received **4,500** calls per month. It is important to note that other customer service channels such as WhatsApp, email, Chatbot and chat, web page and social networks are becoming increasingly important in customer service and represent an average of **34%** of additional cases handled through these other channels. (**1,800** more cases on average per month).

Additionally, the most relevant service indicators at the call center level improved considerably compared to the previous year.

Call center service indicators

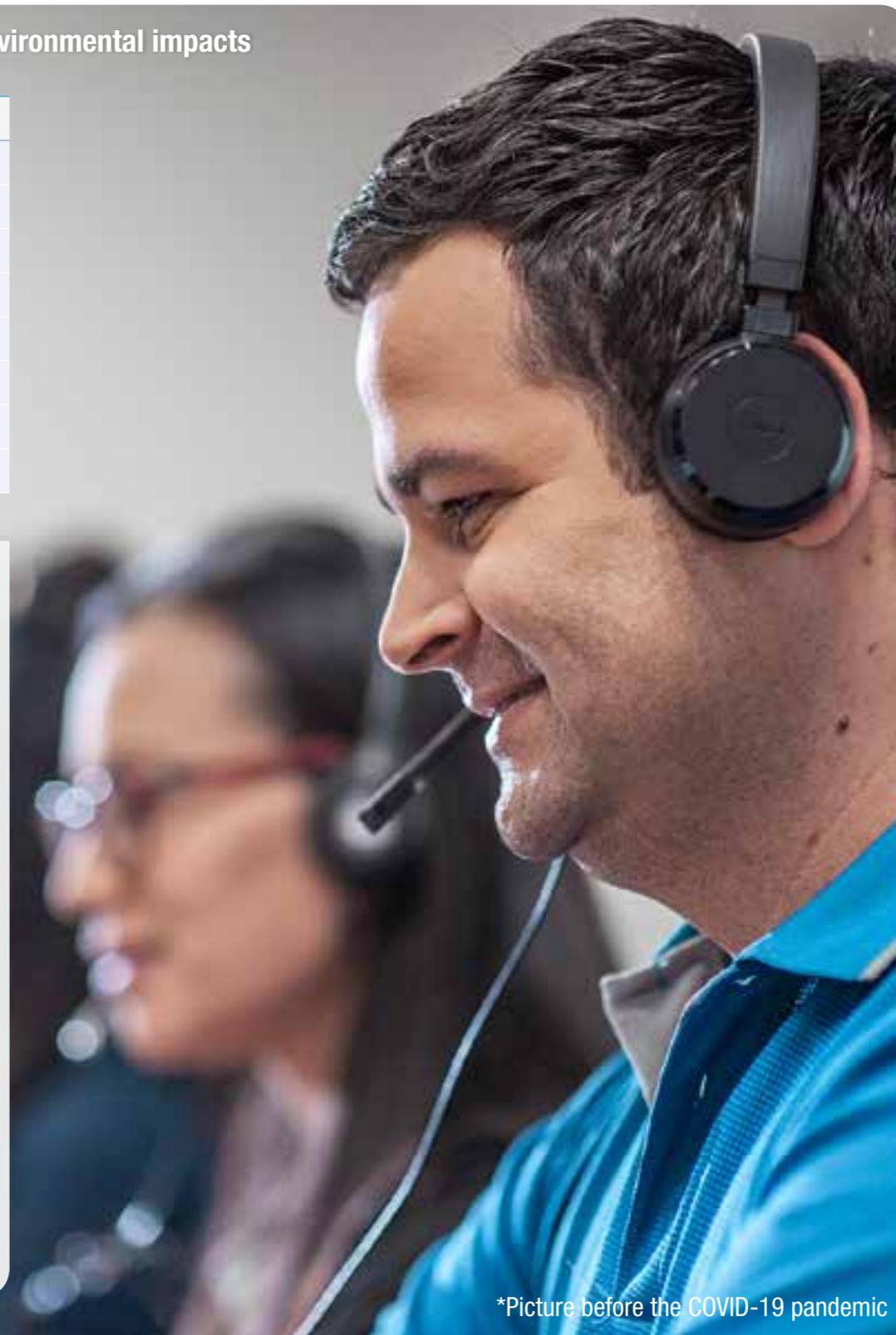
	Goals	2017	2020
Service level	8	17	10
Withdrawal	20	33	20

Number of complaints for economic, social and environmental impacts

Número de reclamaciones	Goals	2017	2020
Products (customers)	728	1,093	308
Products (consumers)	1,400	1,503	885
Logistics (customers)	88	71	125
Property damage	44	49	41
Environmental	14	5	3
Bad driving	119	131	124
Smuggling	0	315	35
Total	2,128	3,167	1,521

Entries

- During the 2020 period, there are no substantiated complaints about privacy violation and customer data leakage.
- In the reporting period, none of FIFCO's business units have been subject to administrative or judicial sanctions related to environmental issues in the countries where we operate.
- Decrease in cases related to product complaints
- FIFCO evaluates its complaint mechanisms through monthly follow-ups presented to the different businesses.
- Additionally, FIFCO participates in internal and external audits of this process.



*Picture before the COVID-19 pandemic



Value Chain Sustainability



SDGs this initiative contributes to



FIFCO creates value through sustainability practices that go beyond its direct operation.

These initiatives correspond to an extension of its own practices towards its value chain. Through the Sustainable Procurement and Sustainable Customer Programs, FIFCO promotes continuous improvement and the adoption of practices that simultaneously contribute to the preservation of the environment and the competitiveness of suppliers and customers.

Distribution of national and international suppliers

	Local	International
<i>Distribuidora La Florida</i>	82.2%	17.8%
Hospitality	94.0%	6.0%
Retail	96.4%	3.6%
IAK	82.9%	17.1%

*The local and international definition from past reports is maintained.

Sustainable Procurement

This program, launched in 2010, seeks to improve the performance of suppliers in the economic, internal social, external social and environmental spheres, thus linking this part of the value chain to our triple bottom line corporate strategy.

The program is currently present in all geographies and businesses where we operate.



/ Value Chain Sustainability / Sustainable Procurement

The program's implementation continues to be strengthened within the company in order to promote that purchasing decisions are not only based on economic criteria, but also include issues such as quality of goods and services, legal compliance of suppliers, and their sustainability performance.

It is important to note that, as of 2019, the international standard **INTE/ISO 20400:2017** Sustainable Procurement: Guidelines, is taken as a reference framework to document the Sustainable Procurement Program. During 2020, all of our processes were documented under this regulatory scheme.

The main supplier management lines of action allow us to work on the procurement process from different fronts, integrating sustainability to FIFCO's purchasing strategy.

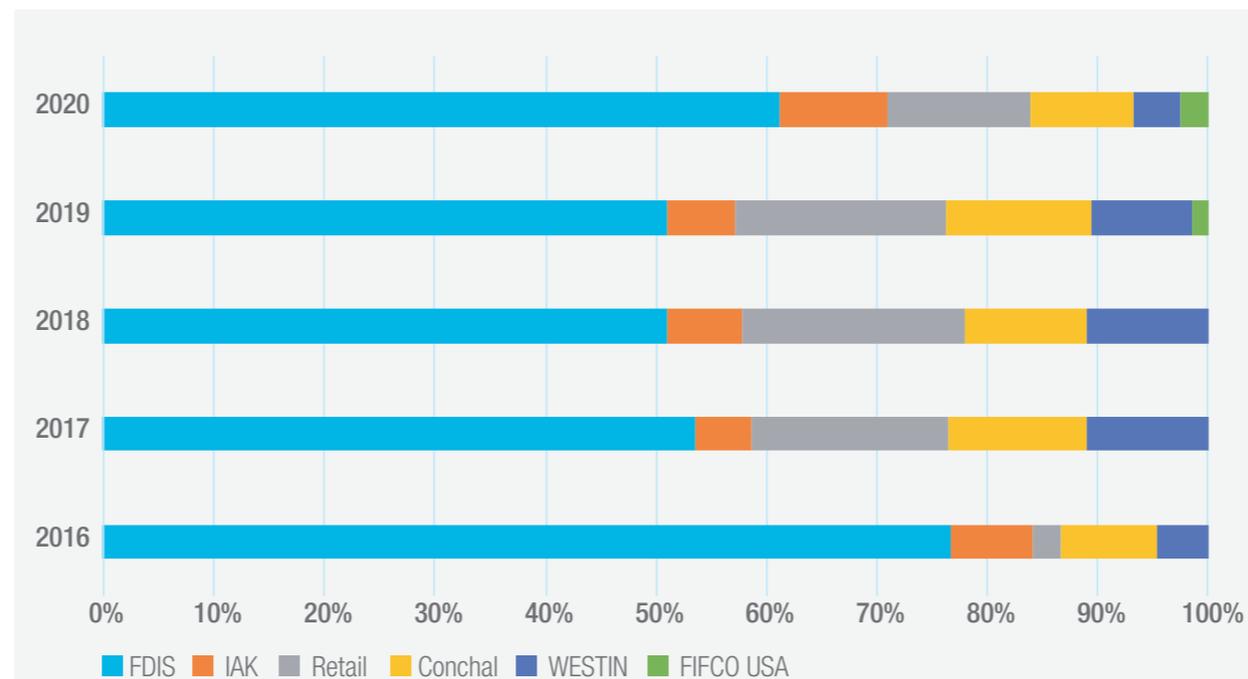
Within the **sustainability requirements for goods and services**, the most relevant criteria and requirements to be taken into account by the Procurement department, prior to the acquisition are defined. At the same time, the sustainability variable was integrated into the critical supplier contracting processes.

Axes of the Sustainable Procurement Program



As part of the second axis, the **sustainable supplier evaluation** was based on a tool that helps measure and follow up on the sustainability performance of those suppliers classified as critical. In previous years, the on-site visits methodology was used to ensure greater proximity to our value chain, however, as a result of the COVID-19 emergency and in line with our internal protocols, we decided to maintain the evaluations, conducting them virtually, thus guaranteeing the continuity of the process.

FIFCO | Breakdown by business unit



/ Value Chain Sustainability / Sustainable Procurement

One of the challenges is to include in the Sustainable Procurement Program all those suppliers that are within the categories defined as critical for each business unit. During the last 5 years, up to and including 2019, the coverage of this type of suppliers was increased. During 2020 the decrease in the graph responds to the change in the evaluation methodology during the pandemic, year in which only the 24 suppliers identified as higher risk and those that were essential for the operation of the business during the pandemic were evaluated.

It should be noted that for the 2020 period, **41 new suppliers entered** the sustainability evaluation process of FIFCO's Sustainable Procurement Program, as an effort to standardize the suppliers' critical sustainability categories.

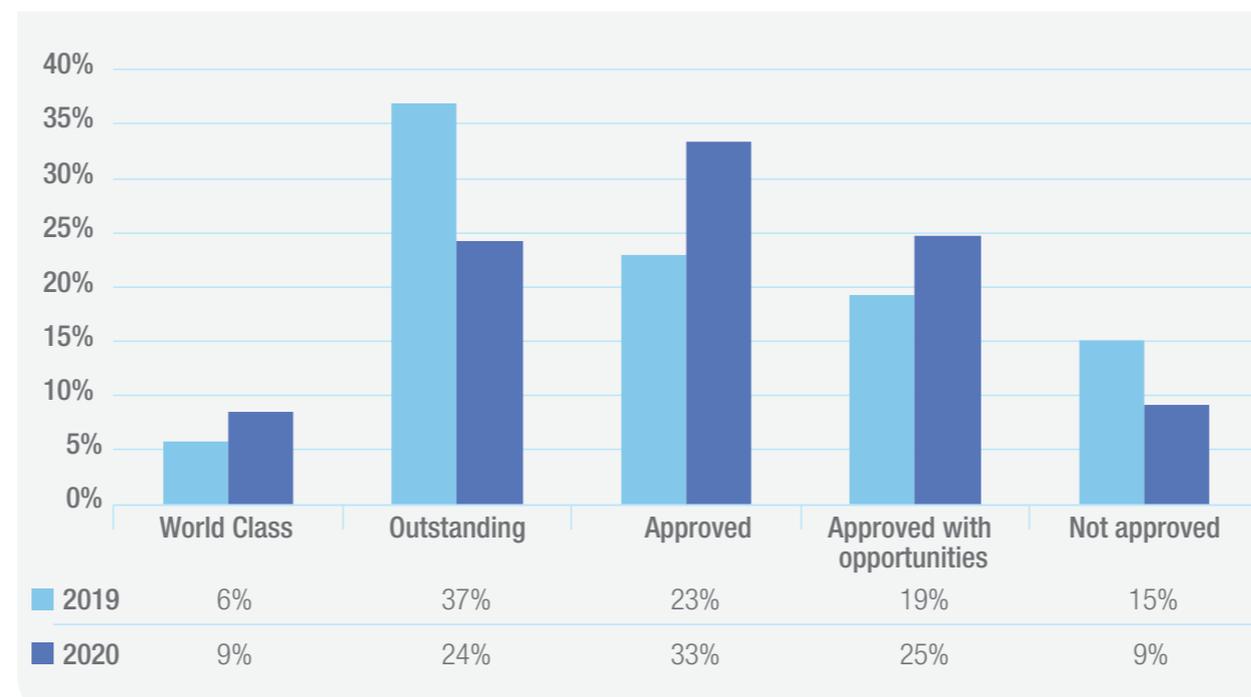
Suppliers' performance categories

Category	Score	Minimum score	Maximum score
Blue	World Class	101	110
Green	Outstanding	90	100
Yellow	Approved	80	89
Orange	Approved with opportunities	70	79
Red	Not approved	0	69

FIFCO | Suppliers covered in the Sustainable Procurement Program



FIFCO | Suppliers sustainability performance 2019-2020



One of the most important work areas corresponds to the category of initial validations performed on suppliers prior to entering them into the internal system as assets.

By 2020, **66%** of all suppliers are above the passing level (80% or more). This remained in line with the previous year, despite the difficulties faced by suppliers in the face of the pandemic.

As for the suppliers identified with potential or actual significant environmental or social impacts, through the evaluation process, a total of 18 suppliers were identified, whose results of the process closed in the red category. However, **83%** of them have an action plan in the implementation process and the remaining **17%** were previous validations that did not enter the program. The main impacts detected correspond to lack of legal permits or environmental risks.

In regards to the percentage of suppliers identified as having significant negative environmental impacts - potential and actual - with which the relationship has been terminated as a result of the program's evaluation, we can mention the case of a supplier who abandoned the sustainable procurement program.

/ Value Chain Sustainability / Sustainable Procurement

This corresponds to less than 0.5% of the suppliers for the reporting year. A total of 5 suppliers ceased to be FIFCO's suppliers; the remaining ones are merely a commercial decision. These suppliers are located in Costa Rica.

For FIFCO, it is of vital importance not only to know our suppliers through evaluations, but to **support them in their continuous improvement process**, where we seek to work hand in hand in favor of sustainability. All suppliers that are part of the Sustainable Procurement Program have **free access to the supplier development program** on sustainability issues, taught by FIFCO. Some ways in which we provide this support are the following:

1. During the audits, observations and improvement opportunities are provided.
2. Remotely by mail and/or telephone at any time at the supplier's request or in FIFCO's follow-up.
3. In meetings coordinated with the supplier for progress review and feedback.
4. Annual training program: in previous years, these sessions were held in person at FIFCO's facilities; however, as part of the adaptation to the change

due to the new digital reality for the 2020 period, the work focused on four virtual training sessions, with an attendance of **158** people, **34** of which were suppliers. Another novelty for this period was the incorporation of suppliers from the Guatemalan business to these sessions, which were face-to-face, and thus focused on suppliers located in Costa Rica.

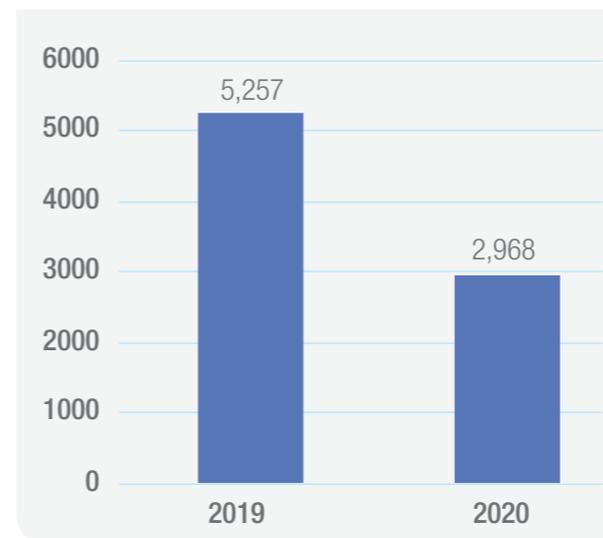
A total of **531 hours of training** were broken down into the following modules:

- A. Attention to the COVID-19 emergency
- B. Occupational health management and its risks
- C. Corporate social responsibility
- D. Waste management and environmental risks
5. **Value Sessions:** additionally, during 2020, an extension to the continuous training modules, called "Value Sessions", due to their highly functional content and of great relevance to suppliers who want to explore new sustainability topics, were developed.

This program had as scope suppliers in Guatemala and Costa Rica. A total of **212 hours** were addressed on this occasion:



FIFCO | Horas voluntariado proveedores



- A. Sustainable Mobility Panel
- B. . Workshop on calculation of indicators and carbon footprint

Within the axis of partnerships and sustainability projects with suppliers, this year we shifted our focus to the **Elegí Ayudar** (I Chose to Help) program, where every year we invite suppliers to be part of FIFCO's volunteer program. Due to the COVID-19 emergency, this program remained active until March 2020, with an accumulation of **2,968 hours**.

The Sustainable Procurement Program continues to be part of the FIFCO Air Brands project, through the sustainability index of the participating brands, since suppliers' performance directly impacts this indicator.

/ Value Chain Sustainability / Sustainable Procurement

Relevant milestones for the period

33%

of annual spending corresponds to suppliers addressed within our Sustainable Procurement program.

+700

hours of supplier development training.

47

suppliers participating in FIFCO's *Elegí Ayudar* volunteer program.

42

audits were conducted by a third party to support growth in the program's coverage.

12%

of the suppliers in the program have some type of program for the inclusion of sensitive populations.

100%

of new suppliers during the period, signed and accepted FIFCO's Environmental Policy and Responsible Supplier Code. Since 2020, additionally, a Corporate Social Responsibility Manual was made available to suppliers, explaining how suppliers can comply with the Responsible Supplier Code guidelines.

Number of new suppliers

País	2019	2020
Costa Rica	726	409
Guatemala	70	72
El Salvador	7	13
Honduras		3
Total	803	497

18%

of the companies visited have some type of certification in their management systems.

9%

of the companies visited are led by women.

14%

of the companies in the program are certified before the Ministry of Economy, Industry and Commerce as Small and Medium-Sized Enterprises (SMEs).

Of the challenges set for 2020, the following was achieved:

- ▶ To create a model of consequences in the event of noncompliance with contractual requirements by suppliers.
- ▶ Incorporate the Sustainable Procurement Program from the bidding process.
- ▶ Strengthen the development program, through virtual sessions.
- ▶ Create a new methodology for virtual evaluation.

Retos para el 2021

Generate strategic alliances with different actors (government entities, NGOs, private companies, etc.) that allow us to provide better support to suppliers in order to improve their sustainability performance.

Update the supplier evaluation process, simplifying the current tools with a more agile and effective vision.

Recover the coverage of evaluated and active suppliers within the program, achieving the incorporation of suppliers that were not covered in 2020 due to the pandemic and cover new categories.

Exceed the supplier volunteer hours goal.

Integrate the environmental indicators of some of our suppliers, within the calculation of the environmental footprint related to our Air Brands products.



Sustainable Customers

By 2020, together with the commercial area, the focus of the Sustainable Customers Program changed.

Given the national context, reopening points of sale was prioritized in light of the COVID-19 pandemic.

Four visits were made under the traditional scheme we have maintained since 2015. For the FIFCO Retail business, visits to the various points of sale of the Musmanni and Musi formats were maintained.



Distribution of national and international suppliers

Type of point of sale	Location
Bar - Restaurant	3
Minimarket	1
Bakery - Minimarket	25
Total	29

For FIFCO Retail points of sale, training on waste management issues was reinforced as part of the visits. Likewise, starting this period, a comprehensive improvement project for FIFCO Retail's points of sale where, together with the

Environment, Health and Safety areas, Business Development, Finance, among other departments, we will be working on various aspects of sustainability that mean an improvement in the way the business is developed.

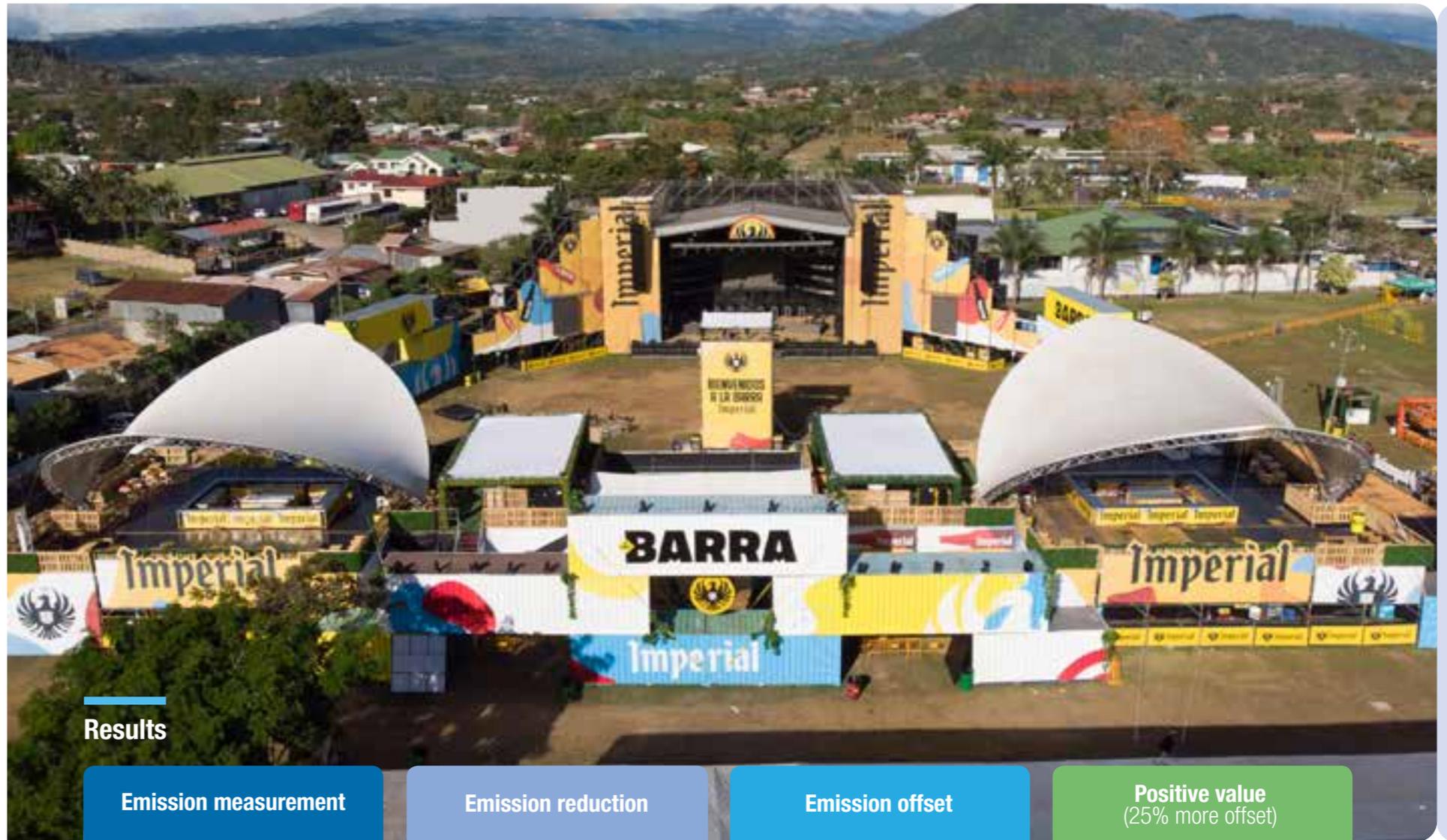
/ Value Chain Sustainability /

Sustainable Events

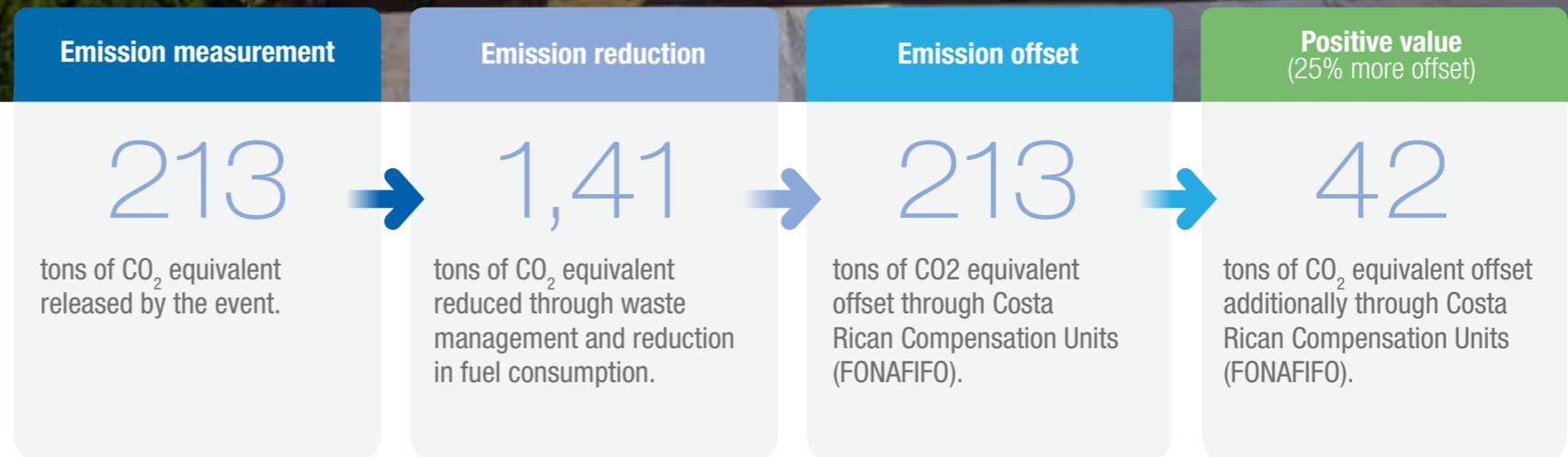
For the 2020 period, the Palmares Imperial Bar with a Carbon Positive and Zero Waste approach was maintained.

This process was externally verified through the Costa Rican Technical Standards (INTECO).

Due to the pandemic, the other annual events were suspended.



Results



Business Excellence

Florida Asesoría

FIFCO, through its Business Excellence team, modified its R.E.D. FIFCO initiative to *Florida Asesoría* (advisory platform), to provide, in the midst of the pandemic and in a context of uncertainty, a training and advisory platform in different topics: administrative, legal and commercial topics through the digital platform www.floridaasesoria.com.

This platform is available to more than **12,000** FIFCO customers, it was a direct and key channel to provide advice to owners of bars, restaurants, cafeterias and other places in the process of reopening their premises with the proper implementation of health and safety protocols.

During 2021, this platform will concentrate on the following aspects:

1. Training portal to accelerate capacities, in various business formats.
2. Business reactivation plan for ON Premise businesses, implementing a secure operation model, training at www.floridaasesoria.com and others.
3. Accompany business development of various clients.



Some results of this strategy's impact

Imperial Solidarity Box, helping with essential products for clients affected by commercial closures.

- **36,000** boxes delivered throughout the country.
- More than **13,000** clients benefited.
- More than **40,000** people in total.

ON Premise reopening plan

- Advice to **+2,172** points of sale,
- Physical supervision at **+785** points of sale.
- **+928** people trained.
- **+1,392** hours of training and coaching.





Internal Social Dimension

Our People



Our goal

Champion our employees



SDGs this initiative contributes to



A path to growth and development for collaborators

Since 2016, at FIFCO we defined our purpose, values, a leadership model and a goal for the internal audience: to champion our employees. In four years, we consolidated this path with an agenda that promotes our collaborator's professional and personal development.

Our People

At the end of the 2020 period, at FIFCO we are 5,386 people distributed between our operations in Costa Rica, Guatemala, El Salvador and the United States.

We believe that our workforce is essential to create economic, social and environmental value.

FIFCO | Total number of collaborators (Regular, temporary and part-time)

Country	2018	2019	2020
Costa Rica	4,790	4,492	3,972
Guatemala- El Salvador	723	549	546
United States	995	1,026	868
Total	6,508	6,067	5,386

Material Topics

Aligned with and inspired by four of the 17 Sustainable Development Goals: Good Health and Well-Being, Gender Equality, Reduced Inequalities, and Partnerships for the Goals, at FIFCO we build the material issues of this dimension also considering all the factors that come together when addressing the company's most valuable resource: **our human talent**.

1 Organization alignment

2 Talent management

3 Holistic well-being

4 Work relations

5 Human rights





Main results and milestones for the period

COMMITMENT #1 FOR 2020

Eradicate poverty within our company



SDGs this initiative contributes to



FIFCO Oportunidades

2020 was key for the agenda of eradicating and addressing multidimensional poverty within the company.

A complex socioeconomic context, rising unemployment, growth of the informal sector and health challenges, resulted in general impoverishment of the populations of the countries where we operate.

FIFCO Oportunidades seeks to improve living conditions and promote integral prosperity among those employees who live in conditions of socioeconomic vulnerability. At FIFCO, we implement a series of actions focused on our collaborators and their families that cover housing, education, finance and health/nutrition. For fifth consecutive year, the program contributed to address deficiencies and reduce poverty indicators according to the methodology of the Multidimensional Poverty Index (MPI) of the *Horizonte Positivo* organization.

Measuring the MPI

In June 2020, FIFCO applied a new measurement of the Multidimensional Poverty Index, together with the *Horizonte Positivo* organization. It was extended to all of FIFCO Costa Rica's collaborators.

General objective: apply the Multidimensional Poverty Index in 100% of FIFCO Costa Rica's population, in view of the COVID-19 situation.

This allowed us to:

- a) **formulate more accurate solutions** to minimize the incidence and intensity of deprivations associated with multidimensional poverty among our collaborators and their families.



Main results and milestones for the period /FIFCO Oportunidades



b) Identify and prioritize critical cases for a comprehensive approach.

Total application for FIFCO Costa Rica population:

- c) Food and Beverages
- d) FIFCO Retail
- e) FIFCO Hospitality

• **Implementation date:**
June - July, 2020

• **Mixed modality:**

a) **Online-virtual application**
Sending to 100% of the population a virtual link to fill out at home, together with the family. It can be filled out from a computer or mobile device.

b) **Assisted application:**

- Remote assistance
- E-mail
- Chat assistance
- Support from leaders, FO staff and Talent Executives

MPI measurement results

Beverage and Retail Units

3,940 **47.13%**
TOTAL COLLABORATORS VOLUNTARY PARTICIPATION OF COLLABORATORS

ACCOUNTING FOR

1,857 **6,487**
COLLABORATORS PERSONS

FIFCO Hospitality

949 **87.2%**
TOTAL COLLABORATORS VOLUNTARY PARTICIPATION OF COLLABORATORS

ACCOUNTING FOR

828 **3,079**
TOTAL COLLABORATORS PERSONS

Results | Total FIFCO MPI Application

53.3%

FIFCO CR COLLABORATORS DIAGNOSED WITH EXTREME MULTIDIMENSIONAL POVERTY INCIDENCE

Multidimensional poverty incidence



FIFCO CR **12.29%**



COSTA RICA **16.1%**

Characteristics of the population

1. 96% of the surveyed employees declared themselves as breadwinners
2. The average household size is 4.8 members.
3. 37% of homes are rented, while 44% are owned.
4. 18.9% of households have at least one elderly member.
5. 33.5% of households have at least one disabled member.
6. 34% of households have at least one member under 4 years of age.

The survey included specific questions on the impact of the COVID-19 pandemic and emergency in Costa Rica.

Based on the results, the program offers accompaniment and support in four dimensions:

1. Health and Nutrition
2. Finance and Social Protection
3. Education
4. Housing

Based on a triangulation methodology between *FIFCO Oportunidades*, the mentoring program and the partners who are part of the program, we achieved a timely and comprehensive intervention.

Most frequently deprived

MPI Indicator	Incidence
People with disabilities without transfer*	54,3%
Senior citizens*	30.9%
Overcrowding	26.0%
Early childhood without care*	21.8%
No health insurance	19.0%

The objective is to minimize risk situations, aiming at greater prosperity and multidimensional improvement in each collaborator's quality of life. Each employee is monitored for a minimum of one year and a maximum period of three years.

Partnerships with specialized organizations are a fundamental part of *FIFCO Oportunidades'* success.

FIFCO Oportunidades Partnerships

- Fundación Acción Joven
- Fundación DEHVI
- Financial Consumer Office
- Grupo Mutual Alajuela

Main results and milestones for the period

Human Rights, diversity and inclusion



SDGs this initiative contributes to



FIFCO is a company committed to the Sustainable Development Goals agenda as well as a signatory of the UN Global Compact and the San José Declaration, which demonstrates its commitment with the compliance, respect and promotion of Human Rights in all countries where it operates.

In terms of Human Rights, diversity and inclusion, significant progress was made in the United States operation through an awareness-raising process with leaders of the organization. We developed partnerships with local and international organizations that work in favor of minorities, regarding inclusion and diversity issues in the Rochester and Buffalo areas. In addition, a strategic inclusion and diversity strategic agenda including the definition of long-term vision, the strategy for the next 3 years, as well as an approved action plan for the year 2021, was established.

An agenda of non-religious celebrations was integrated and launched, including special dates for minorities. As part of the awareness-raising and training activities, a Diversity and Inclusion Team was formed and trained. Additionally, a training process was completed for the entire management team.

On the other hand, various groups representing minorities: Women in Beer, Black in Beer, and Latino in Beer, were formed.

Finally, as part of the approved strategy, objectives and metrics were established to monitor the company's progress in this area.

Inclusion due to COVID-19

In all FIFCO operations, communication channels were diversified to make access to information, health protocols and training with experts even easier and more inclusive for all employees with aspects related to COVID-19.

Highlights of the period

- FIFCO, as a company committed to inclusion and respect for the LGTB population, participated in the signing of the San José Declaration.
- The Teleworking Policy was strengthened, progress was made in a work agenda in more flexible modalities. We provided equipment to collaborators for the teleworking modality.
- Training of leaders in Human Rights and women's participation.



Main results and milestones for the period

Organizational Alignment

COMMITMENT #2 FOR 2020

Be recognized as one of the best companies to work for



The heart of FIFCO is our collaborators. During this pandemic, priorities were focused precisely on taking care of the health of our employees and their families, preserving jobs and providing them with tools and support to enhance their skills.

Telework

2020 led to increased adoption of the Telework Policy. Progress was made in a work agenda in more flexible modalities that allowed collaborators, due to the nature of their role, to work from home. Nearly 13% of our collaborators are teleworking

Training focused on the use of Microsoft Teams, e-mail, Forms, Sharepoint and Tiago (internal platform for requesting services and reporting incidents to different departments).

Training sessions were transferred to virtual mode, to ensure the development of our collaborators and their health care. For example, induction, new technological tools for sales teams and the English program.

Learning and Development

During the reporting period, the area was redesigned to include even more technology in the learning and training processes. Massive trainings were provided in technological tools used by the corporation, to ensure communication and connection at all levels.

In order to provide a good experience in the virtual modality, we accompanied leaders for the proper management of their teams and support from the IT area to clarify doubts regarding connectivity and information management. In this way, we foster a culture of continuous learning.

Main results and milestones for the period / Organizational Alignment

An important development during this period was the installation of computer equipment for learning purposes in all of the organization's facilities. This enables the connection of collaborators, who do not have computers assigned to them on a daily basis, to participate in virtual training sessions to reinforce safety protocols, emotional contingency, diversity and inclusion, also covering Costa Rican sign language, Lesco. This equipment enabled collaborators to participate in virtual meetings.

During the year, programs and certifications focused on the development of new organizational capabilities such as: Design Thinking, Project Management (PMP), Project Management Technician Certification, Agile, Analytics, consumer and digital experiences. In addition, educational content internally and for suppliers, leveraging on the experience and knowledge of our internal departments: diversity and inclusion practices, healthy family finances, training instructors, among others.

Specifically in the Supply Chain area, we worked hard on standards and regulatory issues.

Personnel were trained in topics such as quality, food safety, emergency brigades, safety and environment. Technical training was reinforced for agile production and continuous improvement in all our operations. An extensive TPM training program called *Reto a Bronce* was carried out in conjunction with Heineken.

As part of our efforts to ensure that the organization works in a customer-focused manner, two programs were launched: "Leadership for customer service" for middle and senior management, and "Customer Service Culture" aimed at operational levels. As a result, we obtained personnel who were better prepared to anticipate the needs of both internal and external customers in Costa Rica and Guatemala.

The Commercial area continued with the "Alas" (Wings) program for the sales team, designed jointly with *Universidad de Costa Rica*, to develop the future skills of our sales force. In addition, progress was made in the Marketing and Sales Technician program for sales supervisors, and we worked on specialized programs for the marketing, sales, and trademarking areas.



Number of training hours

Nivel	2018	2019	2020
Operating	19,648	105,438	57,556
Middle Management	17,987	47,867	29,236
Management	2,215	9,743	6,345
Total hours	39,850	163,048	94,975

Average annual training hours

Worker				Middle Management				Management			
Female		Male		Female		Male		Female		Male	
2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
7%	13%	93%	87%	26%	33%	74%	67%	25%	36%	75%	73%

Main results and milestones for the period

Talent Management



SDGs this initiative contributes to



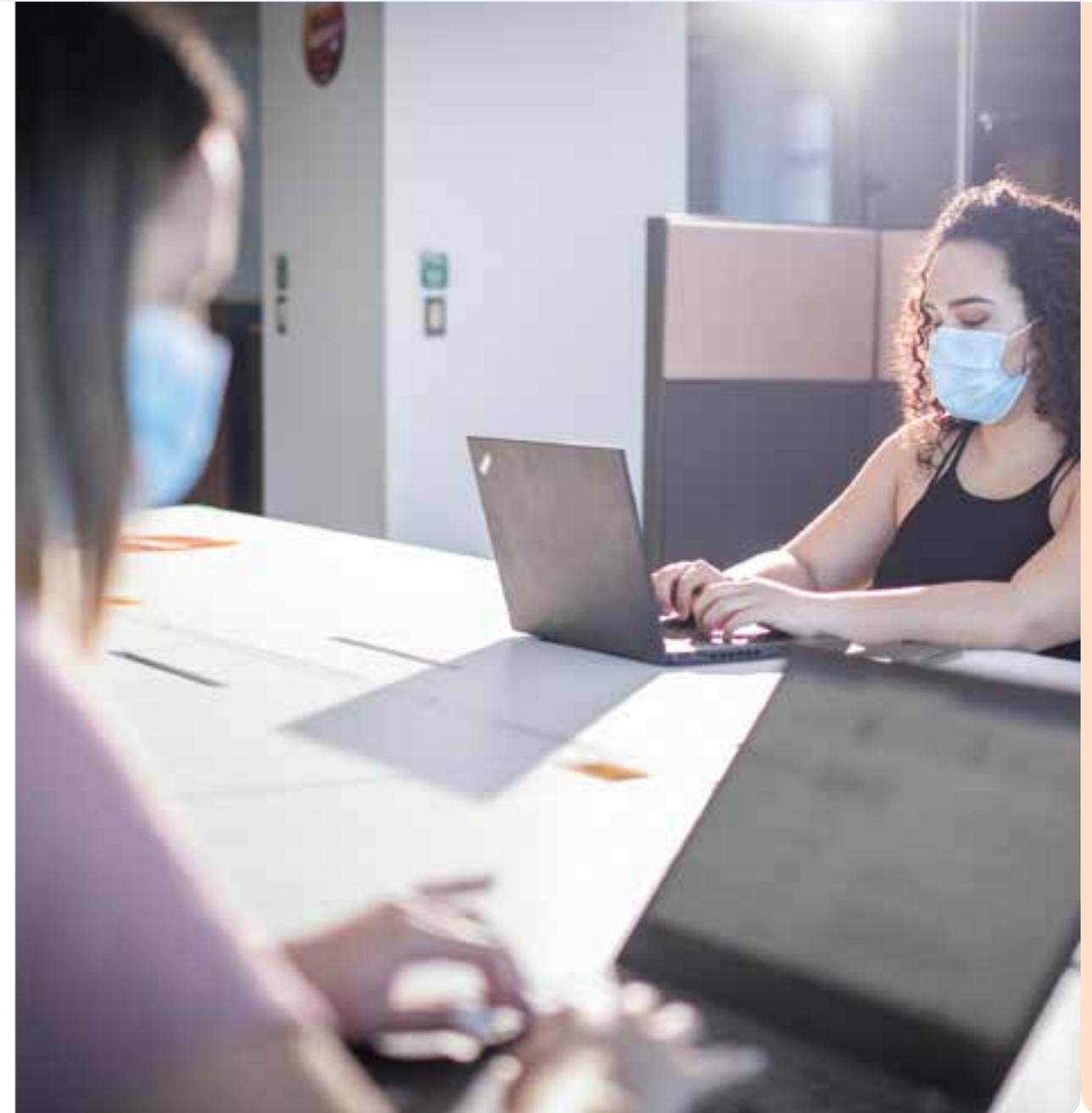
Main results and milestones of the period this initiative contributes to

- During this year we worked on a pilot plan that allows, internally, to automate the evaluation process of the organizational climate.
- We worked to strengthen recognition schemes through the *Dame 5* (Give me five) program.
- Various initiatives were implemented to improve the work/life balance of our collaborators, through the *FIFCO Segura* page, aimed at promoting the physical and psychological health of collaborators in the COVID-19 context.

Collaborator experience

During 2020, we worked to involve our collaborators, customers and key stakeholders as part of the *Portémonos ReBien* (*Let's behave really well*) awareness campaign. The campaign seeks to promote health and safety, following prevention protocols.

To this end, we provide training, and advice to all collaborators. In addition, through the Solidarity Association, we provided cleaning kits and additional protocols to ensure their well-being within the company's facilities and on their way home.



Main results and milestones for the period

Health and Holistic Wellbeing



SDGs this initiative contributes to



Given the emergency context in which FIFCO operated for almost 9 months, the Health and Wellbeing agenda during 2020 prioritized the care, safety and health of our collaborators, suppliers, customers and consumers.

FIFCO Segura

Since the beginning of the pandemic, we have applied the *FIFCO Segura* (Safe FIFCO) work model, aiming to guarantee the physical and emotional wellbeing of our collaborators, family members and customers in the face of COVID-19.

Through this initiative, protocols were built to take care of both personnel and their families whether working within the company's facilities or teleworking. Some topics addressed included: correct application of health protocols, timely reporting of symptoms, delivery of cleaning kits, safe entry to the company's facilities, removal of equipment and furniture to improve the telework experience, proper emotion management, testimonials, home entertainment ideas, and physical health, among others.



Learn more

For more information about the actions implemented as part of *FIFCO SEGURA* in the special section "FIFCO Segura: our emergency agenda for COVID-19" see page 136 of this report.



Main results and milestones for the period

ProNutri

In February 2020, FIFCO officially received the ProNutri certification for its Corporate Building in Río Segundo de Alajuela.

FIFCO was the third company in Costa Rica to achieve this certification, endorsed by the Association of Nutrition Professionals (CPN) and the technical endorsement of the Technical Standards Institute of Costa Rica (INTECO).

Part of ProNutri’s multiple benefits is to improve physical health indicators and eating habits, as well as promote a more active and balanced lifestyle.



ProNutri’s impact in FIFCO

- Diagnostics to more than **540** collaborators; evaluation of height, body mass index, waist circumference, lifestyle assessment and health history.
- **690** hours of clinical nutritional consultation, with high impact:
 - Optimize indicators of body composition and make adjustments to their eating habits and lifestyle.
 - 86% of the patients attended decreased their waist circumference by at least 5%, 74% decreased their fat percentage and 44% lowered their body mass index
- Seven activities, equivalent to 23 hours, including training and activities open to collaborators. In addition, 33 communications shared internally.



Main results and milestones for the period

Workplace relationships



SDGs this initiative contributes to

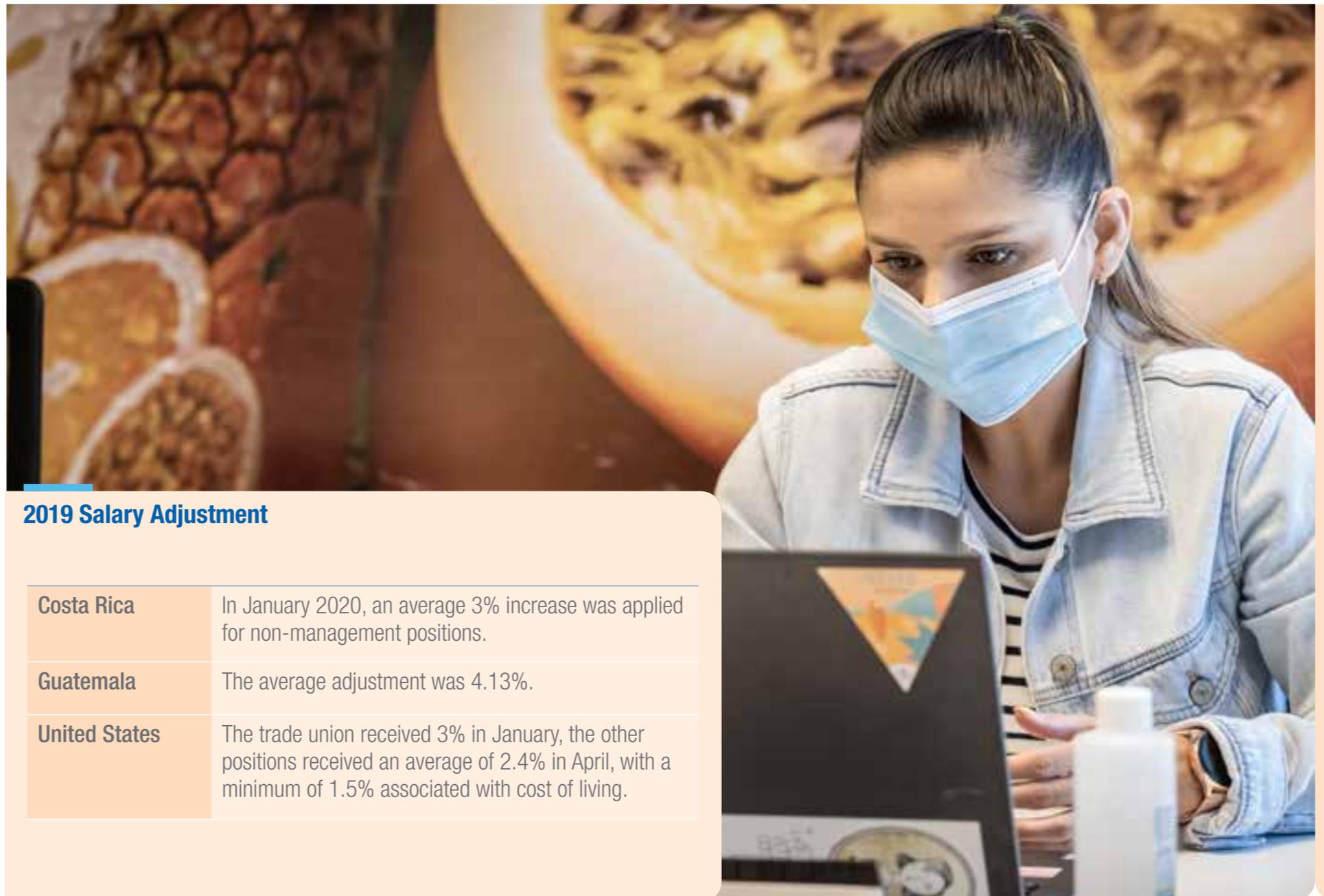


Harmony and balance are fundamental for a proper work relationship. FIFCO works for and is committed to present year after year its progress in terms of inclusion, flexibility, leadership, change management, workplace relationships, benefits and work environment.

Our Balanced Score Card

Adjusted to a different reality, in a highly volatile and uncertain year, in 2020 we redefined the way we evaluate our collaborators based on three priorities we set at the beginning of the pandemic: protect the physical and mental health of our collaborators, preserve jobs, and ensure the financial sustainability of the business.

Based on these priorities, we adjusted the goals of scorers across the company, aligning efforts in the same direction.



2019 Salary Adjustment

Costa Rica	In January 2020, an average 3% increase was applied for non-management positions.
Guatemala	The average adjustment was 4.13%.
United States	The trade union received 3% in January, the other positions received an average of 2.4% in April, with a minimum of 1.5% associated with cost of living.

Main results and milestones for the period / Workplace relationships

Collaborator benefits

Costa Rica

- ▶ Canteen service
 - ▶ Company doctor and telemedicine service to attend positive or suspected COVID-19 cases
 - ▶ Life insurance (applicable to managers and heads of the food and beverage business; Florida Retail managers, heads, supervisors and professionals; and Hospitality managers)
 - ▶ Medical insurance (applicable to managers and heads of the food and beverage business; FIFCO Retail and Hospitality managers)
- ▶ Disability coverage. Additional support due to the pandemic.
 - ▶ Maternity and paternity leave
 - ▶ Actions (applicable only to managers of the food and beverage business)
 - ▶ Performance bonus (applicable to Management positions)
 - ▶ Solidarity Association
 - ▶ Diversified education programs
 - ▶ Salary advances
 - ▶ Gifts or product discounts
 - ▶ Housing grant (applicable only to Hospitality and those candidates moving from San José)
- ▶ Wellbeing program
 - ▶ Reward for all the company's non-executive population
 - ▶ Flexible hours and telecommuting options (administrative)
 - ▶ Delivery of school packages
 - ▶ INS consulting rooms in rural areas
 - ▶ Agreements with education centers, gyms, restaurants and entertainment centers
 - ▶ Internal platform for online courses
 - ▶ Internal internship plans
 - ▶ Health fairs
 - ▶ Leadership programs
- ▶ Free nutrition and psychological consultation
 - ▶ Free physical therapy (based on medical check-up)
 - ▶ Vaccination against influenza with the support of solidarity associations
 - ▶ Equipment for improving the work experience in teleworking, chairs, monitors, etc.

Guatemala

Through the trade union, its members receive allowance for food, medical and dental clinic, vacation bonus and universal indemnity, among others. Personnel also receive:

- ▶ Tiered vacations and 20 days (the law establishes 15)
 - ▶ Cooperative
 - ▶ Productivity bonus
 - ▶ Ophthalmology aid (only for regular staff)
 - ▶ Dental aid
 - ▶ Company doctor for 100% of collaborators
 - ▶ 24-hour company nurse
 - ▶ Dental clinic for 100% of collaborators
- ▶ Medical insurance (administrative personnel level 13 and up)
 - ▶ Childbirth allowance
 - ▶ Death allowance
 - ▶ Help for school and bus service (workers)
 - ▶ Bursary
 - ▶ Health fairs extensive to relatives
 - ▶ Canteen service
 - ▶ Life insurance
 - ▶ Salary advances
 - ▶ Product discount
 - ▶ Vacation bonus (20% for administrative personnel since February 2010; according to the Collective Agreement table for workers)
- ▶ Supplemental salary for medical disability
 - ▶ Christmas bonus
 - ▶ Medication allowance
 - ▶ Payment of labor liabilities (conditioned to PC)
 - ▶ Car Allowance (applicable to certain levels)
 - ▶ Wellbeing program (gyms)
 - ▶ Telecommuting option (administrative)
 - ▶ Medical insurance for sales personnel and N10 personnel
 - ▶ Health Program (virtual classes, exercise, healthy cooking)

United States

- ▶ Medical insurance
 - ▶ Dental insurance
 - ▶ Ophthalmology insurance
 - ▶ Flexible expense accounts
 - ▶ Employee assistance programs
 - ▶ Disability insurance
 - ▶ Life and accident insurance
 - ▶ Retirement savings plan
 - ▶ Paid free time
 - ▶ Paid vacations
 - ▶ Volunteering during work hours
 - ▶ Maternity and paternity leave
 - ▶ Health Savings account
 - ▶ 24-hour company nurse
 - ▶ Gifts (products)

Main results and milestones for the period / Workplace relationships

DISCLOSURE GRI 102-41

Freedom of association

In each country where we operate, we respect the freedom of association established by local labor laws, as well as the agreements ratified by the International Labor Organization (ILO). In the case of Costa Rica, the company recognizes the great value of the Solidarity Movement and its valuable contributions to the country's development. During the year, no strikes or labor disputes were reported in any of the countries where FIFCO operates.

About trade unions

In the event of operational changes affecting collective agreements, a minimum of weeks' notice is required for the members of these agreements. For the Guatemala operation, there is a collective agreement, which specifies that the period of notice, consultations and negotiations is eight weeks.

In the United States, no prior notice is required for the environment that does not have a union, usually if there is a change in operations, notice is given two to four weeks prior to the event.

In the case of Costa Rica, this does not apply, as there is no union. In FIFCO, notice periods are applied in accordance with each country's labor laws, regardless of whether or not they occur due to organizational changes.



Voluntary membership organizations

Percentage of affiliate workers

Country	Type of agreement	Employee coverage		
		2019	2020	
Costa Rica	Asociación Solidarista de Empleados de Reserva Conchal y Afines (ASORESERVA)	98%	96%	98%
	Asociación Solidarista de Empleados de Panificadora Nacional (ASEPAN)	76.91%	82.04%	80.03%
	Asociación Florida (ASOFLORIDA)	88%	80.27%	81%
Guatemala	Kern's Workers Union	39.55%	40.55%	49.50%
United States	There are 5 different trade unions	31.30%	33%	



FIFCO Segura:

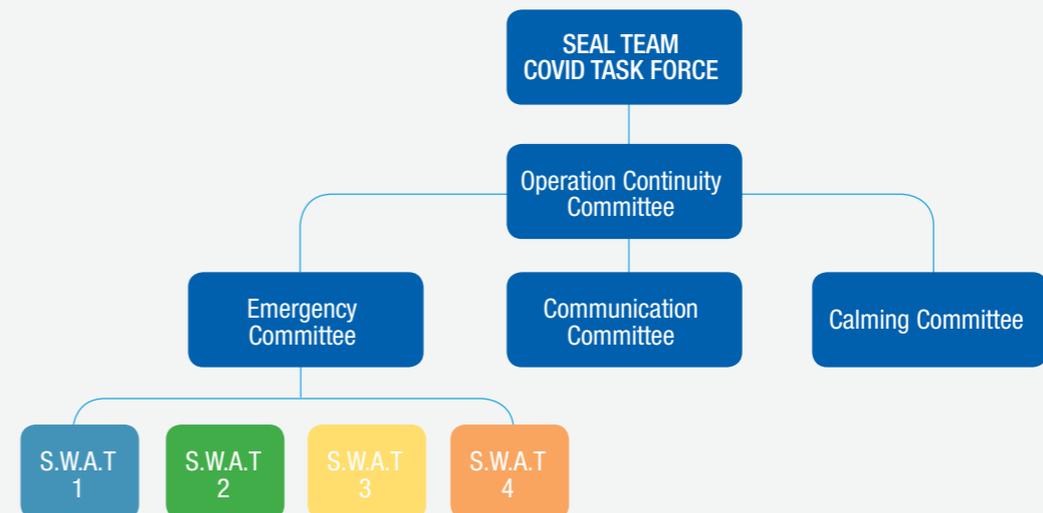
Our agenda in face of the Covid-19 emergency

FIFCO SEGURA

Since the beginning of the COVID-19 pandemic, FIFCO has designed a unified agenda called **FIFCO Segura**.

This agenda was created with the purpose of watching over the health and safety of all FIFCO collaborators in all the geographies where it operates, number one priority for the company.

Emergency Governance



FIFCO SEGURA

Emergency Committees

Since the beginning of the pandemic, the respective FIFCO Emergency Committees were activated. Each geographic location where FIFCO operates has an Emergency Committee. These committees are a work structure focused on executing prevention and mitigation actions before, during and after emergencies that may affect the company. They are made up by a multidisciplinary team that brings together collaborators from key areas for the emergency response at all levels. Work plans are established and decisions are made on fundamental axes to guarantee the health and safety of people, business continuity, assertive communication, adoption of strategic measures, efficient use of resources and management of risks identified in the different stages of attention.

These committees meet weekly and, in some cases, daily, in order to keep close track of what is happening at the country and internal level. The sessions are approached from 4 relevant angles, the communications agenda, the safe operation pillar, daily indicators of cases attended, strategic and specific business issues.

Communications Committee

Regarding the communications agenda, there is a Communications Committee in charge of planning, designing and publishing the communications, awareness campaigns and the involvement of employees in the initiatives and plans implemented for emergency response.

The Emergency Committee analyzes and reports daily indicators of: the number of COVID-19 cases studied, discarded, under observation or follow-up due to suspicions, close contacts or evolving symptoms, as well as the number of active and isolation cases by area. In addition, the impact of the cases on the continuity of the areas and action plans aimed at managing the mapped risks, is reviewed. Among the most relevant decisions and initiatives adopted and implemented by the committee are:

- Conformation of SWATS and auxiliary committees.
- The creation of a specific communication channel to address corporate communications focused on COVID called “FIFCO SEGURA”.



- The segmentation and adaptation of communications for the different target audiences.
- The adoption of stringent prevention measures in a standardized manner in all areas, e.g. delivery of hygiene kits, use of masks, development of information on protocols at all levels, employees, customers, business partners and any other stakeholder, addressing cases present in FIFCO
- Border monitoring to avoid shortages.
- Addressing high-risk populations.
- Raising minimum resources by area.
- The teleworking policy.
- The protocol for entering the facilities.
- Measures for populations that visit the point of sale or external commercial area.
- The fieldtrip protocol for collaborators.
-
- The protocol for receiving foreign visitors

FIFCO SEGURA

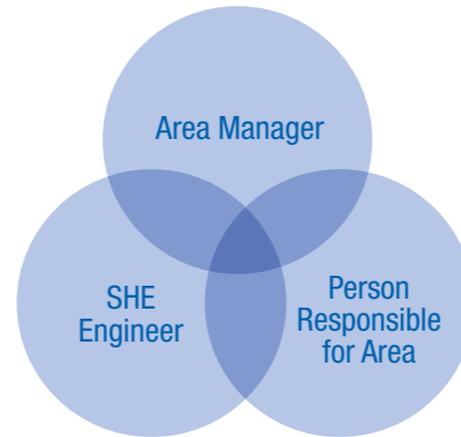
SWAT Teams

SWAT Teams are created as part of the FIFCO Segura agenda: small work teams to serve in a segmented way by operational department. These teams follow up on positive cases, suspected cases or close contacts of a suspected or confirmed COVID-19 case.

SWAT Teams are made up by safety and health leaders from the company's different business units, a representative from the Talent area, as well as other members such as the manager and the person(s) responsible or supervisors of each area where a COVID-19 case is reported.

The purpose of creating these teams was basically to ensure a continuous and direct channel of communication to manage the continuity of the business affected by COVID-19 cases by means of an immediate response that would allow all the actors involved to make decisions based on isolated personnel, cleaning and sanitization (fumigation) of the area to prevent further contagion by surface contact, moving talent from other areas that could immediately fill the position that was being isolated and thus prevent the area from being left without personnel to attend to it.

SWAT Teams: Structure and responsibilities



Area Manager

- Communication to the Emergency Committee.
- Internal communication of events to operations.
- Resource enablement.

SHE (Safety, Health and Environment) Engineer

- Defines the standard to be applied. Provides technical support.
- Verifies the application and standard with other areas.
- Awareness-raising and training.

Responsible for the area

- Executes standard.
- Maintains and monitors the implementation.
- Standard recording, evidence and feedback.

*** Each team analyzes different scenarios, ensuring the stabilization and continuity of that specific area. The teams maintain direct communication with the Emergency Committee.**

Another objective of implementing this work team methodology is the exchange of experiences between areas.

Covid budget - methodology: \$1,159,270

Since the beginning of the emergency response, the company has allocated the required resources in line with its three priorities: caring for the health of employees, cash flow and jobs. In order to address the above, a series of needs and extra expenses have been identified for health, safety and hygiene, for which an extraordinary budget has been assigned, as shown in the following table.

Table 1
Breakdown of 2020 activities allocated for the COVID-19 emergency

Expenditure	Description
Hand sanitizer and soap in FDIS facilities	For dispensers in facilities and back-up stock for 3 months
Hand wash basins in FDIS facilities	Hand wash basins at the entrance of the facilities
Manual temperature scanning	All FIFCO facilities
Attention of health professionals and Covid tests	Includes professionals for culture training, professionals for risk categorization. Testing for suspected cases.
Hand sanitizer (Retail)	For dispensers and back-up stock
Doctor's office supplies and instruments (thermometers)	Medicines, syringes, cleaning supplies and mask disinfection
Per diem for collaborators	Food for collaborators due to longer work days
Advice on procedures and practices	Drafting and revision of procedures and consultations with experts
Front End cleaning kits	Cleaning kits for the entire population
Masks and bags	Provision of masks for populations who are unable to keep their distance
Facility signage	Placement of signs in facilities
Transport protocol	Implementation
Disinfection and sanitization of facilities	Disinfection and sanitization of facilities
Canteen protocol	Implementation
N95 masks for security guards	Other important PPEs
Temperature scanning tablet	Automated temperature scanning

FIFCO SEGURA

FIFCO Segura Implementation

Aspects discussed in the FIFCO Segura agenda

Canteens and Lockers	Psychological and Emotional Care	Telework
Local and international fieldtrips	Sensitive Populations	Access control to facilities
Best practice identification	Measures for personnel in contact with customers	Contractors and Transport Staff
Influenza Vaccine	Virtual wellbeing	Communication
Budget	Confirmed and Suspected Cases	



Canteens and Lockers

Being canteens and locker areas among the most frequented by personnel and having many common surfaces, special measures were required to promote distancing and compliance with preventive protocols.

The main lines of action for prevention are summarized as follows:

Lines of action for prevention in canteens



- Best practice analysis.
- FIFCO Canteen Protocol.
- Protocol implementation.
- Follow-up on continuous improvement.

Principales acciones desarrolladas

- Alignment with the canteen service provider and FIFCO staff who serve in the canteens.
- Training and use of masks and face shields when serving.
- Reduce capacity and establish groups with defined eating schedule.
- Reduce surface contact measures.
- Establish disinfection points for tables.
- Seating signage, line markings, partitions for physical distance.
- Communication and awareness campaign for staff.
- Changes in the menu, as well as take-out options to reduce time spent in the canteen.
- Enable new eating spaces to promote distancing.
- Install hand washing basins at the entrance of the canteens.
- Monthly cleaning and misting of all dining areas.
- Install video surveillance for compliance monitoring.
- Weekly and monthly inspection process in order to ensure compliance with the protocols and measures at all times.

FIFCO SEGURA

Lockers or dressing areas are enabled up to a maximum of 50% of their capacity. Schedules and spaces are demarcated so that the productive bubbles of the different areas have as little contact as possible between them. Before entering these areas, employees must wash their hands as part of the measures, frequent cleaning protocols and disinfection of surfaces are applied in order to keep the area clean.

Shared spaces: capacity restrictions, distancing and use of masks

In accordance with the prevention measures and recommendations established by the respective authorities, spaces have been conditioned to comply with the following conditions:

- Physical distance between collaborators not less than 1.8 m
- Ample space for transit of collaborators
- Delimitation of access to the facilities
- Natural ventilation capacity and adequate air conditioning filters
- Provision of cleaning and hygiene supplies
- Intensive cleaning routines for spaces and surfaces
- Delimitation of spaces, signage and visual instructions for access to common areas



For the above, the demarcation in all the facilities has been standardized. Spaces are marked to be occupied in all areas. The permitted capacity is defined at the entrances, as well as the circulation directions in stairways and common corridors, restrooms have been made available according to their capacity in order to comply

with the 50% capacity restriction, and places for queues or waiting points are also defined to ensure distancing. Canteens and cafeterias were limited to 25% of capacity as a way to guarantee social distancing at all times from the entrance to the exit.

The recreational areas remain closed in order to avoid activities that could lead to non-compliance with protocols and therefore the spread of the virus internally.

As for meetings or team activities, we promote 100% virtual forums. In the event that it is strictly required to carry them out in person, a protocol is in place for their development, as well as different levels of supervision to ensure compliance. Regarding celebrations, they must be carried out virtually.

Collaborators who work in person at FIFCO's facilities must comply with:

- All the Health and Safety protocols mentioned
- Avoid touching their face if they have not washed their hands
- Persons in charge of cleaning should protect themselves with gloves while cleaning. After cleaning, waste and residues should be disposed of correctly and wash hands as established in the protocol
- Respect all the rules and guidelines according to the labeling of areas in terms of permitted seating and maximum seating capacity in meeting rooms and offices, permitted seating at shared work tables and

FIFCO SEGURA

canteens, places for standing and queuing, as well as the use of handrails on stairs and respect for keeping right when going up or down stairs. This includes not modifying the layout of furniture such as chairs or tables already arranged according to social distancing measures.

- ▶ Use at all times within FIFCO's facilities surgical mask, even if alone in an office or room.

The mask may only be removed in open-air locations and where a minimum distance of 2 meters is maintained from any other person.

- ▶ For the outgoing population, the use of face masks is also mandatory, in all places indicated by the Ministry of Health and inside the company's vehicles, in case more than one person travels in them.
- ▶ Surgical masks must be used at all times, or those authorized by the SHE area.
- ▶ All personnel must remember that the mask is not a substitute for social distancing, greeting at a distance, hand-washing, coughing and sneezing protocols, nor the cleaning and disinfecting of common contact surfaces; it is only an additional protective measures.

Psychological and emotional care: Calming Committee

As part of the process of supporting employees during the pandemic, a working team called the *Calming Committee* was launched. Its objective is to design and implement initiatives aimed at improving mental health.

Three webinars were held for specific segments of the employee population where these topics were addressed:

- ▶ **Teleworking:** effective time management, benefits and use.
- ▶ **Bereavement:** related to the loss of family members of FIFCO's collaborators.
- ▶ **Work stress management.**

A kit was created for leaders, in order to provide them with tools to manage timely and correctly any delicate situation they may have to face with their personnel in charge.

The kit consists of materials on the following topics:

- ▶ Self-care routines.
- ▶ Life balance.
- ▶ Observing and acting.
- ▶ Listening from the heart.
- ▶ Keeping bridges.
- ▶ Communicating with empathy.
- ▶ Socialization activities.
- ▶ Emotional first aid.
- ▶ Bereavement.

Work areas of the Calming Committee



Various communication materials were also developed, such as information capsules sharing information with employees.

At FIFCO, knowing about the increase in levels of anxiety, stress and social fear at a national level, an impact was also detected, since there was a 42% increase in the number of consultations on issues related to the pandemic. In response to this increase, a series of measures were implemented to strengthen our collaborators' mental health.

Individualized and group clinical care for employees



FIFCO SEGURA



Teleworking

The pandemic forced many of our employees to work exclusively from home, a new reality the company was not fully prepared for. Although FIFCO had a clear teleworking policy, the pandemic redefined the work dynamics of many of the teams. The adjustments implemented include:

1. Sending 100% of employees whose work can be performed from home to the telework modality.
2. Mixed teleworking and face-to-face work days for those collaborators who must be present at the facilities to carry out their work.

For this process, information was collected from the entire organization in order to define which positions were "teleworkable" fully, partially and those that require being present. As part of the adjustment to the new working modality, a series of tools and materials were developed and shared so that teleworking collaborators can work in a way that does not affect their physical health.

The adoption of new habits is promoted and thus better manage aspects such as responsibility with their children, housework, among others.



***** All materials have been made available to employees through the UFICO platform, where they can be downloaded and consulted.

FIFCO SEGURA

Local and international trips

Another of the measures taken by FIFCO to combat the Covid-19 pandemic was the implementation of two protocols aimed at maintaining preventive measures for employee trips in the national territory or when an employee travels to a foreign country.

With respect to the protocol for trips, it was addressed to a great extent for the commercial area personnel, which includes all those employees whose functions are outside their usual work centers and who must travel to visit suppliers, customers, points of sale or others. The protocol establishes hygiene measures to prevent contagion, all in strict adherence to the current guidelines issued by the Ministry of Health.

The protocol contemplates:

- ▶ Lodging for collaborators outside the Greater Metropolitan Area.
- ▶ Guidelines for trip coordination and organization .
- ▶ Schedule.
- ▶ Basic protocols for the use of personal protective equipment, sneezing and coughing, constant cleaning and disinfection of vehicles, hand washing, measures in lodging places, as well as food guidelines, among others.



- ▶ The implementation of logbooks during the trips in order to be able to identify possible contacts and provide traceability of contacts in case of suspicion or confirmation of a positive case.

The protocol for travelling abroad establishes the guidelines and measures to be taken by those collaborators who must leave the country for reasons strictly related to business continuity. It establishes preventive isolation and testing for COVID-19, ensuring that the person will be fully healthy reincorporated in the country.

Management of sensitive populations

Based on the Ministry of Health’s guidelines, published scientific studies and the criteria of health professionals, a risk categorization was made according to individual vulnerability in case of infection. Five risk groups were defined in order to indicate preventive home confinement for the most at-risk individuals to avoid exposure to the virus. This process was carried out in March 2020.

Thanks to the strict medical follow-up of those people classified as sensitive population, optimal control of their risk diseases was possible in most cases.

Employees who return to work undergo a reinstatement training process, in which all FIFCO SEGURA measures are explained. In addition, they receive psychological follow-up to evaluate adaptation to work and weekly medical follow-up of each case that ensures optimal control of their ailments.

Risk categorization

- **Green:** healthy people, with no associated risks.
- **Yellow:** people with a properly controlled risk disease.
- **Medium red (low risk):** people with associated pathologies who were at low risk of a fatal outcome in the event of infection with COVID-19.
- **Bright red (high risk):** people with associated pathologies who were poorly controlled because of recent diagnosis or difficult management of their disease as such.
- **Purple:** people with very high-risk associated diseases or pathologies who represent a high probability of complications or a fatal outcome in the event of COVID-19 infection.

FIFCO SEGURA



Triage for entry to facilities

In order to reduce the risk of spreading the COVID-19 virus, one of the most important protocols implemented in all FIFCO operations is the safe entry to the facilities. This protocol includes:

- Communication of prohibition of entry to facilities with cold symptoms or associated with COVID-19. It has been communicated through various existing channels to collaborators, contractors, visitors and any interested party who requires entering the facilities that they should not enter if they have been experiencing any symptoms in the last hours or in previous days. The appropriate thing to do is, in the case of collaborators, to report it to the health service through the number enabled 24/7 for medical teleconsultation and in the case of non-collaborators to go to the nearest health service and receive medical treatment.
- We have enabled manual or electronic temperature scanners for all persons entering the facilities, as well as questions about whether they have had symptoms or risky contacts recently. In case high temperature or risky contacts or symptoms are detected, admission is not allowed and the patient is urged to go to the relevant health services.

Exchange of best practices with strategic partners and others

Since March 2020, periodical exchanges of best practices have been implemented in prevention, care, impact mitigation, business continuity, health services offered and risk management.

FIFCO maintains these practices with its strategic partners or companies with operations similar to FIFCO both in Costa Rica, as well as in other countries. It is worth mentioning exchanges with Heineken Spain, Heineken Mexico, Pepsico, Diageo, Boston Scientific, Roche, among others.

FIFCO SEGURA

Measures implemented for sales teams

Employees who, due to the nature of their functions, are required to travel outside their work sites and interact with external personnel are provided with a health and safety kit. Specifically, this group includes sales executives, distribution, courier, recycling, trademarketing, collections, logistics personnel, among others.

This kit must be kept in the truck or vehicle to be used en route, and includes: liquid soap, hand sanitizer, disinfectant, water can (applies to cargo or light-duty vehicles), disposable towels, waste bag, atomizer and mask (if applicable). In some cases, the company provides additional laundry detergent for the daily washing of uniforms in the distribution, logistics services and recycling areas.



Guidelines for the use of the safety and hygiene kit

FIFCO's personnel receiving the kit must comply with the following guidelines:

1. Make the best use of each one of these implements to always have them available. FIFCO will be replacing these materials when required.
2. Make rational use of water.
3. Always carry hand soap, sanitizer and cleaning and disinfection materials before going outside. If traveling in a truck or light-duty vehicle, also carry a water jug with water for hand-washing.
4. Wash hands constantly, always after going to the restroom, before eating, after touching commonly used contact surfaces, and when leaving a point of sale.
5. If soap and water are not readily available, hand sanitizer containing at least 60% alcohol should be used. Cover all hand surfaces and rub hands together until dry.
6. Use detergent to wash the uniform daily when you get home, even if the clothes are not visibly soiled.

In addition to the above, work has been done on competencies, training and awareness of employees in order to ensure compliance with the company's protocols, as well as with the levels of leadership in order to instill in their work teams a high level of responsibility and compliance with the measures at all times to avoid contagion to them and their families.

FIFCO SEGURA

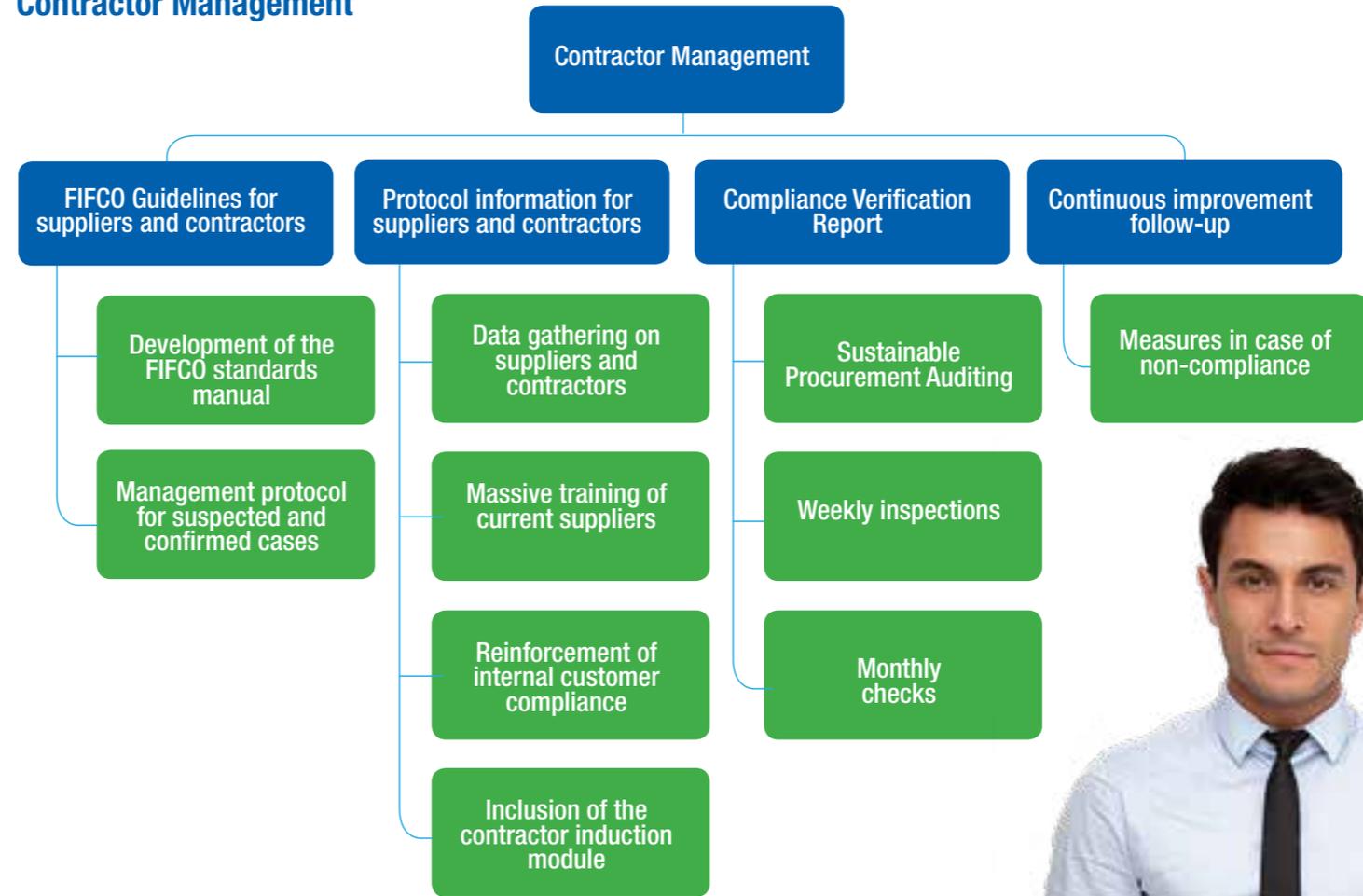
Contractors

A protocol for contractors entering FIFCO's facilities has been established and implemented in order to protect collaborators and suppliers. This preventive strategy includes:

- Mandatory use of surgical mask.
- Training on safety and hygiene protocols: handwashing, distancing, surface cleaning and disinfection, admission protocol, specific dining areas, among others.
- Communication mechanism on suspected and confirmed cases.
- Company compliance verification.

Specifically, visits from foreign suppliers have been restricted, so they should only be carried out if it is a non-deferrable priority for business and operations.

Contractor Management



If a visit from a foreign supplier is required, the following process must be carried out:



Once the visit has been approved, the protocols defined by the General Directorate of Migration and Alien Affairs in Costa Rica and the General Directorate of Migration in Guatemala must be followed. Likewise, 48 hours after entering the country, the visit may enter FIFCO's facilities with a negative COVID-19 test result. Once in our facilities, he/she must comply with the respective protocols.

During the visitors' stay in the country, we also strictly follow all the protocols for suppliers and contractors such as preventive guidelines for transportation and lodging, as well as the restriction of tourist activities not related with visiting the company, in order to reduce the risk of exposure to the virus.

FIFCO SEGURA



Transporters

Due to the high risk of contagion that transit between different borders represents, a specific protocol was designed to receive transporters within FIFCO's facilities. The protocol is aligned with the regulations of the Ministry of Health on this matter. This protocol aims to reduce contact between transporters and people inside the facilities in order to avoid cross-spread of the virus.

Within the main points of the protocol the following stand out:

- ▶ Triage at the entrance of the facilities (temperature scanning and consultation of symptoms).
- ▶ All transporters are provided with a kit at the entrance to the facilities, consisting of: surgical mask, disinfectant towels, hand sanitizer and instructions on how to stay inside the facilities.
- ▶ There are restrooms available in FIFCO's different facilities exclusively for transporters, as well as areas within their respective demarcated areas, in case they must get off the vehicle.
- ▶ Within the facilities, it is not allowed to go to common areas such as canteens, offices, cafeterias, etc., in order to maintain the existing bubbles or production areas.
- ▶ Transit officers, through monitoring systems already in place, as well as those in charge of the areas that receive transporters, should monitor compliance with the protocol at all times.



Influenza vaccination

During the 2020 period, and as an alliance between FIFCO and ASOFLORIDA, a massive vaccination is carried out for *Distribuidora La Florida* collaborators, achieving the vaccination of 1,781 persons (67% of the company's total population). In the FIFCO Retail operation, in alliance with its solidarity association ASEPAN, 589 people were vaccinated (68% of its total population). In FIFCO Hospitality, the same alliance is achieved; a total of 783 vaccines were applied (78% of its population). The objective is to achieve a herd effect against influenza, preparing the population with the 4 most lethal strains of the influenza virus.

FIFCO SEGURA

Virtual *Estar Bien*

In Costa Rica 70% (2.6 million) of adults are overweight or obese. According to data from the Costa Rican Social Security Fund (CCSS), three out of every ten adults in Costa Rica suffer from obesity. According to the World Health Organization, 2.8 million people die each year from this cause. During the pandemic, there has been a considerable increase in the obesity rate. There are two factors related to the increase in the prevalence of **overweight and obesity**: inadequate nutrition (high-calorie foods, processed foods and sugar-sweetened beverages) and reduced physical activity.

According to an article published in England, overweight and obese people are at risk of serious complications if they develop COVID-19.

Estar bien (Being Well) is a program focused on the overall health of collaborators, which was launched in 2014. This 2020, the program was updated and offers employees a new form of virtual physical exercise. Together with *Smart Consumption*, it establishes an agreement with the Universidad Nacional to maximize resources through the School of Movement. Virtual classes are held at different times and addressed to collaborators.



FIFCO SEGURA

Management of confirmed and suspected cases

In order to have an agile case management flow, a protocol for the management of suspected, probable and confirmed cases has been created. It specifies the correct management from the moment collaborators detect the first symptom or risky contact until the case is confirmed or ruled out. For this purpose, a hotline has been set up 24 hours a day, 7 days a week to provide easy access to employees for reporting, and it answers questions and redirects them to the required health care, thus minimizing the risk to the operation.

In addition, FIFCO has a triage in the security booths, which has served as a filter and control center for both employees and external personnel, where they are evaluated by means of temperature scanning, interviews to identify if they present any symptom or risky contact. If this interview determines that he/she represents a risk for the operation, admission is denied and he/she is instructed about the care that should be provided.

Professional criteria for case definition

Health care professionals define the type of case and thus determine if isolation is required:

The following case definition is based on S-VS-001. National Guidelines for COVID-19 Surveillance, version 17

► **Suspected case:**

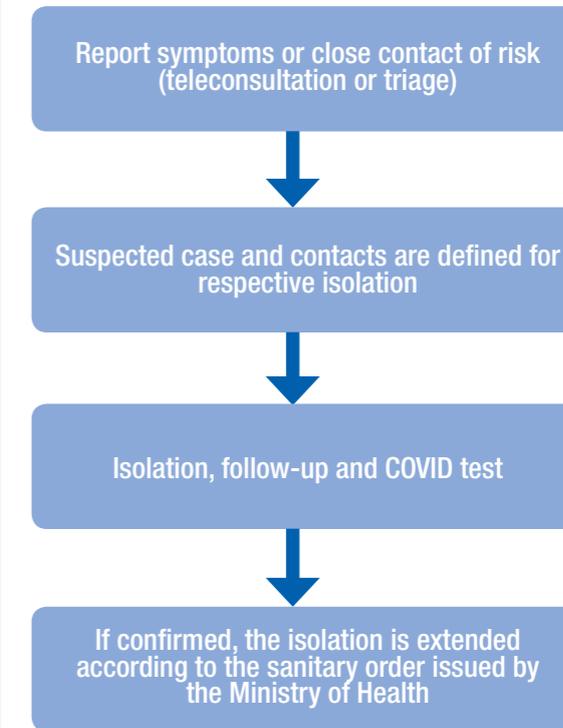
- Sudden onset of fever and cough
- Sudden onset of two or more signs or symptoms from the following list: fever, cough, general weakness/fatigue, headache, myalgia, sore throat, nasal congestion, anorexia/nausea/vomiting, diarrhea, altered mental status.
- Epidemiological criteria
 - Not showing other etiology that fully explains the clinical presentation of the event.
 - A history of travel outside the country within 14 days prior to symptom onset.
 - A history of having frequented a district or canton (from the list that will be available on the website of the Ministry of Health) that is under orange alert in the 14 days prior to symptom onset.
 - History of onset of the clinical picture already described in the 1-14 days of having been in close contact.
 - With any person with a history of travel out of the country in the last 14 days of such contact.

- With a person who has been direct contact (in the possible quarantine period of the latter) of a confirmed case.
- A person with severe acute respiratory infection (SARI).
- A person with anosmia (loss of sense of smell) or recent dysgeusia (change in taste perception), with no other etiology to explain the clinical presentation.
- A person with acute respiratory illness of any degree of severity, who within the 14 days prior to the onset of the disease had close physical contact with a confirmed, probable or suspected case, or visited/worked in a public medical facility.

► **Confirmed case:** A confirmed case is one that meets one of the following two conditions::

a) **Laboratory-confirmed case:** refers to a person who has been detected with the virus that causes COVID-19, regardless of clinical signs and symptoms, by one of the following methods: RT-PCR capable of identifying SARS-CoV-2 (authorized by an external regulatory entity like the FDA or its equivalent) performed in public and private laboratories authorized by the Ministry of Health or antigen tests performed at the CCSS only, according to that set forth in the general guidelines for the use of antigen tests for COVID-19 (LS-SS-012) diagnostic.

Case defining scheme



b) **Case confirmed by epidemiological link:** refers to persons living in the household of a laboratory-confirmed case and who develop symptoms related to COVID-19 during the 1-14 days following the last day of close contact with the infected person. (For these individuals, RT-PCR testing will not be necessary, unless hospitalization is required or death occurs).

Labor measures adopted by COVID-19

► Reduction of working hours by COVID-19

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► Solidarity Association

A seven-month moratorium was established without collection of credits and employee's mandatory and voluntary contributions to the Solidarity Association, ASOFLORIDA, as well as the employer's contribution. This measure was applied from April 1 to October 31, 2020, with the purpose of providing greater liquidity to its associates due to the country's socio-economic situation caused by the pandemic.

For the months of November and December, the amounts corresponding to the mandatory and voluntary savings of associates were resumed, postponing the reduction of employee loans until January 2021.

The association also provided a basket of disinfection products to all associates, including masks, liquid soap, disinfectants, as well as hand sanitizers, face shields, etc., as a protection mechanism for COVID-19. In addition, a food items from the basic food basket were provided to the associates as an aid to the economic situation that the country and the company were going through to face the pandemic.





External Social Dimension



COVID-19 Context

COVID-19 severely impacted many economic, environmental and social sectors, as well as health conditions around the world

Despite this severe event, FIFCO decided not to give up its Social Strategy projects. With the purpose of **generating value to those who need it most**, the company adapted its strategy and priorities, reinventing the way to support strategic audiences and causes for the company, ensuring the wellbeing of collaborators, their families, business partners and the countries where it operates.

The pandemic prevented our volunteers from going on mass campaigns in beaches, national parks and communities, but we reinvented ourselves to support mainly our customers with the preparation and delivery of the Imperial Solidarity Boxes, and to provide training and advice for the economic reopening of our customers. In addition, through volunteer

work, Nutrivida was able to meet the demand, due to the exponential increase in its production, as it is an essential input in the country's food donations.

Integral Smart Consumption and Dual Education also adapted their strategy. They remained in force, reinforcing their mission through alliances with other initiatives and social impact projects that emerged during the pandemic.

FIFCO is clear that it can modify its sustainability strategy as circumstances so demand, but it will not give up high-impact social projects due to its conviction to remain true to the company's purpose: **"Share with the world a better way of living."**



External Social Dimension

The strategic social investment agenda is comprised of four main programs that contribute to 12 of the 17 UN Sustainable Development Goals

1

Integral Smart Consumption

2

Elegí Ayudar volunteer program

3

Dual Education Program

4

Nutrívda



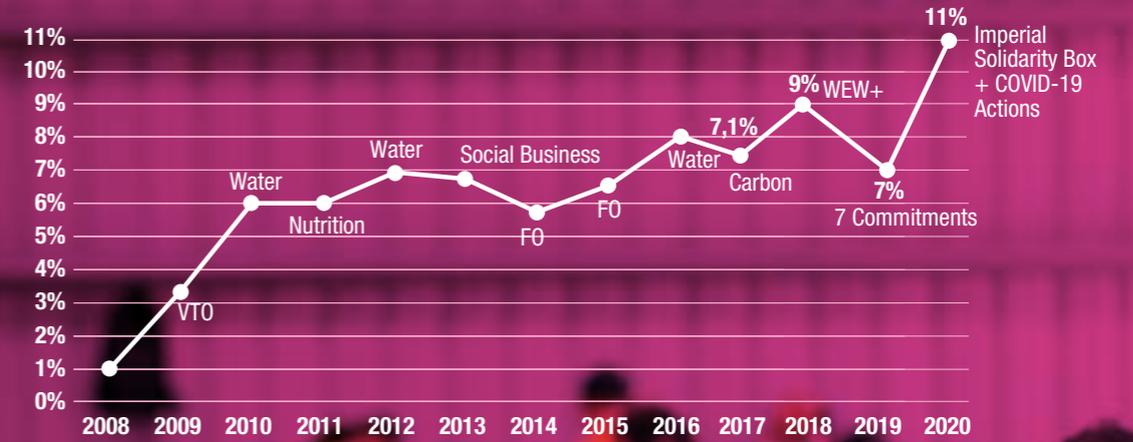
Material Topics

FIFCO defined its main social footprints in order to measure, reduce and compensate its negative impact on society.

We seek to generate positive value through different initiatives that go hand in hand with the company's purpose, commitments for 2020 and which additionally contribute to 12 of the 17 UN Sustainable Development Goals.



Percentage of our profits allocated to social investment





1. Integral Smart Consumption

Our goal

Champion our communities and be a benchmark in Integral Smart Consumption



SDGs this initiative contributes to



Smart Consumption

In order to raise awareness among the adult population about healthy and active lifestyles, alcohol, beverage and food consumption patterns and health promotion in general, we use the social networks Facebook and Instagram.

As a result of the COVID-19 Pandemic, the use of these virtual tools was promoted to be able to have contact with consumers and collaborate with them in counseling and education in this regard.

Impact on social media

Facebook



On a yearly basis, the Smart Consumption Facebook account shows an increase in the main metrics. The most outstanding is the **194%** difference in the reach of publications compared to 2019.

It is worth noting that the monthly average number of impressions for 2020 was **1,441,293** vs **501,652** in 2019.

It is important to highlight that the top 5 for the year in terms of engagement, corresponds to 5 contests; being the Librería Internacional Card contest held in May the main one. This post achieved: **28,575** in reach and **3,596** interactions.

Instagram



By 2020, there was an increase in the number of visits to the Smart Consumption Instagram account.

The number of interactions and followers increased steadily, while there was a **42%** decrease in the reach of posts (linked to the decrease in advertisement sales) and a very good increase in the number of stories reached on average.

On both Facebook and Instagram, the content of *#CuidateEnCasa* in the month of April was the best metric of the year, as well as the contest interactions. Within the top of engagement are the contests; being the best: **2,929** in reach and **545** likes, 1,389 comments, **573** shares and **35** saved.

1. Integral Smart Consumption

Virtual Course and Social Network (Facebook)
Aprendo a Manejar

Due to the fact that drunk driving is usually the fifth cause of accidents, with others in previous positions equally worrying such as driver recklessness at the wheel (high speed and overtaking), pedestrian recklessness, among others, FIFCO decided in 2010 to address the issue of road safety education in a more comprehensive way through its totally free virtual course *Aprendo a Manejar* (I Learn to Drive) and its social network on Facebook under the same name.

► **Virtual course:** As of December 31 2020, *Aprendo a Manejar* had 132,693 users who joined in the last 10 years, of which 263 joined in 2020 out of a total of 9,926 people who logged on to the page during that year. Due to budget cuts, the course could not have paid promotion. The page is still active and instructing Costa Ricans who want to learn how to take the MOPT's (Ministry of Public Works and Transportation) theoretical driving course.



► As for Facebook, **98,161** unique users were registered; they interacted with the page in some way. Another important indicator on this social network during 2020 is that a total of 365 "posts" total, resulting in a total reach of **3.2 million**, **2.6 million** total impressions and which translated into **28 thousand** reactions, comments and shares, were made.



FIFCO - MEP Healthy Lifestyle Platform

As part of the FIFCO-MEP collaboration agreement, during May 2020 the Healthy Lifestyle virtual course on health promotion will be launched, aimed at tenth and eleventh grade students so they can complete their community work hours (within their social bubbles).

The platform has four educational modules: Physical Activity, Healthy Eating, Alcohol and Drug Use Prevention for minors and COVID-19 Prevention. Thus, by the end of December 2020, **1,165** students from all over the country successfully completed the course and obtained their certificate of completion.

Impact on framework events (January - February 2020)

Despite the fact that every year the Smart Consumption education program reaches a portion of its target audiences through events starring product brands, in 2020, these events were limited to two venues at the beginning of the year: *Fiestas de Palmares* (January 2020) and the Picnic Festival (February 2020), impacting **20,000** people during the days of the events, with games where adult participants were made aware of the effects of harmful alcohol consumption vs. good practices and recommendations for moderate alcohol consumption.

1. Integral Smart Consumption

Sugar (beverages)

FIFCO ends 2020 with a sugar reduction of 3.12 grams on average per 250 ml serving vs 2019. In the last year, the use of tons of sugar has been reduced by **47%**, from 8,987 tons of sugar used in 2019 to 4,727 tons of sugar used in 2020.

Today, an average FIFCO beverage with added sugar has 8.36 grams of sugar per 250 ml serving, less than two teaspoons per serving. In the specific case of FIFCO Central America, the serving of a 250 ml beverage was reduced by 20% in the last year, in the case of FIFCO as a whole (including Mexico and United States) the reduction was 6%.



Fat and sodium (Musmanni Melcochón bread)

Sodium

The sodium reduction of Musmanni Melcochón bread has been 34.85 mg/100 g in the last year, which in turn means that in the last year an average of 3 tons of salt or 600,000 teaspoons of this product were not placed on the market.

A 100 g serving of Musmanni Melcochón bread today contains 1% salt, which represents 458 mg of sodium in 100 grams of bread, which means that we are below the National goal of the Costa Rican Institute for Research and Teaching in Nutrition and Health (INCIENSA) of the Public-Private Alliance between the Ministry of Public

Health (MSP), INCIENSA, CACIA, whose goal is 500 mg of sodium per 100 grams of bread, approximately a ¼ teaspoon of salt.

Fat

Today a 33 gram-serving (4 pieces) of Musmanni Melcochón bread contains 0.13 grams of total fat. According to the Central American Technical Regulations (RTCA) for nutritional labeling, our Musmanni Melcochón bread complies with being a fat-free product since it is below 0.5 grams of total fat per dietary serving.

Alcohol consumption pattern (Costa Rica)

The abbreviated version of the Alcohol Consumption Patterns Study performed in 2021 showed that a consumer's average number of drinks per occasion for this type of beverage is 7.55 drinks per occasion, remaining in the range of 2019, while the frequency of weekly alcohol consumption is 1.85 days per week, revealing that this data also remains in the same range of the previous year. Therefore, there is no significant variation.

Social Impact by COVID-19

During the pandemic, as part of FIFCO's positive impact and the collaboration with different communities, organizations and the government, this social impact is summarized as follows:

- ▶ **5,000** Nutrivida plates of food for primary school students through the Ministry of Public Education.
- ▶ The National Cardiology Association received **1,000** packages of cleaning products.
- ▶ Donation to purchase a **Proactive Testing** machine through AMCHAM and CRUSA Foundation.
- ▶ **7 water dispensers** with their respective Cristal water jugs and maintenance for 10 months, were placed in different hospitals in the country, including the **Heredia Hospital** and the **National Children's Hospital**.
- ▶ **Online course on healthy living**, an alliance project between Smart Consumption, Aura Interactiva and the Ministry of Public Education.
- ▶ **Together/Barrios Hermanos Campaign**, Reserva Conchal collects and donates basic food baskets to families in Guanacaste.
- ▶ **160** Costa Ricans returned home thanks to *Cerveza Pilsen*, a project created by AmCham and AED.
- ▶ **36,000** Imperial Solidarity Boxes benefiting **+12,000** families throughout the country, close to **48,000** people benefited.
- ▶ **+300** refreshments for the Public Force in the North Zone.
- ▶ **+15,000** beverages for CENARE (National Rehabilitation Center) and the Ministry of Security.
- ▶ Delivery of solidarity packages to **100%** of senior centers nationwide.
- ▶ Placement of **108** awnings to EBAIS (Comprehensive Basic Health Care Teams) and Hospitals of the Costa Rican Social Security Fund throughout the country.
- ▶ **10** public hand washing basins located in areas of high pedestrian traffic in San José.





2. Elegí Ayudar volunteer campaign



SDGs this initiative contributes to



Our corporate purpose, as well as our values, framed in a Triple Bottom Line strategy, determine the way we relate and interact with the communities where we operate.

The **“Elegí Ayudar”** (I Chose to Help) volunteer program is successfully implemented in Costa Rica, Guatemala and the United States. The program contributes not only to the aforementioned role of being the executing arm of many of the social and environmental initiatives, but also fulfills an even more strategic and important role: it is the mechanism through which employees experience sustainability firsthand. It is where FIFCO's commitment with society and the environment is materialized, a physical demonstration of our interest in contributing to the development of the countries where we operate.

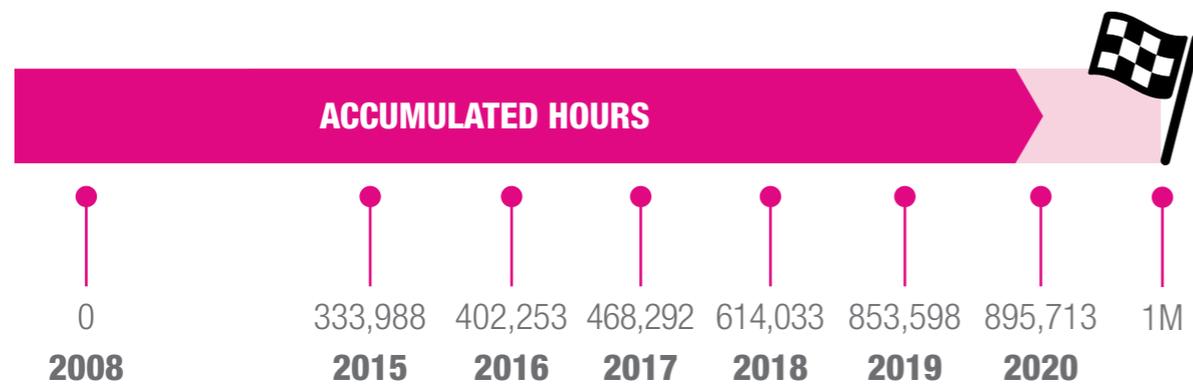


2. Elegí Ayudar volunteer campaign



Accumulated volunteer hours

LET'S GO FOR THAT
90% of the goal for 2021



Elegí Ayudar Results for 2020

Year	Bebidas y Alimentos Costa Rica	Industrias Alimenticias Kern's	Florida Hospitalidad	Florida Retail	FIFCO USA	External Stakeholders (Shareholders, Suppliers, Customers and the Community)	Total
2009	24,950	0	0	0	0	0	24,950
2010	46,274	0	0	0	0	0	46,274
2011	48,798	0	0	0	0	0	48,798
2012	47,126	4,351	2,950	0	0	0	54,427
2013	45,895	4,971	3,431	2,416	0	0	56,713
2014	38,836	4,736	3,113	3,096	0	0	49,781
2015	40,548	4,460	2,724	4,268	5,637	0	54,913
2016	41,502	5,116	3,008	5,248	7,798	0	62,672
2017	40,183	5,303	5,258	5,368	9,204	1,724	67,040
2018	48,035	5,994	7,962	16,684	11,185	54,786	144,646
2019	87,173	11,242	17,266	32,368	23,664	71,671	243,384
2020	27,287	184	3,760	3,464	1,200	6,220	42,115
TOTAL	509,320	46,173	42,988	69,448	57,488	128,181	895,713



In 2017 FIFCO, as part of its 7 Environmental and Social Commitments, set out to accumulate one million volunteer hours by 2020. At the end of 2019, the company was a little more than 130,000 away from the goal. The *Elegí Ayudar* program had a detailed plan to achieve this challenge. The plan involved the participation of stakeholders: collaborators and their families, suppliers, customers, consumers and civil society in general. However, given the worldwide emergency caused by COVID-19 and in strict compliance with international restrictions and regulations, the company suspended 90% of its volunteer initiatives.



Volunteer causes by business unit for 2020

Business Unit	Social volunteering	Environmental volunteering
<i>Florida Bebidas</i>	<ul style="list-style-type: none"> • Nutrivida production support • Food Bank • Tropical Te Mueve, support to children and families in vulnerable conditions in Roble Alto Association. • Imperial Solidarity Boxes. • Segura operation in open consumption channels. • Professional volunteering: <i>Nutrivida, Florida Asesoría, UFIFCO, FIFCO Oportunidades.</i> 	<ul style="list-style-type: none"> • Cleanup and maintenance of Central Pacific beaches. • Cleanup of urban area with <i>Corriente Azul de Cristal</i>, in alliance with <i>Río Urbano</i>.
IAK Guatemala	<ul style="list-style-type: none"> • Feeding children in childcare centers (interrupted due to pandemic) • Aid to <i>Fundación Ayúdame a Vivir</i> (children with cancer). • Collaboration with the Municipality of Guatemala to help people in the informal economy affected by the pandemic. 	<ul style="list-style-type: none"> • Cleanup with municipal governments. • Liaison and support to <i>Fundación Génesis</i> and entities requesting donations.
Florida Hospitalidad	<ul style="list-style-type: none"> • Food Bank. • Prepare solidarity baskets for families in times of COVID. • Community infrastructure improvement projects. • Distribution of basic food baskets to families. 	<ul style="list-style-type: none"> • Maintenance work in Protected Wildlife Are. • Reforestation campaigns. • Maintenance of community parks and sports areas. • Environmental awareness campaigns and cleaning of beaches. • Support in the construction of the Police Station in <i>Playa Brasilito</i>. • Maintenance of Animal Rescue Centers.
IAK Guatemala	<ul style="list-style-type: none"> • Support to <i>Fundación Génesis</i>, Development in Motion. • Feeding children in childcare centers. • <i>Fundación Esperanza de Vida</i>. • Partnership with municipalities: nutritional education in schools. • Aid to victims of the <i>Volcán de Fuego</i> eruption. 	<ul style="list-style-type: none"> • Antigua Cleanup. • Cleanup activities with municipalities. • Creation of gardens in alliance with <i>Fundación Esperanza de Vida</i>.
FIFCO USA	<ul style="list-style-type: none"> • St. Mary's Food Pantry packing. • Operation SACK Lunch. • FoodLink packing. • Polar Plunge. • Food Life Line. • Adopt a Senior Program. • Pack Your Porch Food and Supply Drive. • Brewing distilled water with Black Button Distilling for hand sanitizer. • Seagram's Escapes Virtual 5K Run/Walk. • Seagram's Escapes Holiday Marketplace: Featuring Black-Owned Businesses. • Escape Hunger for the Holidays Food Drive. • Labatt Chicken Wings for Essential Workers. 	<ul style="list-style-type: none"> • GardenScape. • Buffalo Niagara Waterkeeper Cleanups Summer 2020. • Magic Hat Green Up Day.

2. Elegí Ayudar volunteer campaign



The *Elegí Ayudar* volunteer program is a basic tool in FIFCO's social and sustainability agenda. The context forced us to prioritize causes, keeping only initiatives focused on creating value to those most affected by the Pandemic. Specifically, the Imperial Solidarity Box and Nutrivida volunteer programs stand out. The total number of hours achieved during 2020 was **42,115** hours.



Reinventing volunteer work: new ways of creating value

- The COVID-19 pandemic led to the reinvention of volunteer programs.
- Professional volunteering was positioned as an opportunity to continue creating value.
- By the end of 2020, FIFCO accumulated more than 895,713 volunteer hours.

December 2020.

As a result of the pandemic, FIFCO reinvented its volunteer program. Despite maintaining operational volunteering, as was the delivery of the *Imperial Solidarity Boxes*, the company strengthened its professional volunteering offer, as a way to support and create value to civil society. These new alternatives are added to the company's volunteer program, *Elegí Ayudar*, a program with more than 12 years of existence. At FIFCO, the role of corporate volunteering as it is typically known has been redefined; however, the company's social spirit and service vocation is maintained, providing value to those who need it most.

Elegí Ayudar has a busy agenda of programs and projects this 2020, generating an impact at a social, environmental and economic level.

For Gisela Sanchez, Director of Corporate Relations:

"When a company is genuinely responsible, the commitment permeates and is reflected in every action, in this case our collaborator's volunteer work. *Elegí Ayudar* is an essential part of our social responsibility strategy and how we materialize our corporate purpose of sharing with the world a better way of living. This year we were forced to reinvent the way we contribute and thus demonstrate that even in complex situations, companies can take a step forward and continue to create value.

The corporate volunteer program *Elegí Ayudar*, as well as the different initiatives and community projects, are tools that have allowed minimizing and offsetting the environmental and social footprint, that is why, within the Volunteer Day framework, FIFCO shares its achievements regarding community impact:

- More than **895,713** volunteer hours accumulated.
- **7,979** kilograms of food delivered.
- **81,875** boxes of Nutrivida products packed.
- Collection of **7.79 tons** of recyclable material and **9.4 tons** of non-recyclable material.
- **1,250** trees planted.
- **998** children and **386** elderly adults benefited from different programs in schools and shelters.
- **6 visits to National Parks** for cleanup and maintenance.
- **Professional Volunteering:** Customer advisory in: communication, marketing, digitalization, wellness, among others.

2. Elegí Ayudar volunteer campaign



Imperial Solidarity Box

FIFCO, together with several partner companies, delivered more than 36,000 Imperial Solidarity Boxes to employees of bars and restaurants.

May 2020.

Each box contained enough food and supplies to feed a family of four. The boxes were personally delivered to the employees of **more than 4,000 businesses affected** by the total or partial closures resulting from the COVID-19 emergency. Each of these 12,000 families was previously located and identified by the Company. They **received this aid on three occasions, every 22 days; more than 40,000 people benefited nationwide**. The Imperial Solidarity Box had 18 products including: rice, beans, sugar, coffee, oil, milk, soups, salt, pasta, tuna and of course FIFCO beverages, among others.

Beneficiary households received the boxes directly from FIFCO's Sales and Distribution officers who started the deliveries on May 6 and extended them over the next few weeks, covering **from downtown San José to rural communities throughout the country**.

Number of boxes delivered Impact by province

- ▶ San José 6,300
- ▶ Heredia 3,621
- ▶ Alajuela 4,950
- ▶ Cartago 2,280
- ▶ Guanacaste 5,500
- ▶ Puntarenas 5,355

Gisela Sánchez, FIFCO's Director of Corporate Relations, explained, at the time, that this initiative is a concrete way of supporting the company's customers during such difficult times.

“The challenge these small entrepreneurs have is enormous: their businesses are totally closed and without any income. This is why we are supporting them so that the families that depend on them can move forward in this difficult situation.” For Sanchez, now more than ever, we must be close to our customers and support them. Small businesses are the true engines of the country's economic reactivation.



Partner companies

- Transportes Sercansa
- Grupo Tío Pelón
- LAICA
- Kimberly Clark
- Alimentos Prosalud
- Café Rey
- Numar
- Pastas Roma
- DEMASA
- Sal Sol
- Grupo Lala
- Nutrivida

2. Elegí Ayudar volunteer campaign



Imperial Solidarity Box



FIFCO expects the Imperial Solidarity Box to reflect, throughout Costa Rica, **the social impact and the good intentions that characterize the country’s conscious and responsible entrepreneurs**; that “Pura Vida” solidarity that characterizes Costa Ricans is very palpable in the private sector.

In order to achieve these deliveries, FIFCO’s CEO, Ramón Mendiola, personally approached his colleagues (general managers of other companies) so they would join and thus multiply the impact. The result was very positive, which demonstrates the commitment of the productive sector to help Costa Rica.

This initiative adds to one of the multiple actions implemented by FIFCO with respect to its customers, to provide entrepreneurs affected by COVID-19, **payment facilities and debt readjustments required to support their cash flow, as well as providing them with options to restock inventories**, among other economic relief measures for this battered economic sector.



An e-commerce platform was also created so that small retailers can sell products through **La Pulpe Digital, www.lapulpedigital.cr**.

Special safety and health measures were taken into account when preparing the boxes. They were assembled by FIFCO volunteers under the **Imperial’s Águilas al Rescate** (Eagles to the Rescue) program; they cooperated following the due norms established by the Ministry of Health. The delivery process is carried out under the same safety and health standards.

2. Elegí Ayudar volunteer campaign



Tico Jala Tico

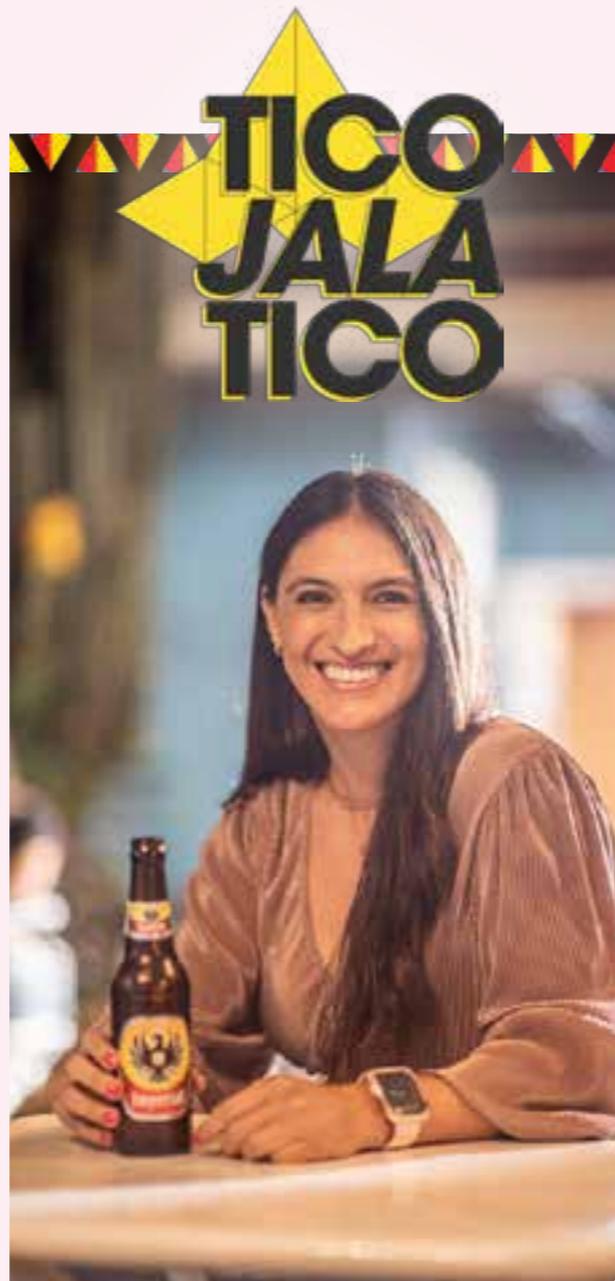
Tico Jala Tico (#TJT), a Cerveza Imperial initiative, supported those entrepreneurs and SMEs most affected by the COVID-19 pandemic

December 2020.

In Costa Rica, through a digital solidarity chain and, driven by consumers themselves, businesses of all kinds were promoted and given greater visibility.

According to data from the National Institute of Statistics and Census (INEC), small and medium-sized enterprises generate 34.5% of formal jobs in the country and generate 35.7% of the Gross Domestic Product (GDP). The *Tico Jala Tico* (Tico attracts Tico) campaign sought to contribute to this group of small and medium-sized enterprises by connecting the tastes and needs of consumers with different enterprises and brands, reactivating national trade.

With the group, enterprises and businesses offered their products and services for free in the “*Tico Jala Tico*” Facebook group which, in addition to becoming a varied commercial directory, offered raffles and special promotions. Consumers played an essential role, becoming promoters and ambassadors of these businesses, highlighting and recommending the products they like the most.



Volunteer work at Reserva Conchal

Volunteer activities carried out in Reserva Conchal and nearby communities

- ▶ Maintenance work in Protected Wildlife Areas.
- ▶ Reforestation campaigns.
- ▶ Maintenance of Community Parks, Sports Areas, Animal Rescue Centers.
- ▶ Environmental awareness campaigns and beach cleanup.
- ▶ Support for the construction of a police station in Playa Brasilito.
- ▶ Food Bank.
- ▶ Preparation of solidarity baskets for families in times of COVID.
- ▶ Community infrastructure improvement projects.
- ▶ Distribution of basic food baskets to families.

Nutrivida

NUTRIVIDA



SDGs this initiative contributes to



In 2020, Nutrivida had a very important participation in the feeding process for people who were unemployed or affected by the pandemic.

Nutrivida supplied more than 22 tons of soups to mitigate the needs of the Costa Rican population.

In 2020, Nutrivida takes a big step: it manages to make its first export.

Six years after its creation, the dream inspired by its mission comes true: to take its products to Central America. This effort led the way towards lowering high malnutrition rates in all countries receiving Nutrivida products. This fact fills us with hope since it is important to understand that each plate of food produced by Nutrivida is fortified, allowing consumers to have healthy diet and micronutrients, which are essential for good health and proper development of body cells. Likewise, such fortification provides a nutritional barrier that allows us to have defenses to fight common diseases.

Nicaragua was the first country to which it was exported, bringing Chicken Soup, Bean Soup, Oxtail Soup, Chicken Consommé and Beef Consommé.

The product's acceptance in the new market teaches us that there are no frontiers and that our objective must be focused on continuing to break paradigms.

Today we have our eyes fixed and we are already taking steps to export to **Guatemala** and **El Salvador**.

The goal remains intact, there is only one way to it: the continuous improvement of all our processes to consolidate the Nutrivida brand as a Social Enterprise.



Nutrivida

The first year, Nutrivida sold less than 20,000 kg of fortified food to people at the base of the pyramid. In 2020, the social business sold **134,468** kg of highly nutritious fortified food at the base of the pyramid in Costa Rica. In 2020, operations began in Nicaragua and Nutrivida products are now being sold almost at cost in all regions of this country. Since its inception, Nutrivida has been able to provide food to more than 2.3 million people in need in Costa Rica and Nicaragua and has donated over 483,000 meals in Central America, Venezuela and Haiti.

The social enterprise Nutrivida currently serves Costa Rica and Nicaragua and will soon begin operating in Honduras, El Salvador and Guatemala. Special emphasis is placed on marginal urban and rural areas, where poverty and malnutrition are concentrated.

NUTRIVIDA

Since its creation, Nutrivida has been able to provide food to more than **2.3 million people** at very low prices in Costa Rica and Nicaragua and has donated over **483,000 meals** in Central America, Venezuela and Haiti.



Systemic progression of our social business

Year	Food products sold (kilograms)	Plates of food donated	Persons benefited	Net gain/loss (US\$)
2014	16,700	5,257	72,057	-157,087
2015	37,900	9,475	161,075	-358,100
2016	59,500	99,440	337,440	-342,000
2017	57,200	146,256	375,056	-303,051
2018	73,310	147,419	440,659	-294,000
2019	75,300	39,310	340,510	-126,000
2020	134,468	36,080	573,952	191,000
Accumulated	454,378	483,236	2,300,748	-1,389,238

Nutrivida Sales in tons

	2017	2018	2019	2020	Total
Sales in tons	57.2	73.3	75.3	134.46	340.26

Sustainability Agenda in hospitality businesses



SDGs this initiative contributes to



Dual Education

2020 was a challenging year for the Dual Education program, a theoretical-practical learning modality FIFCO has been promoting in its hospitality business for 7 years now. As a result of the COVID-19 pandemic, the academic year that had just started for bartenders and cooks had to be suspended in order to restructure the program and go virtuality.

This pause in the process will delay the completion date of the programs until mid-2021. As of today, **34 students** are still active and more than **230 youngsters** have graduated in its 7 generations.

Summary of main social actions 2020

Reserva Conchal and its hotels Westin Reserva Conchal and All-Inclusive Golf Resort & Spa, and W Costa Rica, in spite of closing for many months due to the COVID-19 pandemic, stood out in their efforts to support the community during this difficult situation through immediate and supportive actions.



Projects in Playa Brasilito, Santa Cruz, Guanacaste Pre-pandemic

- Inauguration of the new police station.
- Total reconstruction of roof and electrical infrastructure for the EBAIS.
- Donation of technical soil studies for future construction of the new school.
- Reconstruction of the *Atardecer del Mar* playground.

Reserva Conchal's social action during the pandemic

- The **"Juntos por Guanacaste"** (Together for Guanacaste) initiative was created in conjunction with NGOs and local partners, working collaboratively to obtain donations for people in need and unemployed.
- More than **200 kg** of vegetables from the internal garden were donated to school canteens, senior centers and NGOs.
- **420 basic food baskets** to families affected by the pandemic thanks to the "Together" campaign promoted along with condominium owners and external donors.
- Partnership with *Fundación Tiempos de Esperanza* distributes **1,200 basic food baskets** to families in need in the canton of Santa Cruz.
- Support with 94 reusable masks to Transit Police officers and Ministry of Health officials.
- Promote the entrepreneurship of 10 local women who made the bags in which these products were distributed, as well as the reusable masks used in the first phase of the hotels' reopening.
- Delivery of six portable hand-washing stations for municipal garbage collection vehicles and 15 additional stations to first response units: Public Force, Fire Department, Tourist Police and Transit Police.
- In the last months of 2020 and in search of local economic reactivation, Reserva Conchal joined the *Reactivemos la Esperanza* (Let's Reactivate Hope) initiative to support tourism workers who had lost their jobs with food. Approximately 5,000 thousand plates of food were delivered to families in need.

Ethics and Transparency



SDGs this initiative contributes to



Ethics and transparency are fundamental in FIFCO's operation. In every action, project and relationship, integrity and honesty permeate as cross-cutting principles of the business.

In every action, project and relationship, integrity and honesty permeate as cross-cutting principles of the business. The Code of Ethics and Business Conduct addresses the issue repeatedly, specifying the behaviors expected from collaborators, existing complaint mechanisms, as well as the treatment given to corruption issues.

The managerial position responsible for the Code of Ethics is represented by the Audit and Compliance Director. Members of the governing body and employees receive training on the code of ethics and on the most important policies for the company. For permanent employees, an annual refresher training schedule is planned, and new employees receive it as part of the induction training. These trainings are given through a virtual course which contains the downloadable Code of Ethics, a knowledge check and a certificate of acceptance. In FIFCO Retail (Musmanni stores) a pilot was conducted

in a store in which the virtual course was given to the employees of this store. Thanks to the satisfactory results of this pilot, the virtual course will be taught in all Musmanni stores during the 2020 period.

The total number of new employees was 1,769, according to the policies and procedures to fight corruption, 723 new employees have been informed in Costa Rica and 266 in Guatemala, which represent 16% and 48% of the active employees as of December 31, 2019, respectively. A total of 513 suppliers registered in Costa Rica, 70 in Guatemala and 7 in El Salvador, signed the Responsible Supplier Code; a document that includes the main sections of the Code of Ethics.

All members of the governing body, employees and business partners are required to take the Code of Ethics virtual course, as well as to read the Code of Ethics document, which is registered at



February 2020
100% of the Distribution Supervisors completed the training and updating of the Code of Ethics.

user level in the company officer's file. This code applies to all units in Costa Rica, El Salvador and Guatemala; FIFCO USA is in the process of implementing the Corporate Code of Ethics.

Of these, two cases were carried out by Managers and one by middle management for non-compliance with internal regulations, as well as alteration to the integrity and accuracy of accounting records and standards. The other cases were carried out by operating personnel for misappropriation of product and cash proceeds.

Complaint and claim mechanisms

Four official areas have been defined to receive inquiries on ethical-unlawful conduct and issues related to the organization’s integrity:

1) Personally: Ethics and Compliance Area, Asset or Talent Protection (applies to all FIFCO).

2) Through the *Resguarda* supplier's website, where the report may be sent electronically (applies to Costa Rica, Guatemala, El Salvador and FIFCO USA).

3) Confidential ethics line: this line is answered by a supplier and calls can be anonymous, so it has become the most used reporting tool by the Organization's employees (applies for Costa Rica, Guatemala, El Salvador and FIFCO USA).

4) Through other areas of the organization such as the First Contact Center: the areas are received by this area and transferred to the Ethics and Compliance Department for their investigation process (applies to FIFCO as a whole).

As for inquiries or calls, they are transcribed and forwarded to the Ethics and Compliance Department, where they are followed up within a maximum period of 30 days. Occasionally, inquiries are referred to the Talent area, when it is within the competence of such area.

FIFCO's personnel is aware of the existence of this confidential ethics line, and they also know that they can make inquiries directly to the authorized personnel in the ethics and Talent area. As part of the induction process, training is provided to personnel on the matter, emphasizing and guaranteeing the confidentiality of the processes. The Code of Ethics establishes as a policy that no reprisals may be taken against people who make any type of complaint.

Code of Ethics and Commercial Business Conduct

Our code discusses the following topics:

- Responsibilities:** ethics and communication, regulatory compliance, protection of company assets, integrity and accuracy in accounting records, fair and diverse labor practices, discrimination and harassment, hiring minors, personal conduct.
- Conflict of interest:** business transactions with third parties, gifts and recreational activities, investments, ethics and transparency, external business activities, use of company name or facilities, corporate opportunities.
- Other important provisions:** antitrust laws, commitment to environmental and occupational health, reporting of suspicious activities and/or evidence of money laundering.
- Code implementation, sanctions.
- Representing the company before customers and external groups:** fair and equitable dealings with customers and suppliers; political proselytizing; public appearances.
- Privacy and confidentiality:** Confidential information, private stock market, customer and employee information.

Formally reported complaints

Classification or area	2018	2019	2020
Complaints related to workplace harassment, treatment, etc.	16	21	5
Complaints regarding non-compliance with the Code of Ethics	28	37	20
Total number of complaints	44	65	25
Total number of complaints solved at the end of the period	41	63	24



Environmental Dimension



Strategic priorities

FIFCO's priorities in its Environmental Dimension stood firm after the COVID-19 pandemic.

Some were modified aligned to health and safety protocols, but maintained their focus; water resources, disposal, reduction and valorization of post-industrial waste and maximizing post-consumer collection, energy and greenhouse gas (GHG) emissions.

This report evidences the progress of the strategic projects already defined, which are part of FIFCO's Seven Commitments:

- ▶ Water Positive, Carbon Positive, Zero Post-Industrial Waste, WEW+ (Water, Emissions and Waste positive).
- ▶ Achieve 100% Post-Consumer Recycling as part of the *Océanos* agenda.

- ▶ Continuous and cross-cutting improvement of the value chain and thus provide suppliers and customers with the best economic, environmental and social practices through the Sustainable Procurement and Customer Program.
- ▶ Biodiversity is included as a material topic only in the real estate and hotel business for being a relevant footprint for this operation.

It should be noted that environmental management in general is developed under a certifiable environmental management system in operations, covered by international (ISO 14001/14064/14046, Carbon Trust, Audubon) and local (Ecological Blue Flag and the Tourism Sustainability Certificate) environmental standards and protocols.



Environmental priorities

- 1 **Water resource:** sanitation and protection.
- 2 **Post-industrial and post-consumer waste management.**
- 3 **Energy:** reduction in consumption and use of renewable energy.
- 4 **Greenhouse Gas (GHG) Emissions.**

Strategic priorities

How do we work?

Positive environmental value through continuous improvement

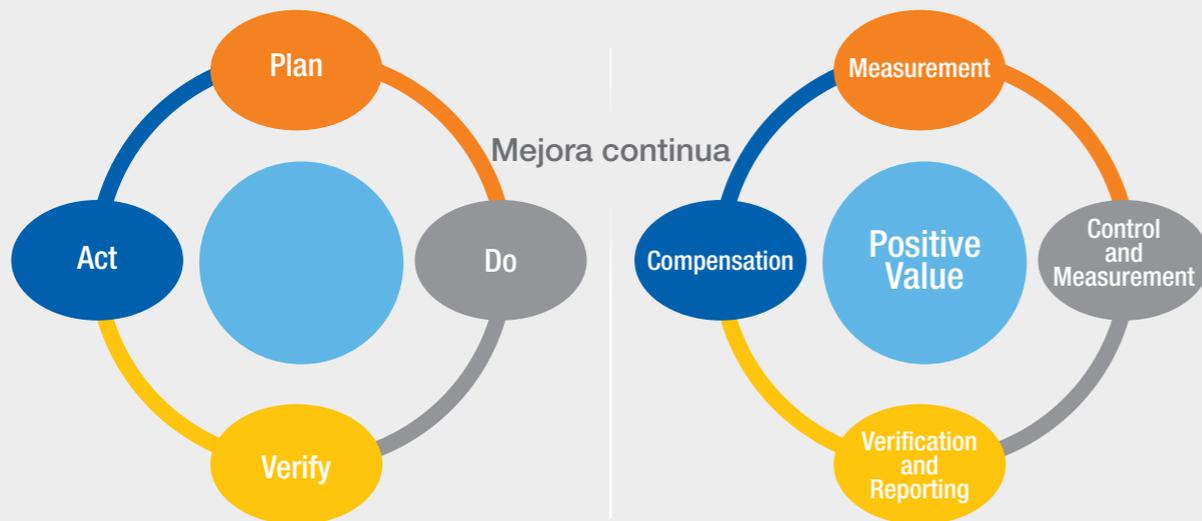
FIFCO focuses on continuous improvement through three lines of action:

- ▶ Integrated water resource management with the Water Positive Program.
- ▶ Management of post-industrial waste and post-consumer recycling in our Zero Waste Program.
- ▶ Greenhouse gas emissions in our Carbon Positive Program

We align our environmental commitments with the continuous improvement cycle, so we seek not only to measure our environmental impacts, but also to control and reduce them where possible, to be accountable to our stakeholders through a verification and reporting process, and to offset these impacts.

Additionally, we want to create environmental value; therefore, after the compensation process, we seek to give back to the environment more than we take from it.

Continuous improvement process



Relevant achievements

- ▶ 100% collection of plastic, 87% of global materials.
- ▶ Raw Bee Honey Reserva Conchal.
- ▶ ISO 50001 Energy Efficiency Certification FIFCO Retail with 20% reduction in the cost of the Manufacturing Plant's electricity bill.
- ▶ Technological transformation of bunker boilers to LP gas boilers at IAK, Guatemala.
- ▶ High voltage in *Ciudad Florida*. It came into operation on February 26, 2021.
- ▶ Reduction in water consumption at the Beer Plant from 4.26 to 4.17 hlw/hplr (-10%).
- ▶ Supply Chain Costa Rica operations were granted the Zero Waste to Landfill certification.
- ▶ Verification of environmental footprint of Imperial, Pilsen, Cristal and Tropical throughout the value chain for environmental labeling project.
- ▶ PLA water bottle testing and protocol.
- ▶ *Distribuidora La Florida* and FIFCO Retail achieved Carbon Neutral Plus status under the Costa Rican government's Carbon Neutrality 2.0 Country Program.



Environmental Strategy



SDGs this initiative contributes to



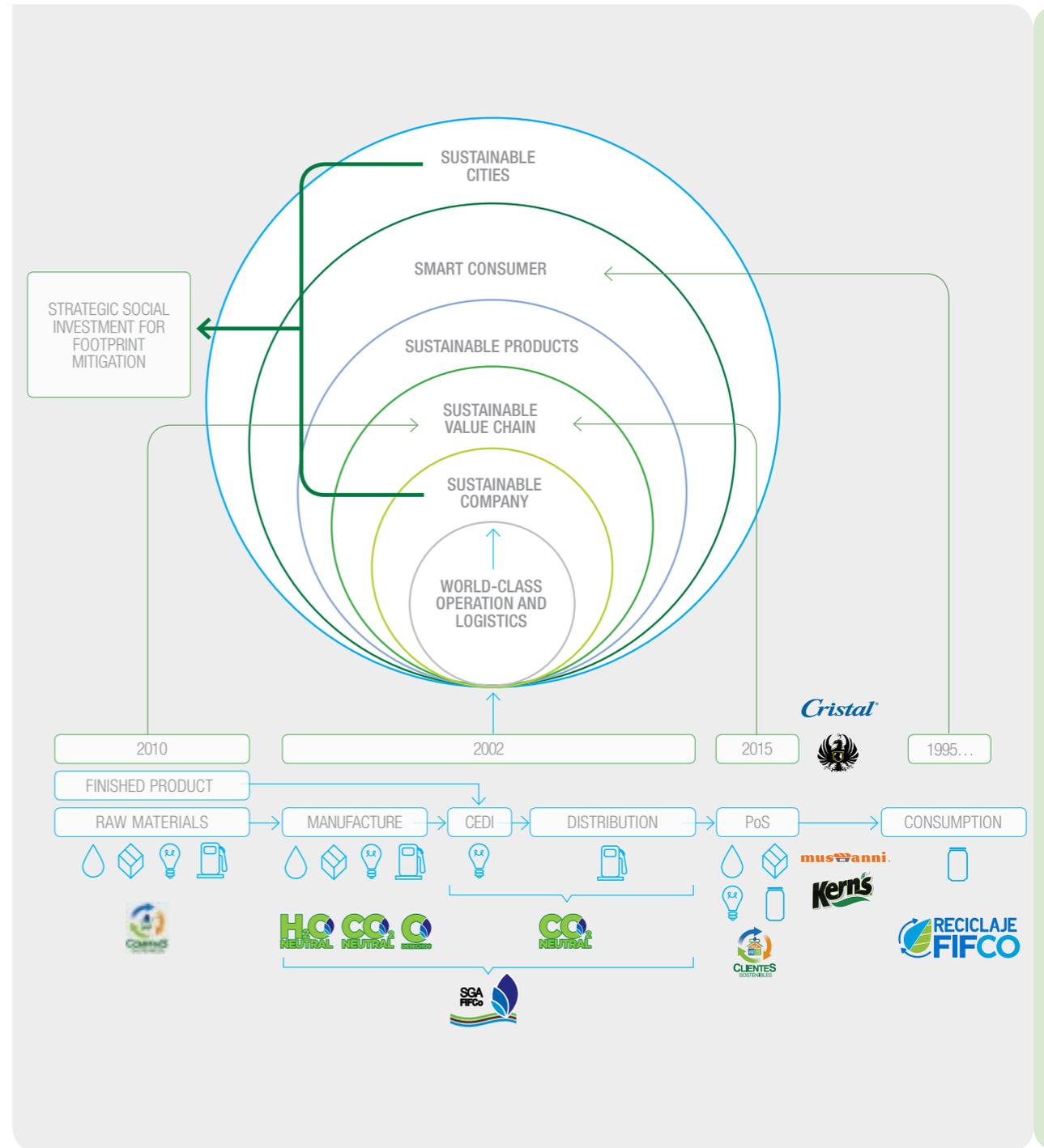
As a global company that works under a Triple Bottom Line model, the initiatives and programs within the Environmental Dimension are fundamental, as well as strategic social investment and economic achievements.

Through its environmental strategy FIFCO wants its manufacturing and distribution operations to be an example of the best environmental practices, while contributing with the commitment to develop and provide increasingly sustainable products and services, from a life cycle perspective, inspired by circular economy.

Together with the Smart Consumption Program and specifically with FIFCO's Recycling Program, we promote that consumers and customers have more information and more decision-making criteria that will allow them to be more sustainable.

Evidently, this strategy addresses as a priority the following SDGs:

- ▶ Affordable and non-polluting energy.
- ▶ Sustainable cities and communities, responsible production and consumption.
- ▶ Climate action.
- ▶ Life below water.
- ▶ Life on land.
- ▶ Partnerships for the goals.



Use of Materials

FIFCO maintains its commitment to make rational use of all resources used in its operations.

Reporting categories are maintained and include:

Raw materials and supplies

Water and all materials dissolved or in suspension in the product such as concentrates, additives, and aromas.

Packaging

Primary packaging such as aluminum cans, plastic containers made of PET, HDPE and polycarbonate, glass bottles and stainless-steel siphons, caps, seals and labels.

Packing

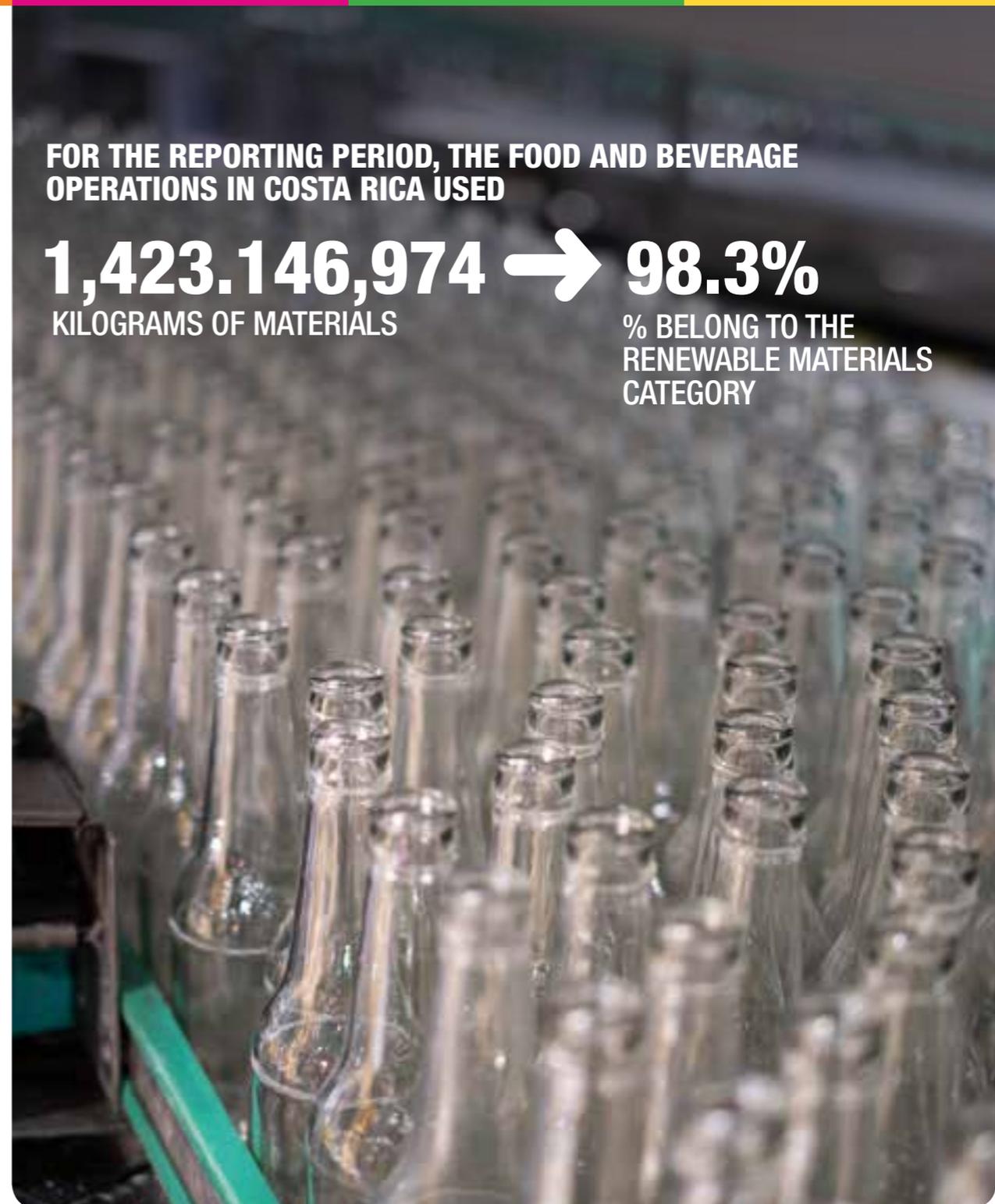
Cardboard boxes and sheets, plastic and cardboard packaging, strapping, among others.

Auxiliary materials

Cleaning substances and lubricants among others used in the production process but not as part of the product.

Of these materials, those that are renewable (e.g. water) and those that are non-renewable (packaging whose materials come from petroleum - plastics - or mineral sources - glass and aluminum) are identified.

For the reporting period, the food and beverage operations of *Distribuidora La Florida* in Costa Rica used **1,423,146,974 kilograms** of materials, of which 98.3% belong to the renewable materials category. The accounting of materials for IAK and Retail began, reporting 90% of renewable materials.



FOR THE REPORTING PERIOD, THE FOOD AND BEVERAGE OPERATIONS IN COSTA RICA USED

1,423.146,974 → **98.3%**
 KILOGRAMS OF MATERIALS
 % BELONG TO THE RENEWABLE MATERIALS CATEGORY

Use of Materials

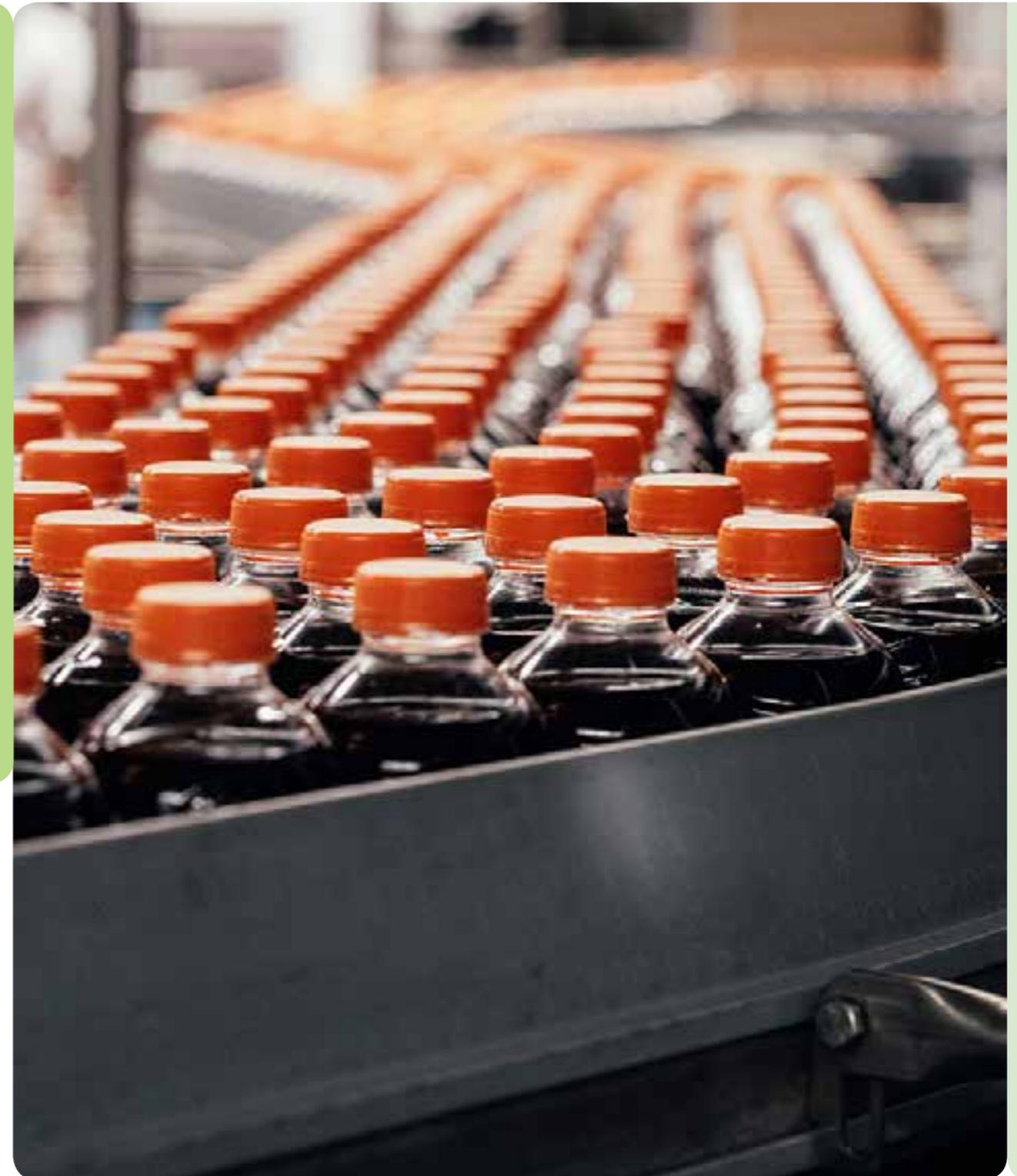
As part of FIFCO's circularity strategies, it promotes the use of a percentage of recycled material in the composition of some of the materials used, in order to replace virgin material.

The work continues to close the cycle of some of the materials, the circularity initiative of wooden pallets used in packaging is maintained. Future strategies include the incorporation of other initiatives along the same lines that will allow us to continue advancing in this direction.

The percentage of products and packaging materials recovered for the reporting period in the beverage and food business in Costa Rica, as well as the entire deployment of this initiative, is reported in the "POST-CONSUMER RECYCLING" section.

Some materials with recycled content

- **100%** recycled PET in water and refreshment containers
- Up to **50%** recycled PET in refreshment containers.
- **30%** recycled aluminum in aluminum cans.
- Up to **20%** recycled plastic in reusable plastic boxes.
- Up to **18%** stainless steel and **8%** nickel in beer siphons.
- Some cardboard packaging, up to **5%** recycled content.



Packaging Agenda: *Océanos*



Since 2018, the sustainable packaging agenda became **Océanos** initiative.



This initiative has four items on the agenda:

- 1 **Materials**
 - RPET
 - Lightweighting
 - Bio plásticos

- 2 **Returnability**
 - Returnable Glass
 - PRB

- 3 **Post Consumer Recycling**

- 4 **Awareness / Education**

Materials

In 2016, FIFCO started including recycled PET (RPET) resin in the plastic containers of Cristal water presentations and most of Tropical and Pepsi, Milory, and Mirinda carbonated beverages. Since 2017, we continued and managed to maintain **100%** of RPET containers in Cristal, as well as to increase to **99.9%** of RPET containers in Tropical. In the case of carbonated beverages, the RPET percentage increased from **25%** in family presentations and **50%** for individual presentations.

As for lightweighting, gradual reductions in the grammage of plastic preforms began in 2010. In the last year, **382** tons of plastic were reduced and no longer placed on the market as a result of lightweighting. By 2021, we expect to further reduce the generation of plastic in our products, with a strategy associated with a new corporate indicator that measures the presentation of plastic packaging versus other packaging in the product portfolio, aimed at promoting the sale of products in packaging other than plastic. By 2021, the goal is for this percentage to be greater than **70%**.

Packaging Agenda: *Océanos*



Progress in bioplastics

Regarding bioplastics, in 2017 we began researching options through an agreement with LANOTEC and other research centers associated with *Universidad de Costa Rica* and *Universidad Nacional*.

For the previous period, a **first prototype of PLA renewable source packaging** was developed and its compostability was evaluated, giving favorable results in terms of degradability, but with opportunities in terms of product stability and shelf life. By 2020, a new PLA packaging prototype was developed and is currently in the process of a pilot study. It is expected that by 2021, laboratory studies will continue to generate information on its feasibility and in the short term it will gradually replace the current PET material.

Returnability

In the market, the company seeks to promote the returnable glass and plastic presentations. In 2020 a campaign called “*Pedilo en vidrio*” (Ask for glass) was designed and implemented to encourage consumers to buy glass products; this type of initiative is expected to be maintained and strengthened in 2021.

Post-consumer recycling

This initiative is presented in more detail in the section on this program below, but in general, we seek to achieve 100% recycling of our plastic containers, which is summarized in this equation:

$$\frac{\text{kg of pls packaging recovered}}{\text{kg of pls packaging sold}} = 100\%$$

kg of pls containers recovered: kilograms of plastic containers recovered from the market through the Recycling Program.

kg of pls containers sold: kilograms of plastic containers FIFCO places on the market.



Education and Awareness

FIFCO maintains and promotes education and awareness among its consumers, customers, partners, associates, collaborators, suppliers and people in general about environmental issues and a special focus on adequate waste management.

Since 2020 was a complex year, with restrictions on activities due to the pandemic, this type of activities focused on virtual talks aimed at students, waste managers, municipalities, suppliers and staff in general, in order to promote education and awareness, but in new ways.

It has different platforms associated with organizational and brand volunteer programs, where massive or specific activities are generally carried out to address these issues.



Post-Consumer Recycling

FIFCO's Post-Consumer Packaging Recycling Program marked a highly relevant milestone because it achieved **100% collection of plastic containers** placed on the market.

This meant that out of every 100 containers, 100 were recycled. In addition, **87%** of global materials were recycled.

In general terms, the recovery of containers was maintained during the pandemic months, March to December, in full compliance with the sanitary measures implemented by the Ministry of Health.

The reverse logistics process was successfully maintained, temporarily storing containers in FIFCO collection centers where the volume is reduced by compaction and then transported through a "backhauling" process for separation and processing at the recycling plant.



The Recycling Program recovered non-returnable post-consumer recyclable packaging of any commercial brand, regardless if they are FIFCO's product containers or not, in order to generate greater impact.

Recycling Program Resources



Two collection routes for the Greater Metropolitan Area and **three routes** for rural areas of Costa Rica.



Eight collection centers of our own for handling recyclable material.



A recycling plant where all recovered material is consolidated, sorted, classified, compacted and ground for subsequent recycling.

Post-Consumer Recycling



Destination countries where waste is marketed and used as raw material or produce other materials

Country	Material
United States	Aluminum
Brazil	Aluminum
Nicaragua	PET and HDPE
Honduras	PET and HDPE
Costa Rica	PET and HDPE
Costa Rica	Tinplate
Thailand	Tetrapak
Mexico	Tetrapak

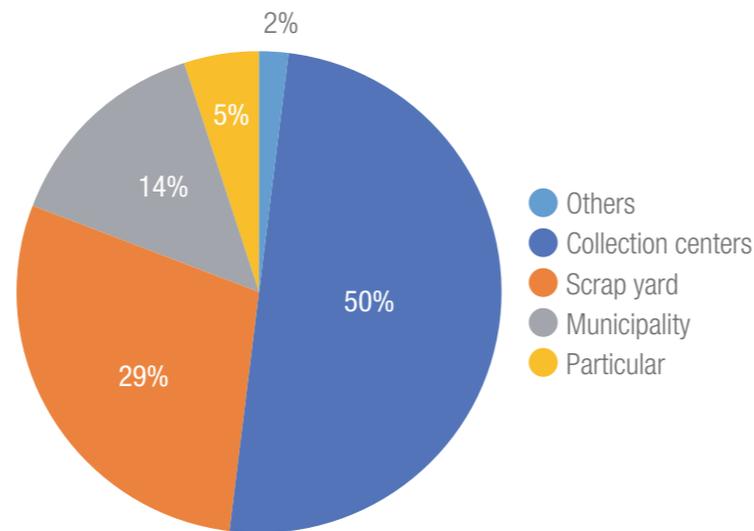
The Recycling Program has **32** compactors and **5** glass breakers located in **30** external recycling projects, suppliers of the program.

In this period, a total of **6,582** MT of non-returnable post-consumer containers were recovered, **285** MT less than in 2019.

Collection during the pandemic

Due to the closure of collection centers and the reduction in the amount of materials managed through the initiatives that remained open in the period from March to December, most of the materials reduced their collection, except tinplate, which showed a **61%** increase.

Non-returnable post-consumer containers recovered through suppliers
Sources of waste 2020



Total non-returnable post-consumer packaging recovered during the period

Type of packaging	Recovered (MT)	Collection (%)
HDPE y PET	3.839	100.0%
Aluminio	1.389	41.9%
Tetra Pak	1.185	383.3%
Hojalata	149	140.6%
Total	6.562	86.7%



Post-Consumer Recycling



Overall, the total collection percentage increased 3% over 2019, supported by a reduction in FIFCO product sales. The following graph shows the total collection history followed by the collection by material graph.

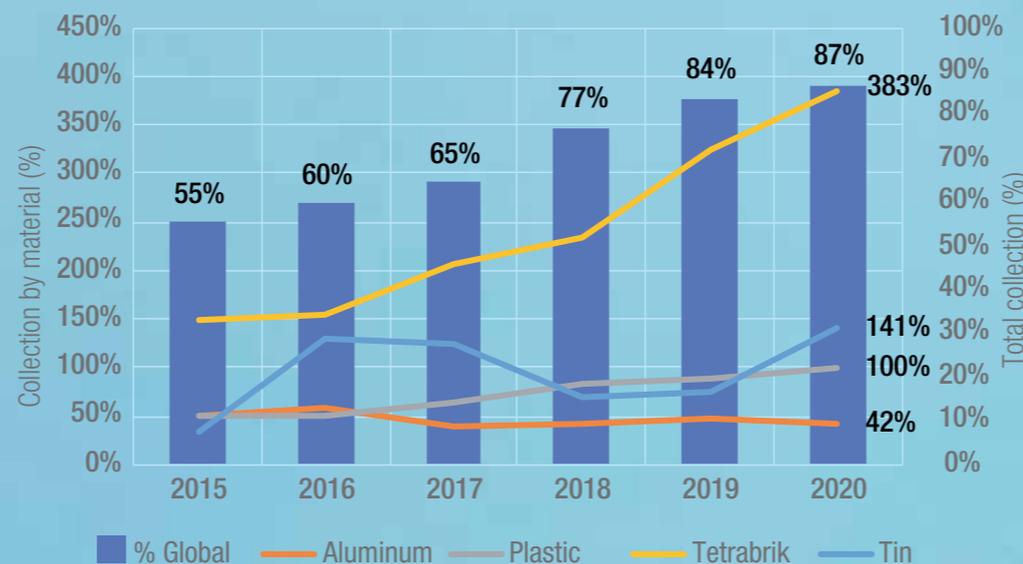
Other Post-Consumer Recycling results

- For the fifth consecutive year, awards were given to the packaging recovery initiatives that exceeded the proposed packaging collection goals; 6 collection centers increased their collection percentage. This event was carried out with the support of Tetrapak®.
- Start of the recycling partnership between companies in the beverage and food sector. This initiative aims to boost the increase in collection percentages in Costa Rica by 2021.
- Beginning of the post-consumer packaging recovery initiative with the Ministry of Justice and Peace, aimed at implementing recycling programs in the Costa Rican prison system.

Post-consumer collection performance



Waste sources





Water and Sanitation

The agenda for measuring and reducing water consumption is maintained in all operations.

In the case of the food and beverage operations in Costa Rica, the water footprint is additionally offset, thus maintaining the Water Neutrality condition.

The water footprint verification process is carried out annually for the food and beverage operations in Costa Rica and Guatemala.



Measurement

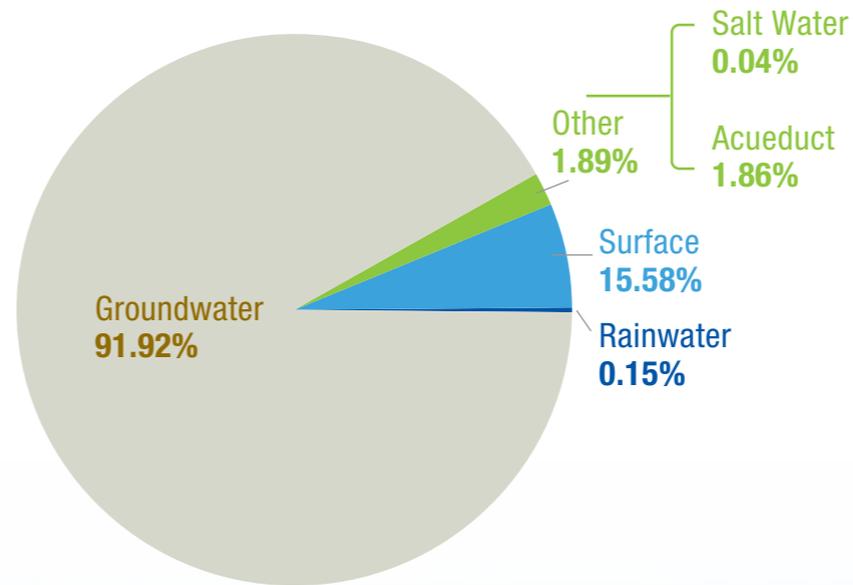
We continue to measure 100% of our water consumption, and even increase the level of measurement detail to identify opportunities to reduce consumption and optimize the most responsible use of this valuable resource.

Level of measurement used in the operations:



Level 1 measuring equipment is kept under a metrological control process to ensure that the information reported is correct. For Levels 2 and 3, if calibration is not possible, the equipment is verified to maintain an adequate measurement.

Water Sources



The water sources used in food and beverage facilities in Central America, the Retail and Hospitality business in Costa Rica come primarily from underground sources.

The food and beverage operations in Costa Rica use spring water for products, groundwater for production processes, and water from aqueducts for some distribution centers and administrative areas. In the case of IAK and Reserva Conchal, 100% of the sources are of underground origin, while in the case of

FIFCO Retail and FIFCO USA bakery operations, water is provided by the local aqueduct.

Water and Sanitation



The water consumption of the food and beverage operations in Central America (water use plus water included in the product) for this year is **17.49** million hectoliters of water. The corporate indicator for this period is **3.71** hectoliters consumed/hl sold.

Currently, none of FIFCO's operations are located in water-stressed areas, as stipulated by the Aqueduct Water Risk Atlas of the World Resources Institute (WRI) and the Water Risk Filter of the World Wildlife Fund (WWF).

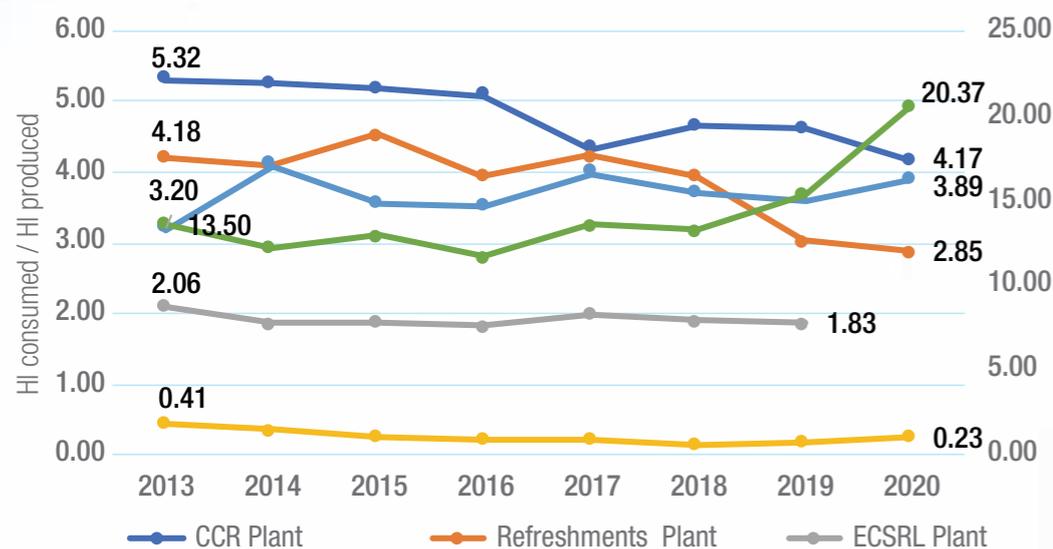
Only the following types of water are used:

- ▶ Freshwater.
- ▶ Seawater.
- ▶ Treated wastewater.

Impact on Reserva Conchal

In the case of Conchal, water consumption was reduced, mainly due to the temporary closure of The Westin Reserva Conchal and All-Inclusive Golf Resort & Spa and W Costa Rica for nearly 6 months.

Historical water consumption at food and beverage facilities in Central America



Control and reduction

For this period, indicators and targets were defined based on behavioral projections and the history of previous years.

Although significant reduction in consumption was achieved in production operations, support operations such as Storage and Distribution increased due to the transformation of the Pepsi Plant into a storage area, so this consumption is not reported under this name but in Other CR.

Due to the pandemic, certain improvement projects had to be suspended; however, the reported

reductions could be executed in part thanks to the following efforts:

- ▶ Water consumption improvement group in the Beer Plant's packaging.
- ▶ Significant improvement in the Refreshments Plant in the detection and immediate repair of leaks, especially in the spills and motorcycle parking area.
- ▶ Biofilters at the Pérez Zeledón depot.
- ▶ Recovery tank for hot water overflow during boiling at the Beer Plant.

Water consumption in beverage operations in Costa Rica

	Absolute water consumption			Indicador HL/HL	
	HL	Indicator	Reduction	2019	2020
Beer Plant	HL/HL	7,821,957	-1,826,813	4,62	4,17
Refreshments Plant	6,287,376	5,225,492	-1,061,884	3,00	2,85
PEPSI Plant*	1,088,700	N/A	-1,088,700	1,83	N/A
Others CR	644,898	863,190	218,292	0,15	0,23
Total FDIS	20,242,967	13,910,639	-6,332,328	3,70	3,66

*Pepsi Plant closed in 2019. Its production was transferred to the Refreshments Plant.

Water and Sanitation



Compensation

A process of external compensation is maintained by protecting watersheds through the Payments for Environmental Services (PES) mechanism of the National Forestry Financing Fund (FONAFIFO), an institution attached to the Costa Rican Ministry of Environment and Energy (MINAIE).

External compensation

850 Ha *Distribuidora La Florida*
Cuenca Alta del Barva and the Osa Peninsula

80 Ha *Reserva Conchal*
Nimboyores Aquifer



FIFCO actively participates since 2015 in the first water fund in Costa Rica: *Agua Tica*.

Water Positive

Again this year, *Cerveza Imperial* carried out the quantification process of the total water footprint generated in the *Cerveza Imperial* production process throughout its value chain (raw material procurement, manufacturing, distribution, final disposal and packaging recycling).

Positive value is achieved by the water fixation projects in *Cuenca Alta del Barva* and the Osa Peninsula, as well as the community water projects that are being developed together with our collaborators in two important areas of the country: *Gavilán Canta* in Talamanca and *Brasilito* in Guanacaste.

Such compensation includes the water used in the production process. This quantification is verified annually by the Technical Standards Institute of Costa Rica. The results of the measurement are explained in greater detail under the "ENVIRONMENTAL FOOTPRINT" section.

In the case of *Distribuidora La Florida*, positive balance is achieved through compensation on the neutrality level. Currently, an **additional 20%** of the organization's total water consumption is offset.

Collaboration with stakeholders

Stakeholder	Water related collaboration actions
Users	Sustainable Procurement Program and on-site environmental inductions.
Users	Changes in packaging materials that cause less contamination in water sources or greater efficiency in processes to generate savings in consumption, implementation of saving strategies.
Local communities	Volunteers to clean rivers and watersheds in local communities, beaches, and the mouths of major rivers, awareness-raising volunteering and environmental education and awareness campaigns.
Employees	Continuous awareness-raising, involvement and direct responsibility in savings and consumption reduction projects through goals, as well as implementation of environmental plans.
Other users in the industry	Implementation of strict consumption controls and compliance indicators and analysis of saving opportunities and improvements in consumption efficiency, as well as sharing experiences in sustainability issues with other companies in the area.
Regulatory agencies	Legal compliance and close contact with the entities, frequent meetings.
Civil society organizations	Awareness-raising through social networks and participation in strategic alliances with other organizations to share and adopt best saving practices.
Partnerships/ Trade Associations	Accompaniment, development, audits to suppliers and contractors and follow-up of improvement actions related to the reduction and saving of water consumption, environmental education and implementation of joint projects.

Water and Sanitation



Effluent treatment

For all operations, the minimum effluent discharge quality criteria used are those defined by law. There are no operations in countries where there are no regulations on this issue. The wastewater treatment systems at all facilities are in continuous and normal operation.

Effluent reuse

Beer Plant/Refreshments Plant
Pressing of sludge from wastewater treatment system

Hospitality
Golf course irrigation

Currently, no water is discharged into water stressed areas. The table below shows, by business unit, the total water discharge in all areas (in megaliters) and a breakdown of this total according to its destination.

Total water discharge by business unit In megaliters

Business Unit		Distribuidora La Florida	Florida Hospitality	IAK Guatemala	FIFCO Retail*
Water discharge by destination					
1. Surface water	Total	31.5			
2. Groundwater	Total		749.0		
3. Sea water	Total	843.8	53.6		
4. Third party water	Total			221.6	28.3
Total water discharge (1+2+3+4)	Fresh water (total dissolved solids ≤1000mg/l)	875.3	802.6		28.3
Water discharges by freshwater or other water	Other waters (total dissolved solids >1000mg/l)	843.8	154.4	221.6	

*In the case of FIFCO Retail's bakery plant, industrial wastewater is not discharged to any receiving body or sewer; instead, it is reused internally in the cooling systems.

Energy, emissions and carbon positive



The Carbon Positive strategy is maintained in 4 phases, which continue to be executed for the reporting period in all operations according to the maturity level of each one.

For this year, the two major emissions components corresponding to electric and thermal energy are maintained. Each of them will be described below..

Phases of the Carbon Positive strategy



Electrical energy

The energy matrix of the countries where operations are maintained is comprised as follows:

- Costa Rica energy matrix based on more than **90%** renewable energy.
- Guatemala, the local energy matrix has **64%** renewable energy.
- United States, the geographic location of the main operation in Rochester, New York, is favored as one of the states with the highest generation of electricity from renewable sources in the United States.

Measurement and control

A process of measurement and control of power consumption is carried out through a process in levels similar to the one explained in the Water section. This allows monitoring and visibility of the areas of opportunity for reduction, and to demonstrate the results of the improvement processes carried out in each facility.

Although the facilities' net consumption was lower than the previous year, there was an increase per unit produced compared to the 2019 period. One of the most important impacts on all operations was undoubtedly the pandemic that substantially modified production patterns, as well as the mix of products manufactured. We see this impact in both electrical and thermal energy.

Power consumption per facility

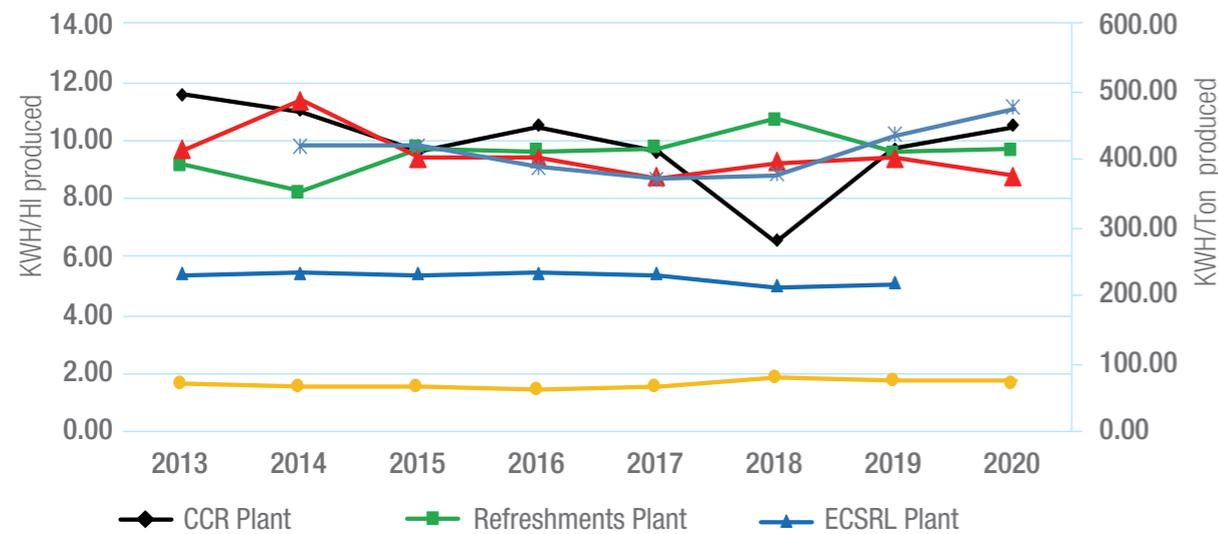
Facility	Consumption indicator KWH			Consumption Indicator		Unit
	2019	2020	Reduction (KWH)	2019	2020	
Beer Plant	18,474,442	18,474,442	18,474,442	18,474,442	18,474,442	KWH/HL produced
Refreshments Plant	18,361,339	18,361,339	18,361,339	18,361,339	18,361,339	
PEPSI Plant	2,998,400	2,998,400	2,998,400	2,998,400	2,998,400	
Others in CR	8,926,556	8,926,556	8,926,556	8,926,556	8,926,556	
SUBTOTAL CR	48,760,737	48,760,737	48,760,737	48,760,737	48,760,737	
IAKGT Plant	10,076,854	10,076,854	10,076,854	10,076,854	10,076,854	KWH/ton sold
TOTAL Beverages	58,837,591	58,837,591	58,837,591	58,837,591	58,837,591	
Retail	7,503,878	7,503,878	7,503,878	7,503,878	7,503,878	Total KWH
Conchal	107,726	107,726	107,726	107,726	107,726	

La Planta Pepsi debido a la fusión total en el período 2020, no se reporta para este año, y los consumos asociados 100% a los procesos que ahí se realizaban, pasaron a integrarse bajo Planta Refrescos.

Energy, emissions and carbon positive



Electrical energy in production facilities



Reduction

For all operations, we have programs to reduce power consumption in order to improve resource management.

ISO 50001 Certification

For this period, a relevant milestone in the manufacturing area of the Retail Plant was the ISO 50001 Certification. This is the first FIFCO facility to obtain this certification, which will allow managing the facility's power consumption in a timely manner, as well as opening the way for other FIFCO operations in this process.

Initiatives to reduce power consumption

Description of the reduction initiative	Facility	Estimated reduction (GJ)	Tipo de energía	Método de cálculo de reducción
Several improvements are made to meet the plant's compressed air needs without waste.	Beer	Reduction calculation method	Electricity	Amount of energy consumed prior to project minus energy consumed after project implementation
Gradual replacement of 44 luminaires (according to the end of the useful life of the existing one), also improving the lighting quality.	Refreshments	3.68	Electricity	Amount of energy consumed prior to project minus energy consumed after project implementation.
Shutdown of compressor associated with finished product chamber.	Retail Plant	34.9	Electricity	Theoretical power consumption of the SCU-01 compressor; this is converted to energy with the number of hours per month that it will remain off and the energy reduction that can be achieved.
Displacement of peak hours for ice machine.	Retail Plant	45.35	Electricity	Theoretical power consumption of the ice machine; this is converted to energy with the number of peak hours per month that will remain off and we obtain the energy reduction that can be achieved.

Energy, emissions and carbon positive

Thermal energy

Measurement and control

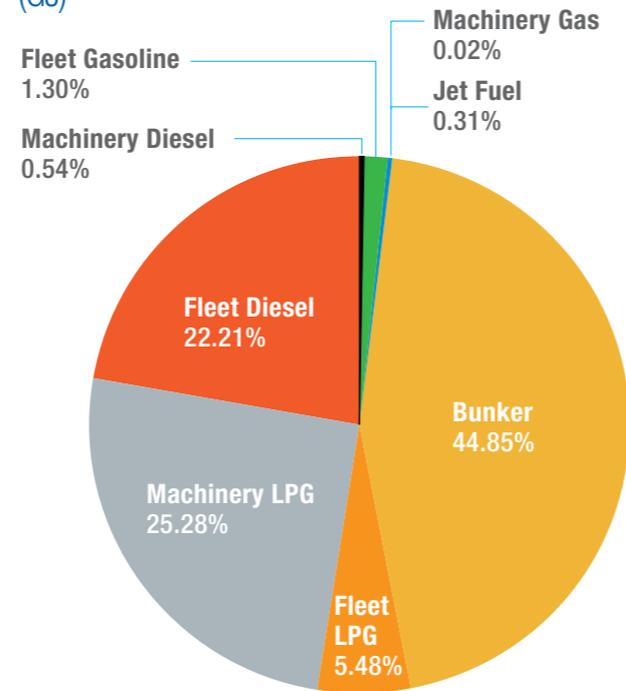
For all operations, thermal energy consumption from all sources is measured. It is divided into:

- ▶ Bunker for steam generation
- ▶ Diesel for transport fleet and machinery for minor tasks
- ▶ LPG used in machinery such as stoves and heaters and for forklift transportation
- ▶ Gasoline for transport fleet and some equipment mainly pumps
- ▶ Jet A1 for air transport
- ▶ Solar energy for lighting

The main sources are bunker, LPG for machinery and diesel for the fleet, especially for Distribution in Costa Rica.

As for consumption by facility, the indicators of thermal energy consumption per unit produced and absolute consumption are shown, in the case of the Hospitality business.

Energy Consumption 2020 (GJ)
(GJ)

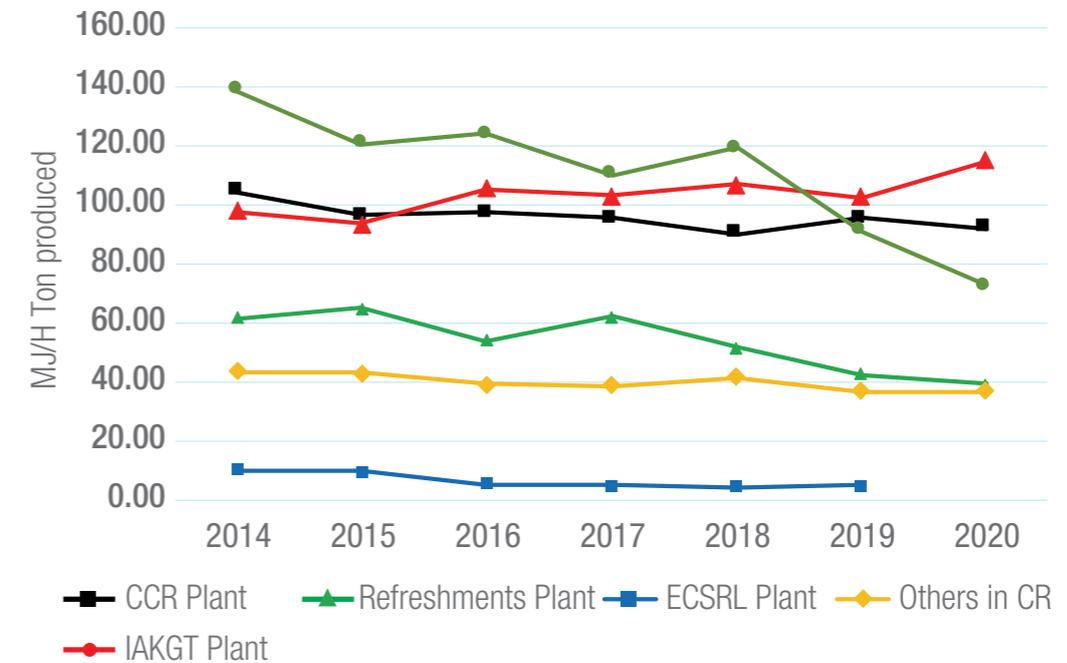


Consumo de energía por instalación

Año	MJ/Hi				Planta IAKGT	MJ/Ton RETAIL	MJ Conchal
	Planta CCR	Planta Cristal	Planta ECSRL	Otros CR			
2013	110,71	62,72	11,11	50,08	87,48		
2014	104,28	61,88	10,28	43,49	97,55	138,50	
2015	96,40	65,06	9,74	42,97	93,47	120,47	
2016	97,31	53,94	5,49	39,33	105,38	123,89	
2017	95,26	62,09	5,02	38,87	103,20	110,05	
2018	90,27	51,84	4,44	41,90	106,89	118,92	22,00
2019	95,40	42,65	5,08	37,10	102,35	90,89	33,71
2020	91,90	39,15		37,00	114,92	72,43	21,94

In the case of the food and beverage operations in Central America, an improvement is evidenced in practically all operations, except for the IAK plant in Guatemala where, due to the production

Thermal Energy in productive operations



mix where demand for food increased, the volume produced is reduced, but not the associated energy consumption, which is the reason for this increase.



Energy, emissions and carbon positive



Thermal energy consumption reduction initiatives

Description of the reduction initiative	Facility	Estimated reduction (GJ)	Type of energy	Reduction calculation method
Stabilization of basic conditions of packaging pasteurizer 1 by correct temperature set, repair of operating controls and valve failures and calibration.	Cerveza	17.45	Vapor	Amount of GJ of fuel not consumed due to the project's implementation.
Although the investment cost was 11% higher, 19 Euro 05 technology trucks were acquired, which reduces NOx emissions (1 EPA 98 technology truck emits NOx equivalent of 18 Euro 05 trucks). At the same time, it is more efficient (although there is a downward trend in the efficiency of modern trucks).	Warehousing and Distribution	82.43	Fuel	Gasoline consumption for one year prior to fleet replacement.
Consolidated cargo shipments to the point of sale (Puntarenas and Ciudad Neilly from CEDI). No loading and unloading at the rural depot; direct delivery is made. Reduction of diesel and mileage of T1 (massive).	Warehousing and Distribution	N/A	Fuel	
Reduction of forklift transfers due to the location of racks to carry out the picking operation.	Warehousing and Distribution	N/A	Fuel	
Reduced mileage traveled by the company providing the mass transportation service. Transfer yard: Departure of the routes is closer to the place where it will be delivered. Savings in routes and mileage (Centroides: Cartago, San José Este and Detalle Este). The loading of 3 trucks is consolidated in one cart. There is an avoided emission of 3 empty trucks and a decrease in truck mileage. Change to a T1 (traditional canal routes Cartago and Desamparados about 33 routes per day).	Warehousing and Distribution	N/A	Fuel	
11 carts for 3 trucks each = 33 routes				
Emergency solution to L12 of Refreshments Plant to reach 9bar of pressure. An LPG boiler is rented temporarily for a specific process, and while there is the possibility of renting a bunker boiler, an LPG boiler is chosen because it has a cleaner emission.	Refreshment	N/A	Steam	

Energy, emissions and carbon positive



For the beverage operation in Costa Rica, there is external energy consumption, or outside the organization, for mass transportation trips made by third parties, which consume diesel in the vehicles that carry out this work.

Thanks to the "Cargas Compartidas" (Shared Loads) initiatives with CEMEX, as well as the projects explained above, this energy consumption has been reduced annually.

Regarding the energy consumption of FIFCO's operations, for the reporting period there is an energy indicator (thermal and electric) of **0.17 GJ/unit produced** for the beverage and food operations in Central America.



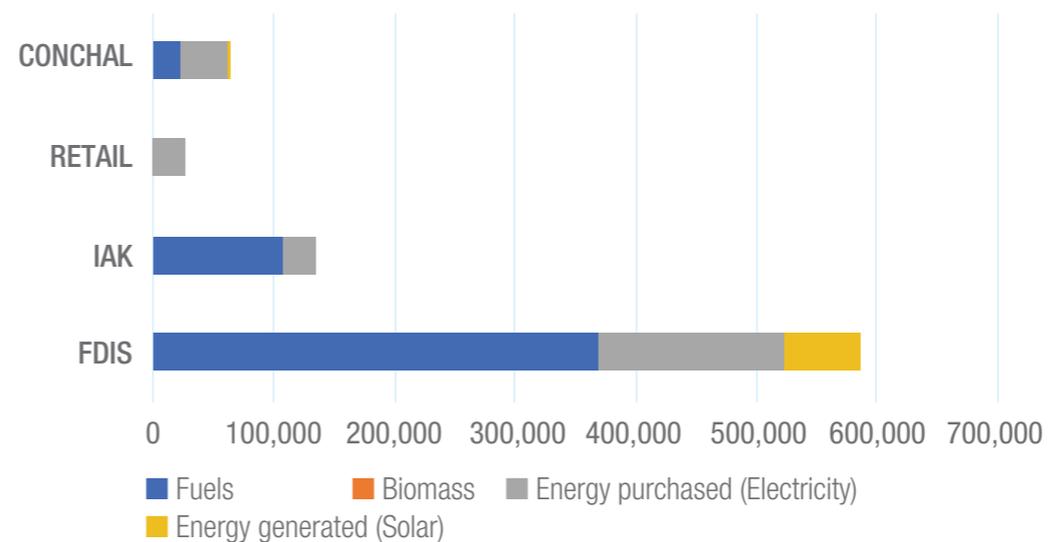
External energy consumption

Type of fuel	Energy Consumption (GJ)	
	2019	2020
Fleet diesel	7,475	65,429

Operations energy consumption

FDIS	Energy Consumption (GJ)				TOTAL
	IAK	RETAIL	CONCHAL		
585,543.45	134,976.00	25,129.24	63,214.09		808,862.78

Breakdown of energy consumption (GJ)





Greenhouse gas emissions

Measurement, reduction and neutrality

Despite being a challenging year for FIFCO, we were able to maintain our Carbon Positive status in the *Distribuidora La Florida* and FIFCO Retail operations in Costa Rica. This means that the neutrality level was exceeded with an additional compensation in order to generate a positive balance.

Unfortunately, due to the strong impact of the pandemic on tourism, the Hospitality operations were not able to complete the verification and offsetting process in 2020.

Distribuidora La Florida and FIFCO Retail achieved in this period the Carbon Neutral Plus status of the Carbon Neutrality 2.0 Country Program of the Government of Costa Rica. The reference standards are INTE ISO 14064, the B5:2016 standard and it is also governed by the guidelines within the framework of the Carbon Neutrality 2.0 Country Program of Costa Rica.

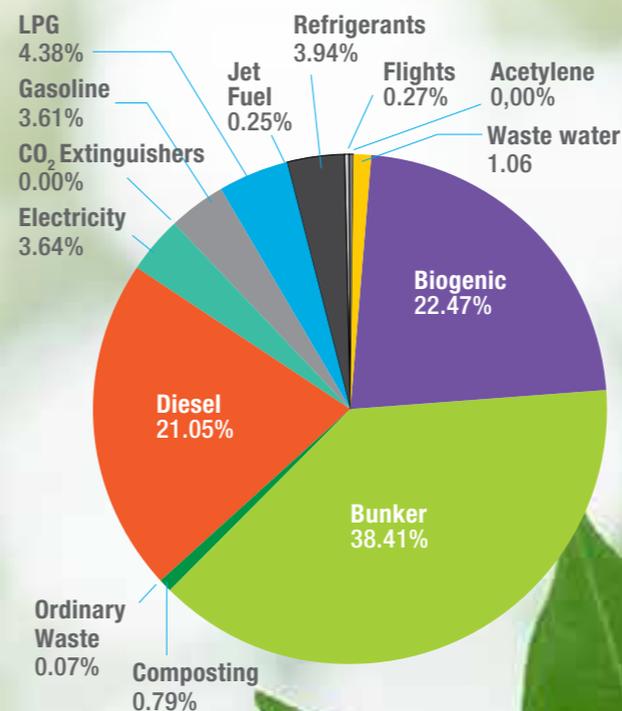
Retail	<i>Distribuidora La Florida</i>
Since 2017	Since 2018
2020 Footprint 1,432.26 ton CO ₂ e	2020 Footprint 37,594.07 ton CO ₂ e
Offset FONAFIFO, Costa Rican Compensation Units	Offset Guanacaste Wind Farm (CDM ID 4147)

Distribuidora La Florida Carbon+

In the case of *Distribuidora La Florida*, the footprint scope ranges from the entry of raw materials into the manufacturing process to the product's distribution. The carbon footprint measurement includes all direct emissions (Scope 1), indirect emissions (Scope 2) and some indirect emissions (Scope 3).

As in the previous period, it is offset above the level of neutrality; thus, the operation maintains its Carbon Positive status.

Carbon Footprint 2020 *Distribuidora La Florida* (GJ)



Emissions by operation *Distribuidora La Florida*

Beer Plant	17087.588
Water and Refreshments Plant	6550.563
Others in CR	14138.210

Greenhouse gas emissions



Thermal energy consumption reduction initiatives

Descripción de la iniciativa de reducción	CO ₂ e reduced (Ton CO ₂ e)	Gases included	Methodology
Eradication of one CO ₂ leak by calibrating and automating the closing of supply and recovery valves in Filters.	180.76	CO ₂	Amount of energy consumed prior to the project minus the energy consumed once the change is made.
An improvement group is created to meet the plant's compressed air needs without waste.	0.49	CO ₂	Amount of energy consumed prior to the project minus the amount of energy consumed once the change is made.
Stabilization of basic conditions of packaging pasteurizer 1 by correct temperature set, repair of operating controls and valve failures and calibration.	1.29	CO ₂ , CH ₄ , NO ₂	Amount of fuel consumed prior to the project minus the fuel consumed once the change is made.
Destruction of refrigerant gas recovered from cold equipment accumulated approximately since 2010, where it was destroyed in HOLCIM as co-processing, avoiding its leakage to the environment. Stoichiometric equation is used to determine the emission by combustion and thus the emission avoided to the environment.	391.643	CO ₂	Amount of CO ₂ equivalent released in case of leakage or disposal into the environment.
Although the investment cost was 11% higher, 19 Euro 05 technology trucks were acquired, which reduces NOx emissions (1 EPA 98 technology truck emits NOx equivalent of 18 Euro 05 trucks). At the same time, it is more efficient (although there is a downward trend in the efficiency of modern trucks).	2.60	CO ₂ , CH ₄ , NO ₂	Amount of fuel consumed prior to the project minus the fuel consumed once the change is made.
Consolidated cargo is shipped to the point of sale of wholesale clients in Puntarenas and Ciudad Neilly from CEDI. This avoids loading and unloading at the rural depot; direct delivery is made. Therefore, there is a reduction in diesel consumption per hL sold and T2 mileage (distribution).	1.98	CO ₂ , CH ₄ , NO ₂	Amount of fuel consumed prior to the project minus the fuel consumed once the change is made.
Reduction of forklift transfers due to the location of racks to carry out the picking operation; forklift trips are reduced and therefore their interaction with warehouse personnel.	4.91	CO ₂ , CH ₄ , NO ₂	Amount of fuel consumed prior to the project minus the fuel consumed once the change is made.
Since 2018, efforts have been made to replace cold equipment with R290 refrigerant, due to the fact that its refrigerant has a lower global warming potential. As of 2020, 9163 pieces of equipment have been replaced, which also consume approximately 37% less electrical energy than its R134a gas counterpart. The reduction of R404 and R134a refrigerant leaks avoided by the replacement of cold equipment with R290 is calculated.	0.65	CO ₂	Amount of CO ₂ equivalent released in case of leakage or disposal into the environment.
Reduced mileage traveled by the company providing the mass transportation service. Transfer yard: Departure of the routes is closer to the place where it will be delivered. Savings in routes and mileage (Centroides: Cartago, San José Este and Detalle Este). The loading of 3 trucks is consolidated in one cart. There is an avoided emission of 3 empty trucks and a decrease in truck mileage. Change to a T1 (traditional canal routes Cartago and Desamparados about 33 routes per day).	N/D	CO ₂ , CH ₄ , NO ₂	Amount of fuel consumed prior to the project minus the fuel consumed once the change is made.

Greenhouse gas emissions



Descripción de la iniciativa de reducción	CO ₂ e reduced (Ton CO ₂ e)	Gases included	Methodology
GIZ donation for the installation of a R290 A/C. By the IPCC leakage % of a domestic A/C the difference in leakage compared to the replaced one is calculated.	0.1	CO ₂	Amount of CO ₂ equivalent released in case of leakage or disposal into the environment.
GIZ donation for the installation of a R290 A/C. It also has a better energy efficiency than a counterpart which is fitted with a measuring system (SMAPPE) for comparison.	0.00705405	CO ₂	Amount of CO ₂ equivalent released in case of leakage or disposal into the environment.
Emergency solution to L12 of Refreshments Plant to reach 9bar of pressure. An LPG boiler is rented temporarily for a specific process, and while there is the possibility of renting a bunker boiler, an LPG boiler is chosen because it has a cleaner emission.	13.4	CO ₂ CH ₄ NO ₂	Amount of fuel consumed prior to the project minus the fuel consumed once the change is made.
Gradual replacement of 44 luminaires (according to the end of the useful life of the existing one), also improving the lighting quality. Previously, there were 5900 lm and LED luminaires (150W each) of 27,000 lm were installed; therefore, to obtain the same luminous flux with luminaires other than LED, the consumption would be higher.	0,037814	CO ₂	Amount of energy consumed prior to the project minus the energy consumed once the change is made.
Destruction of refrigerant gas recovered from cold equipment accumulated approximately since 2010, where it was destroyed in HOLCIM avoiding its leakage to the environment. Stoichiometric equation is used to determine the emission by combustion.	431.66	CO ₂	Amount of CO ₂ equivalent released in case of leakage or disposal into the environment

Carbon+ Retail Manufacture

FIFCO Retail maintains its carbon positive commitment in its manufacturing operations, as well as the commercial area. For this period, the manufacturing plant, as well as 5 points of sale, continue as carbon positive. These are: *Trejos Montealegre, Sabana Estadio, Pavas Triángulo, Amistad and Centro Colón.*

Thermal energy consumption reduction initiatives

Description of the reduction initiative	Gases included	Methodology
Reduction in power consumption through the implementation of the ISO 50001 standard.	CO ₂	Reduction in energy consumption due to the implementation of the SGE _n and projects such as the installation of pressure switches and replacement of insulation in the ammonia system.
Reduction in LPG consumption due to the elimination of inefficient processes (pre-baking).	CO ₂ CH ₄ NO ₂	The cost-benefit of manufacturing these products was evaluated, and it was decided to eliminate their manufacture.

Hospitality

As mentioned above, due to the strong impact of the pandemic on the hotel operation, the carbon footprint verification and offsetting process was not carried out this year. However, work continues on the process of measuring and monitoring the emissions generated in the operations.

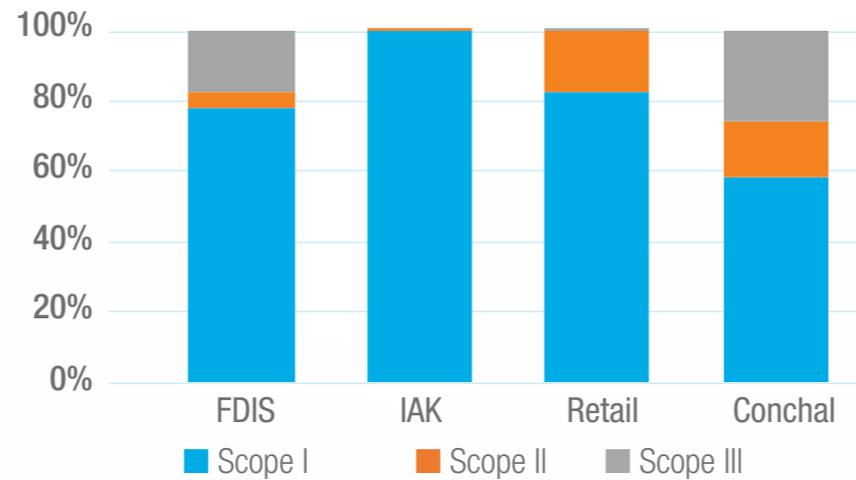
Greenhouse gas emissions



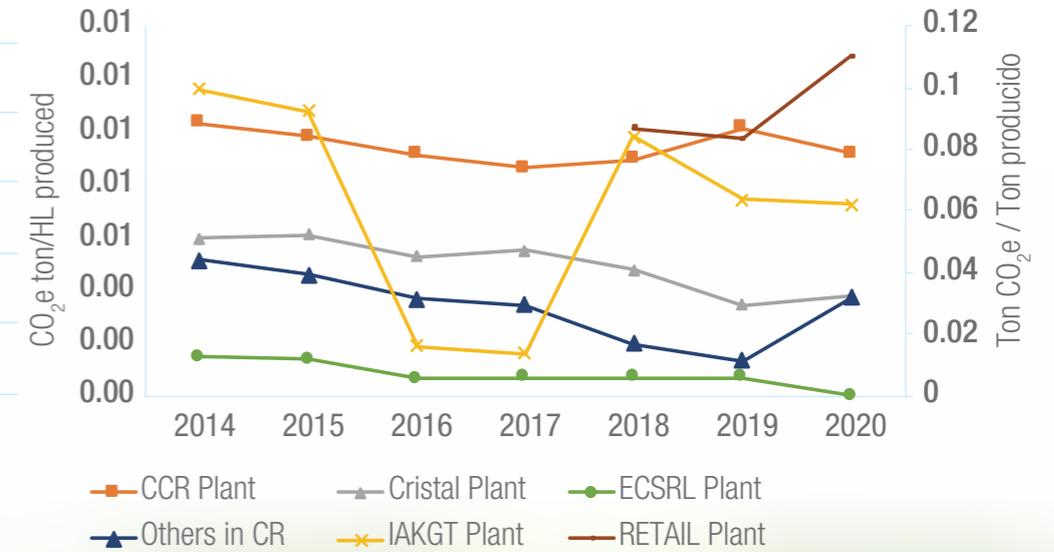
Industrias Alimenticias Kern's (IAK) and FIFCO USA

For the IAK operations, the inventory is calculated for scopes 1 and 2; there is an opportunity to include scope 3, mainly associated with product transportation. In the case of FIFCO USA, the calculation of the main emission sources is available; however, a more detailed process is necessary to be able to carry out the inventory.

CO₂ emissions by scope



CO₂ emissions from manufacturing operations in Central America 2020



Resumen de inventario de emisiones

Emisiones de instalaciones FIFCO Centroamérica (ton CO₂e)

Facility	Scope I			Scope II			Scope III			Total Tons of CO ₂ e			Emission intensity (tons of CO ₂ /hl produced) ⁿ	
	2019	2020	Reducción 2020 vs 2019	2019	2020	Reducción 2020 vs 2019	2019	2020	Reducción 2020 vs 2019	2019	2020	Reducción 2020 vs 2019	2019	2020
CCR Plant	20,018.37	16,037.21	-3,981.21	853.41	743.92	-109.50	386.82	306.43	-80.39	21,258.61	17,087.56	-4,171.05	0.01017	0.00916
Cristal Plant	5,062.12	5,872.37	810.25	615.43	641.89	26.46	24.61	36.30	11.69	5,702.16	6,550.56	848.40	0.00285	0.00375
PEPSI Plant	192.67	NA	-192.67	71.92	NA	-71.92	0.50	NA	-0.50	265.09	NA	-265.09	0.00045	NA
Others in CR	5,818.56	7,704.00	1,885.44	217.19	182.40	-34.79	4,332.46	6,251.81	1,919.35	10,368.21	14,138.21	3,770.00	0.00189	0.00372
Subtotal Beverages CR	31,091.71	29,613.58	-1,478.13	1,757.95	1,568.21	-189.74	4,744.40	6,594.54	1,850.14	37,594.07	37,776.33	182.26	0.0069	0.0099
IAKGT	6,941.64	6,686.36	-255.29	1,034.26	8.59	-1,025.67			0.00	7,975.90	6,694.94	-1,280.96	0.00122	0.00142
Total Beverages	38,033.35	36,299.94	-1,733.42	2,792.21	1,576.80	-1,215.42	4,744.40	6,594.54	1,850.14	45,569.97	44,471.27	-1,098.69	0.0070	0.0094
Retail	1,019.10	1,277.82	258.72	264.00	264.00	0.00	28.10	2.69	-25.41	1,311.20	1,544.51	233.31	0.07619	0.11016
Conchal	3,246.50	1,443.12	-1,803.38	659.70	399.16	-260.54	1,116.30	626.78	-489.52	5,022.50	2,469.06	-2,553.44	NA	NA

Greenhouse gas emissions



Other emissions

Source	NOx (kg)				SO ₂ (kg)			PTS Y PM ₁₀ (kg)		
	FDIS	IAK	RETAIL	CONCHAL	FDIS	IAK	RETAIL	FDIS	IAK	RETAIL
Fixed sources	31,237.32	1,547.24	109,00	13.03	321.068	112,540	1,016	986.19	139.87	7.66
Forklifts	19,142.20	2,497	65					173.71	19.66	0.51
Own mobile sources	79,834.95	NA	NA	167.88				2,415.31	NA	NA
Special equipment	107.31	NA	NA					12.12	NA	NA
Outsourced mobile sources	50,894.36	NA	NA	27.80				1,433.64	NA	NA
Total Kg of pollutant	181,216.14	4,043.82	174	209	321.068	112,540	1,016	5,021	160	
Variation vs 2019	-28%	-21%	16%			59%	-38%	-53%	-80%	-80%

The variations with respect to the previous period are as follows:

- Lower emissions of NOx, SO₂ and Particulate Matter due to reduced fuel consumption in general in the *Distribuidora La Florida Costa Rica* operation.
- 100% operation of boilers with LP Gas in IAK, which reduces NOx and Particulate Matter emissions compared to the bunker previously used. However, this increases SO₂ emissions with respect to 2019 associated with pandemic challenges, considering the production of basic basket food products such as beans.
- NOx and PTS and PM₁₀ reporting is initiated for FIFCO Retail operations. In the case of SO₂, emissions are reduced as a result of lower consumption (50%) of fuel in forklifts due to lower production during the pandemic.

Regarding emissions of ozone depleting substances (ODS), **77.39** kg are reported for beverage operations in Costa Rica for 2020. We continue to work on the gradual replacement of refrigerant substances with those that not only have less potential to affect the ozone layer, but also lower global warming potential (GWP).

Financial implications and other risks and opportunities derived from climate change

Type	Detailed description	Physical, regulatory, other	Description of impact	Timeframe of financial implication	Management methods
Opportunity	Consumers more aware of environmental issues, willing to recognize the environmental performance of products as a purchasing criterion and to choose more sustainable products from the point of view of the entire value chain.	Reputational	Growing awareness and knowledge of the problems associated with climate change is leading consumers to recognize this situation and to be more critical of products and the environmental performance of the companies that produce them, when buying.	Continua	Air Brands
	Adoption of new technologies to operate more effectively and efficiently with available resources such as water and energy.	Physical, reputational	Improve the environmental performance of processes and products and competitiveness by operating with state-of-the-art technology.	Continua	Innovation, Benchmark, BCS Heineken
Risk	Damage to infrastructure due to natural hazards.	Physical	Flooding from heavy rains, tropical storms and even hurricanes increase the risk of damage to the infrastructure of the direct value chain, as well as that of suppliers and customers.	Winter	Emergency response Business continuity





Environmental certifications and other recognitions

All certification and implementation processes are based on the systematic execution of actions such as identification of environmental aspects and impacts, identification and evaluation of legal requirements, training and awareness of our personnel, operational control, monitoring and measurement, audits and reviews by Senior Management.

Compared to the previous period, all environmental certifications were maintained, with the exception of the Westin Hotel's Carbon Positive certification. The emergency situation in the hospitality sector and the closure of the Westin Hotel made it impossible to renew the Carbon Positive certification for this operation. It will be resumed and certified again in 2021, including its extension to the W Hotel.

Product environmental certifications

FIFCO maintains environmental certifications for selected products in terms of their water and carbon footprints according to international standards.



Complaints, claims and sanctions

The Organization has not been subject to administrative, legal or financial environmental sanctions in the reporting period.

Emisiones de gases de efecto invernadero



2020 Environmental Certifications

SITE	EMS	WaterFP	Carbon FP	Carbon+	ZERO W	Ecological Blue Flag AyA-CR			TSC	Safety	TPM (Heineken)		
	ISO 14001	ISO 14046	ISO 14064	MINAE	Carbon Trust	Microbasin	Beach	Community	Prot. Spec.	ICT-CR	OHSAS 18K	Safety Pillar	Pack&Sust
Beer and FABs	●	●	●	●	●	■						■	
Refreshments and Water	●	●	●	●	●	■					■		
CEDI GMA	●	●	●	●	●						■		
CEDI Rural		●	●	●	●								
Manufac. Retail	●		●	●									
Retail (5 PoS)			●	●									
WPC Hotel	●			●			●			■			
W Hotel							●						
Reserva Conchal							●	●	■				
IAK (GUA)		●											
ROC (USA)													

●		ISO 14001	●		Carbon Neutral	●		Ecological Blue Flag - Beaches	■		Sustainable Tourism
●		ISO 14001	●		Carbon Trust Standard	●		Ecological Blue Flag - Communities	■		OHSAS 18001:2007
●		CO ₂	■		Ecological Blue Flag - Microbasins	■		Ecological Blue Flag - Natural Protected Areas	■		TPM next

Product environmental footprint certification

ISO 14046-1:2006 Water Footprint



ISO 14067:2015 Product Carbon Footprint



Línea de Tés Tropical

Biodiversity

FIFCO maintained during 2020 all initiatives focused on biodiversity protection.

It is important to highlight that none of the facilities owned or leased for beverage and food operations are adjacent to, contain or are located in protected areas and non-protected areas of high biodiversity value.

Habitat protection

FIFCO protects habitats both within its properties as well as extensions of land outside its properties. The Beer and Refreshments Plants use part of their area to protect their water sources, which has a positive impact on the area's biodiversity and function as biological corridors.

Reserva Conchal allocates 4% of the property for protection under a mixed wildlife refuge. It is currently under natural regeneration, including its own 368.5 ha carbon sink, whose main purpose is to capture carbon; however, it also fulfills an important biological function in the tropical dry forest to which it belongs.





Protection of water bodies

The Beer, Refreshments, and Pepsi plants and the Guápiles Regional Distribution Center (CDR) border surface water bodies, and the Costa Rican Forestry Law establishes as protected area the margin adjacent to the water body at the edge of the watercourse, 10 m into the property in rural areas (the three Production Plants), and 15 m at the Guápiles CDR because it is located in a rural area.

These restrictions are fully respected. In the case of the Rochester, New York manufacturing plant, the facility borders the Genesee River with no impact to the body of water and its aquatic life.

The Reserva Conchal project is located adjacent to the terrestrial marine zone, mangrove swamp, and mangrove lagoon. Due to the above, the real estate project

develops different initiatives to protect various areas both outside and inside its property for the protection of biodiversity, through awareness projects, reforestation, implementation of environmental certifications and volunteering to mention a few.

Regarding the discharge of brine from the desalination of seawater in Playa Conchal

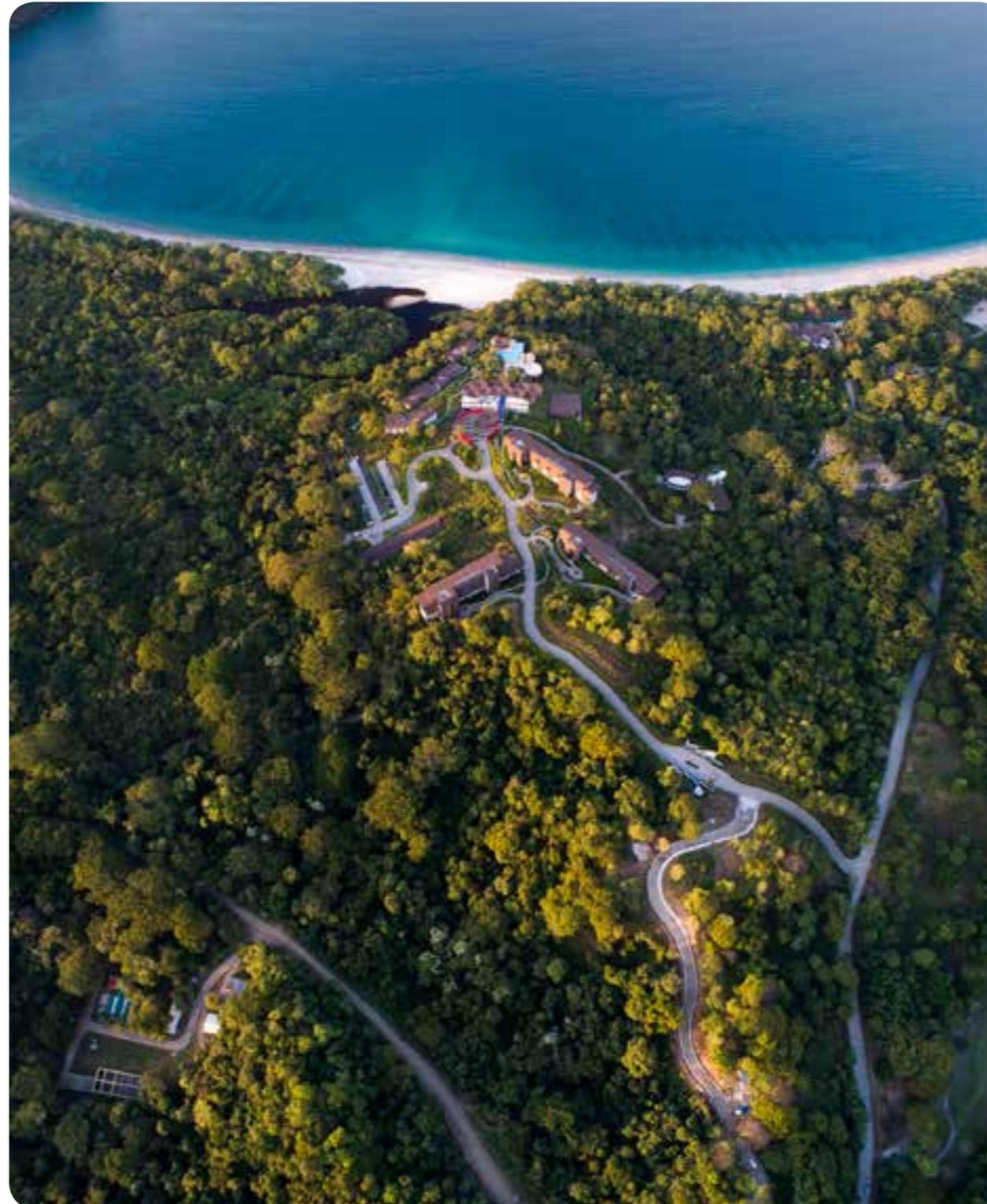
Bay, marine biology immersions are conducted annually by competent and accredited professionals, confirming that there is no impact on the marine flora or fauna in the sphere of influence.

Biodiversidad



Pro Biodiversity Recycling

Inadequate handling of post-consumer packaging by consumers and deficiencies in local waste management systems cause a large amount of waste to reach surface water bodies (rivers and seas) that may affect their biodiversity; to reduce this impact, FIFCO has its own Recycling Program, whose recovery in this period was 100% of all plastic packaging placed on the market.



Biodiversity Investment

FIFCO is aware of the importance of natural resources, especially forest cover to protect biodiversity, but also of water resources, scenic beauty and carbon sequestration, and has invested since 2001 in the protection of watersheds through certificates of environmental services.

This mechanism ensures the environmental services necessary to develop its activity, and guarantees that the funds effectively reach the landowners and the areas of interest by verifying the use and application of resources. For this purpose, FONAFIFO's Certificates of Environmental Services (CSA) are maintained.

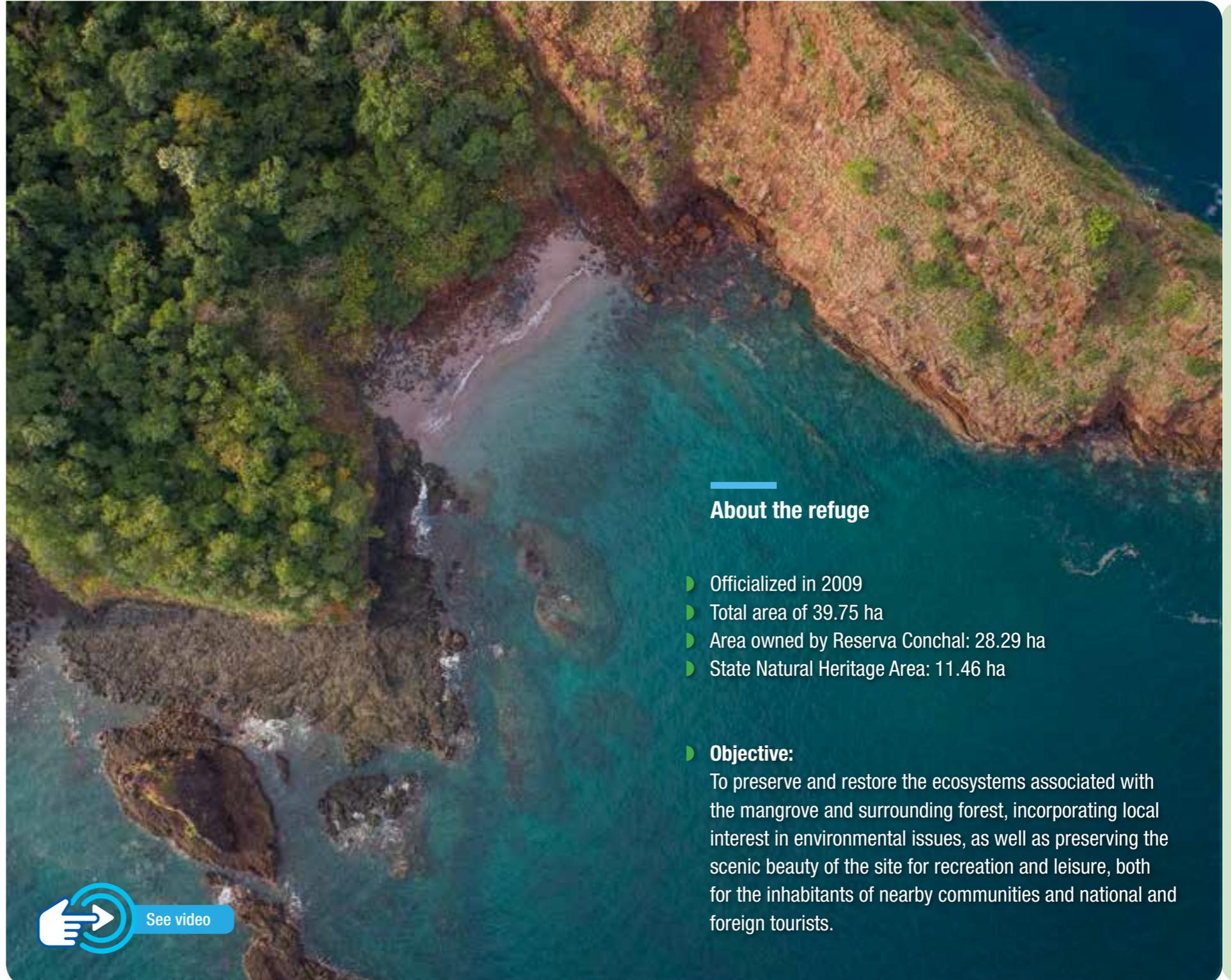
During this period, the company maintains all of its current environmental services contracts with FONAFIFO in the *Cuenca Alta del Barva* in the Central Valley (650 ha) and in *Parque Vivo* (150 ha) in the Osa Peninsula, in the country's southern Pacific area, a site of high biological importance that shelters 5% of the world's biodiversity.

Biodiversidad

Reserva Conchal has invested in the protection of the Nimboyores Aquifer as a sphere of influence of the real estate project, as well as the aquifer recharge zone of the water supply wells of the complex. A total of 60 hectares are protected through this mechanism.

The Playa Conchal Mixed Wildlife Refuge maintains the best score in the management evaluation among the protected areas of the Tempisque Conservation Area (ACT). A score of 100 was obtained for 2019.

FIFCO's activities do not pose threats to endangered plant and animal species included in the IUCN "Red List" and the national species conservation registers of the conservation areas where our facilities are located. However, the GRI 304-4 content shows those species in danger of extinction that coexist within our sphere of influence in Reserva Conchal.



About the refuge

- ▶ Officialized in 2009
- ▶ Total area of 39.75 ha
- ▶ Area owned by Reserva Conchal: 28.29 ha
- ▶ State Natural Heritage Area: 11.46 ha

▶ **Objective:**
To preserve and restore the ecosystems associated with the mangrove and surrounding forest, incorporating local interest in environmental issues, as well as preserving the scenic beauty of the site for recreation and leisure, both for the inhabitants of nearby communities and national and foreign tourists.



GRI Standards

GRI Standards



GRI Content Index

For the Materiality Disclosures Services, GRI Services has checked that the GRI Content Index is clear, and that the references for Contents 102-40 to 102-49 correspond to the sections indicated of the report.

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE AND DIRECT RESPONSES	OMISSIONS	EXTERNAL VERIFICATION
GRI 101: Foundation 2016 <i>(GRI 101 does not include contents)</i>					No
GRI 102: General Disclosures 2016	102-1	Name of the organization	3		No
	102-2	Activities, brands, products, and services	30-33		No
	102-3	Location of headquarters	30		No
	102-4	Location of operations	30		No
	102-5	Ownership and legal form	30		No
	102-6	Markets served	33		No
	102-7	Scale of the organization	30-227		No
	102-8	Information on employees and other workers	26, 228		No
	102-9	Supply chain	103, 229		No
	102-10	Significant changes to the organization and its supply chain	56-114		No
	102-11	Precautionary principle or approach	58		No
	102-12	External initiatives	58		No
	102-13	Membership of associations	58		No
	102-14	Statement from senior decision-maker	10-12		No
	102-15	Key impacts, risks, and opportunities	6-7, 28-30		No
	102-16	Values, principles, standards, and norms of behavior	35, 169-170		No
	102-17	Mechanisms for advice and concerns about ethics	169-170		No
	102-18	Governance structure	13, 22-25		No
	102-19	Delegating authority	24		No
	102-20	Executive-level responsibility for economic, environmental, and social topics	22		No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE AND DIRECT RESPONSES	OMISSIONS	EXTERNAL VERIFICATION
GRI 102: General Disclosures 2016	102-21	Consulting stakeholders on economic,	48-52		No
	102-22	Composition of the highest governance body and its committees	13, 22-25		No
	102-23	Chair of the highest governance body	10, 13		No
	102-24	Nominating and selecting the highest governance body	22		No
	102-25	Conflicts of interest	170		No
	102-26	Role of highest governance body in setting purpose, values, and strategy	23		No
	102-27	Collective knowledge of highest governance body	26		No
	102-28	Evaluating the highest governance body's performance	23		No
	102-29	Identifying and managing economic, environmental, and social impacts	50-51		No
	102-30	Effectiveness of risk management processes	24-25, 28-29		No
	102-31	Review of economic, environmental, and social topics	26		No
	102-32	Highest governance body's role in sustainability reporting	26		No
	102-33	Communicating critical concerns	26,49		No
	102-34	Nature and total number of critical concerns	26,49		No
	102-35	Remuneration policies	24		No
	102-36	Process for determining remuneration	-	Omission due to confidentiality	No
	102-37	Stakeholders' involvement in remuneration	-	Omission: stakeholders are not involved in remuneration policies.	No
	102-38	Annual total compensation ratio	-	Omission due to confidentiality: the company does not share this information in order to protect collaborator's information.	No
GRI 102: General Disclosures 2016	102-39	Percentage increase in annual total compensation ratio	133		No
	102-40	List of stakeholder groups	48		
	102-41	Collective bargaining agreements	135		
	102-42	Identifying and selecting stakeholders	48		
	102-43	Approach to stakeholder engagement	50-52		
	102-44	Key topics and concerns raised	51-52		
GRI 102: General Disclosures 2016	102-45	Entities included in the consolidated financial statements	3 y 31		
	102-46	Defining report content and topic boundaries	3, 53, 54		
	102-47	List of material topics	53		
	102-48	Restatements of information	53		
	102-49	Changes in reporting	53		
	102-50	Reporting period	3		No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE AND DIRECT RESPONSES	OMISSIONS	EXTERNAL VERIFICATION
GRI 102: General Disclosures 2016	102-51	Date of most recent report	3		No
	102-52	Reporting cycle	3		No
	102-53	Contact point for questions regarding the report	3		No
GRI 102: General Disclosures 2016	102-54	Claims of reporting in accordance with the GRI Standards	3		No
	102-55	GRI disclosure index	204		No
	102-56	External assurance	This report does not have external verification		No
DIMENSIÓN ECONÓMICA					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Economic standards: 67 (This management approach applies to all material topics and Standards listed under "Economic Dimension")		No
	103-2	The management approach and its components			No
	103-3	Evaluation of the management approach			No
GRI 201: Economic Performance 2016	201-1	Direct economic value created and distributed	74-76		No
	201-2	Financial implications and other risks and opportunities due to climate change	227		No
	201-3	Defined benefit plan obligations and other retirement plans	228		No
	201-4	Financial assistance received from government	71		No
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	229		No
	202-2	Proportion of senior management hired from the local community	23		No
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	63, 74		No
	203-2	Significant indirect economic impacts	55, 74		No
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	228		No
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	169-170		No
	205-2	Communication and training about anti-corruption policies and procedures	169-170		No
	205-3	Confirmed incidents of corruption and actions taken	170		No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE AND DIRECT RESPONSES	OMISSIONS	EXTERNAL VERIFICATION
GRI 206: Anti-competitive behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	Omission: There were no such claims during the reporting period	No
	207-1	Approach to tax	79		No
	207-2	Tax governance, control and risk management	81		No
GRI 207: Tax 2019	207-3	Stakeholder engagement and management of concerns related to tax	82		No
	ENVIRONMENTAL DIMENSION				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	All environmental standards:		No
	103-2	The management approach and its components	171-174		No
	103-3	Evaluation of the management approach			No
GRI 301: Materials 2016	301-1	Materials used by weight or volume	175, 176		No
	301-2	Recycled input materials used	180, 181		No
	301-3	Reclaimed products and their packaging materials	175, 176		No
GRI 302: Energy 2016	302-1	Energy consumption within the organization	237		No
	302-2	Energy consumption outside the organization	237		No
	302-3	Energy intensity	237		No
	302-4	Reduction of energy consumption	237		No
	302-5	Reductions in energy requirements of products and services	-	Omission: this information does not apply to FIFCO since it sells consumer products, not energy-using products	No
GRI 303: Water 2016	303-1	Water withdrawal by source	184		No
	303-2	Water sources significantly affected by withdrawal of water	237		No
	303-3	Water recycled and reused	184		No
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	240		No
	304-2	Significant impacts of activities, products, and services on biodiversity	240		No
	304-3	Habitats protected or restored	240		No
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	240		No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE AND DIRECT RESPONSES	OMISSIONS	EXTERNAL VERIFICATION
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	240		No
	305-2	Energy indirect (Scope 2) GHG emissions	240		No
	305-3	Other indirect (Scope 3) GHG emissions	240		No
	305-4	GHG emissions intensity	240		No
	305-5	Reduction of GHG emissions	194		No
	305-6	Emissions of ozone-depleting substances (ODS)	240		No
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant emissions	240		No
GRI 306: Effluents and Waste 2016	306-1	Water discharge by quality and destination	240		No
	306-2	Waste by type and disposal method	179		No
	306-3	Significant spills	240		No
	306-4	Transport of hazardous waste	240		No
	306-5	Water bodies affected by water discharges and/or runoff	-	Omission: not applicable	No
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	197		No
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	114		No
	308-2	Negative environmental impacts in the supply chain and actions taken	114		No
INTERNAL AND EXTERNAL SOCIAL DIMENSION					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Labor and HHRR standards: 153, 123		No
	103-2	The management approach and its components	Community standards: 153		No
	103-3	Evaluation of the management approach	Product standards: 9100		No
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	230		No
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	134		No
	401-3	Parental leave	135		No
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	135		No
GRI 403: Occupational Health and Safety 2016	403-1	Workers representation in formal joint management-worker health and safety committees	135		No
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	332		No
	403-3	Workers with high incidence or high risk of diseases related to their occupation	-	Omission: not applicable	No
	403-4	Health and safety topics covered in formal agreements with trade unions	135	This standard is not reported	No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE AND DIRECT RESPONSES	OMISSIONS	EXTERNAL VERIFICATION
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	129		No
	404-2	Programs for upgrading employee skills and transition assistance programs	128-129		No
	404-3	Percentage of employees receiving regular performance and career development reviews	133, 231		No
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	24, 127		No
	405-2	Ratio of basic salary and remuneration of women to men	235		No
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	-	Omission: No cases of this type were reported during this period	No
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	Omisión: no hubo casos de este tipo en el período en memoria	No
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	-		No
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	27	No risk of forced or compulsory labor has been identified among FIFCO suppliers and operations.	No
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	-	No training courses were reported during the reporting period.	No
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	-	Omission: No cases of violations of indigenous peoples rights were reported in this period.	No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE AND DIRECT RESPONSES	OMISSIONS	EXTERNAL VERIFICATION
GRI 412: Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	-	None of the centers has undergone a human rights assessment.	No
	412-2	Employee training in human rights policies or procedures	-		No
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	127	Omisión: no se reportaron contratos ni acuerdos de inversión en el periodo en memoria.	No
GRI 413: Local Communities 2016	413-1	Operaciones con participación de la comunidad local, evaluaciones del impacto y programas de desarrollo	154, 167		No
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	115-118		No
	414-2	Negative social impacts in the supply chain and actions taken	114-118		No
GRI 415: Public Policy 2016	415-1	Political contributions	-	Omission: No cases of this type were reported during this period	No
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	110-111		No
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	111		No
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	110	Omisión: no hubo casos de este tipo en el período en memoria.	No
	417-2	Incidents of non-compliance concerning product and service information and labeling	115		No
	417-3	Incidents of non-compliance concerning marketing communications	-	Omission: No cases of this type were reported during this period.	No
GRI 418: Privacidad del cliente 2016	418-1	Reclamaciones fundamentadas relativas a violaciones de la privacidad del cliente y pérdida de datos del cliente	112		No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE AND DIRECT RESPONSES	OMISSIONS	EXTERNAL VERIFICATION
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	111		No

Annexes

Statutory Auditor's Report



24 de febrero del 2021

Señor
Wilhelm Steinvorth Herrera
Presidente Junta Directiva
Florida Ice & Farm Company S.A.
Presente:

Estimado señor:

De conformidad con lo establecido en el artículo 197 del Código de Comercio y conforme a lo que disponen los estatutos de Florida Ice & Farm Company S.A., me permito presentar a usted el informe de las actividades que, como Fiscal de la compañía, he realizado durante el período de 12 meses que va del 1 de enero del 2020 al 31 de diciembre del 2020 y le solicito que el mismo sea del conocimiento de la Junta Directiva y de la Asamblea General de Accionistas que se llevará a cabo el 18 de marzo del 2021.

En las reuniones mensuales de la Junta Directiva, la Administración presenta un informe en el cual, aparte de mostrar los estados financieros de cada mes, se hace una reseña sobre el avance de las metas y el cumplimiento de los objetivos para el período que corresponde. Dicha información es discutida y analizada ampliamente en el seno de la Junta Directiva, y esta fiscalía da fe de que las recomendaciones y sugerencias que se emiten son acatadas por la Administración. Durante el período, la Junta Directiva sesionó en 16 ocasiones, de las cuales 12 fueron en forma ordinaria y 4 en forma extraordinaria. Entre éstas, cabe destacar que conforme a la Ley 9866, del día 19 de junio del 2020, la cual otorgó potestades de la Asamblea de Accionistas a la Junta Directiva como consecuencia directa de la emergencia del COVID-19, la Junta Directiva de esta empresa, aprobó por una única vez, los estados financieros y de resultados del período fiscal 2019, con cierre al 31 de diciembre 2019 y resolvió sobre la distribución de dividendos. Asimismo, recibí el Informe del Presidente, de la Administración y de esta Fiscalía, correspondientes al mismo período fiscal, y acordó ponerlos a disposición de los señores accionistas en la oficina de Atención a los Accionistas, así como en el sitio web de la compañía. Todo lo anterior quedó debidamente consignado y fue comunicado mediante Hecho Relevante No. 2020-07-019 a la SUGEVAL, el 20 de julio del 2020.

En el control de la gestión administrativa y financiera de la organización, la Junta Directiva se apoya en la labor de la Auditoría Corporativa, la cual trabaja bajo un plan anual debidamente aprobado y monitoreado por el Comité de Auditoría y Riesgo, el cual celebró 9 reuniones durante el período referido.

Con base en las revisiones efectuadas de los estados financieros, se puede afirmar que la contabilidad ha sido llevada en forma ordenada y al día, de acuerdo con las Normas Internacionales de Información Financiera, de manera que los estados financieros representan, razonablemente, la posición financiera y el resultado económico de las operaciones de Florida Ice & Farm Company S.A. y Subsidiarias, en el período anual finalizado el 31 de diciembre del 2020, situación que se ratifica con el informe de la auditoría externa realizada por la firma Deloitte & Touche, con fecha 9 de febrero del 2021.

De acuerdo con la opinión de los auditores externos y de la auditoría corporativa, así como en mi participación en las sesiones de Junta Directiva y del Comité de Auditoría y Riesgo, puedo afirmar que se desarrollan dentro de los parámetros de eficiencia y orden adecuados, y que los informes reflejan, razonablemente, la situación de la Empresa y sus resultados al cierre del período referido. Asimismo, doy constancia de que los acuerdos de la Junta Directiva se han cumplido, y que las actas se han consignado en los libros correspondientes y están debidamente firmadas.

Atentamente,

Roberto Truque Harrington
Fiscal de la Junta Directiva

February 24, 2021

Mr.
Wilhelm Steinvorth Herrera
President of the Board of Directors
Florida Ice & Farm Company S.A.

Dear Sir:

According to Article 197 of the Commercial Code and in compliance with the bylaws of Florida Ice & Farm Company S.A., please find below the report on the activities that I, as the Company's Statutory Auditor, have performed during the 12-month period between January 1, 2020 and December 31, 2020, and I kindly request that the same be known by the Board of Directors and the General Shareholders' Meeting to be held on March 18, 2021.

In the monthly meetings held by the Board of Directors, the Administration presents a report, which, aside from submitting the monthly financial statements, describes the progress of the goals and the accomplishment of the objectives set for the corresponding period. Said information is extensively discussed and analyzed by the Board of Directors, and I, as Statutory Auditor, certify that the recommendations and suggestions made are followed by the Administration. During the period, the Board of Directors held 16 ordinary meetings, 12 of which were ordinary and 4 extraordinary. Among these, it is worth noting that in accordance with Law 9866 of June 19, 2020, which confers powers from this company's Shareholders' Assembly to the Board of Directors as direct consequence of the COVID-19 emergency, this company's Board of Directors approved only once the financial statements and results for the 2019 fiscal period, year ended December 31, 2019 and resolved about the distribution of dividends. Likewise, it received a report from the Chair, from Management and from this Statutory Auditor, corresponding to the same fiscal year, and agreed to make it available to the shareholders in the Shareholder Service office, as well as in the company's website. The foregoing was duly set forth and notified by means of Relevant Fact No. 2020-07-019 to the SUGEVAL, on July 20, 2020.

For controlling the organization's administrative and financial management, the Board of Directors relies on the Corporate Audit work, which operates under an annual plan that is duly approved and monitored by the Audit and Risk Committee, which held 9 meetings during the period.

Based on the reviews made to the financial statements, it can be affirmed that the accounting has been conducted in an orderly and timely manner, and in accordance with the International Financial Reporting Standards. Therefore, the financial statements fairly represent the financial position and economic result of the operations of Florida Ice & Farm Company S.A. and its Subsidiaries for the year ended on December 31, 2020. This situation is ratified with the external audit report prepared by Deloitte & Touche, on February 9, 2021. Based on the opinion of the external auditors and the Corporate Audit, as well as on my participation in the meetings held by the Board of Directors and the Audit and Risk Committee, I can affirm that, they carried out within the proper parameters of efficiency and order, and that the reports fairly present the Company's position and its results as at aforementioned year end. Likewise, I certify that both, the agreements reached by the Board of Directors have been fulfilled and that the minutes have been recorded in the corresponding books and are duly signed.

Sincerely,

Roberto Truque Harrington
Statutory Auditor of the Board of Directors

Audited Financial Statements

Audited Financial Statements



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INFORME DE LOS AUDITORES INDEPENDIENTES

A la Junta Directiva y a los Accionistas de
 Florida Ice & Farm Company, S.A.

Opinión

Hemos auditado los estados financieros consolidados que se acompañan de Florida Ice & Farm Company, S.A. y Subsidiarias ("la Compañía"), los cuales incluyen los estados consolidados de situación financiera al 31 de diciembre de 2020 y 2019, los estados consolidados de pérdidas y ganancias y otros resultados integrales, de cambios en el patrimonio y de flujos de efectivo que les son relativos para los períodos de doce y de quince meses que terminaron en esas fechas, y las notas a los estados financieros consolidados, incluyendo un resumen de las políticas de contabilidad significativas.

En nuestra opinión, los estados financieros consolidados que se acompañan presentan razonablemente, en todos los aspectos importantes, la situación financiera consolidada de Florida Ice & Farm Company, S.A. y Subsidiarias al 31 de diciembre de 2020 y 2019, su desempeño financiero consolidado y sus flujos de efectivo consolidados para los períodos de doce y de quince meses que terminaron en esas fechas, de conformidad con las Normas Internacionales de Información Financiera.

Base para la Opinión

Hemos llevado a cabo nuestras auditorías de conformidad con las Normas Internacionales de Auditoría (NIA). Nuestras responsabilidades de acuerdo con dichas normas se describen más adelante en este informe en la sección Responsabilidades del Auditor en Relación con la Auditoría de los Estados Financieros Consolidados. Somos independientes de la Compañía y sus subsidiarias, de acuerdo con las disposiciones del Código de Ética Profesional del Colegio de Contadores Públicos de la República de Costa Rica y del Código de Ética para Profesionales de la Contabilidad (Código IESBA, por sus siglas en inglés) del Consejo de Normas Internacionales de Ética para Contadores y hemos cumplido nuestras otras responsabilidades de ética de conformidad con esos requerimientos. Consideramos que la evidencia de auditoría que hemos obtenido es suficiente y adecuada para proporcionar una base para nuestra opinión.

Énfasis en Asunto

Sin calificar nuestra opinión, llamamos la atención a la Nota 2b de los estados financieros consolidados, en la cual la Administración de la Compañía revela que por regulaciones y leyes aplicables en Costa Rica, cambió la fecha de su cierre contable del 30 de setiembre al 31 de diciembre. Consecuentemente, en el año del cambio, los estados financieros consolidados con corte al 31 de diciembre de 2019 se presentan por el período de quince meses terminado en esa fecha, por lo que los montos presentados en los estados financieros consolidados adjuntos no son totalmente comparables con los estados financieros consolidados por el período de doce meses terminado el 31 de diciembre de 2020.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Florida Ice & Farm Company, S.A.

Opinion

We have audited the accompanying consolidated financial statements of Florida Ice & Farm Company, S.A. and its Subsidiaries ("the Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, the consolidated statements of profit and loss and other related comprehensive income, changes in equity, and cash flows for the twelve- and fifteen-month periods then ended, as well as notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Florida Ice & Farm Company, S.A. and Subsidiaries as at December 31, 2020 and 2019, and its consolidated financial performance and consolidated cash flows for the years then ended, in accordance with the International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of this report. We are independent of the Company in accordance with the Code of Professional Ethics of the Public Accountants Association of the Republic of Costa Rica and the Professional Code of Ethics for Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code of Ethics) and we have fulfilled our other ethical responsibilities based on those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a sufficient and adequate basis for our opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2b to the consolidated financial statements, in which the Company's Management discloses that due to regulations and laws applicable in Costa Rica, it changed its accounting closing date from September 30 to December 31. Consequently, in the year of the change, the consolidated financial statements as of December 31, 2019 are presented for the fifteen-month period ended on that date; therefore, the amounts presented in the accompanying consolidated financial statements are not fully comparable with the consolidated financial statements for the twelve-month period ended December 31, 2020.

Audited Financial Statements



Asunto Clave de la Auditoría

Un asunto clave de auditoría es aquel asunto que a nuestro juicio profesional, fue lo mas significativo en nuestra auditoría a los estados financieros consolidados para el período actual. Este asunto fue atendido en el contexto de nuestra auditoría a los estados financieros consolidados como un todo y en la formación de nuestra opinión y no proveemos una opinión separada por este asunto. Hemos determinado el asunto descrito seguidamente como el asunto clave de la auditoría a ser comunicado en nuestro informe.

Asunto Clave de Auditoría	Cómo Nuestra Auditoría Abordó el Asunto Clave de Auditoría
<p>Deterioro de activos intangibles con vida indefinida.</p> <p>La Compañía tiene activos intangibles con vida indefinida por ¢101.928 millones según se detalla en la Nota 13.</p> <p>La Compañía ha identificado diversas unidades generadoras de efectivo sobre las cuales cada año se realiza un estudio de análisis de deterioro, estos estudios consideran activos intangibles de vida indefinida de conformidad con la NIC 36, en los que se utilizan diferentes metodologías de valoración y juicios sensibles para determinar si el valor de los otros activos de vida útil indefinida se ha deteriorado. En consecuencia, los análisis de deterioro de estos activos se considera un asunto clave de auditoría.</p>	<p>Enfocamos nuestras pruebas de deterioro de los activos de vida indefinida sobre los principales supuestos realizados por la Administración. Nuestros procedimientos de auditoría incluyeron:</p> <ul style="list-style-type: none"> • Involucramiento y participación de especialistas internos de la firma con el objetivo de: <ul style="list-style-type: none"> - Evaluar críticamente si los modelos utilizados por la Administración para evaluar el potencial deterioro, cumplen con los requisitos de la NIC 36 "Deterioro de Activos". - Validar la razonabilidad de los supuestos utilizados para calcular las tasas de descuento y recalculamos estas tasas de descuento utilizadas en las valoraciones. - Analizar los flujos de efectivo futuros proyectados que fueron utilizados en los modelos para determinar si son razonables y soportables dadas las condiciones macroeconómicas actuales y el rendimiento futuro esperado de las unidades generadoras de efectivo. • Someter los supuestos clave a los análisis de sensibilidad. • Comparar los flujos de efectivo proyectados, incluyendo los supuestos relacionados con las tasas de crecimiento de los ingresos y márgenes operativos, contra el desempeño histórico y las condiciones de mercado para probar la precisión de las proyecciones determinadas por la Administración.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were most significant in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below as key audit matters to be communicated in our report.

Key audit matters

Impairment of indefinite-life intangibles.

The Company has indefinite-life intangibles for ¢101,928 million as detailed in Note 13.

The Company has identified various cash-generating units for which an annual impairment test is conducted which considers indefinite-life intangibles in accordance with IAS 36, where different valuation methods and good judgment are used to determine if the value of the assets has been impaired. Consequently, the impairment test of these assets is considered a key audit matter.

How the key audit matters were addressed in our audit

We focus our indefinite-life intangibles impairment tests on the main assumptions made by Management. Our audit procedures included:

- Involvement and participation of the company's in-house experts to:
 - Critically evaluate if the models used by Management to assess the potential impairment comply with the requirements of IAS 36 "Impairment of Assets".
 - Validate the reasonability of the assumptions used to calculate the discount rates and recalculate these rates used in the assessments.
 - Analyze the future cash flows projected that were used in the models to determine if they are reasonable and bearable given the current macroeconomic conditions and the future performance expected from the cash-generating unit.
- Submit the key assumptions to sensitivity analysis.
- Compare the cash flows projected, including the assumptions related to the growth rates of operating income and margins, against historical performance and market conditions to evaluate the precision of Management's projections.

Audited Financial Statements



Asunto Clave de Auditoría	Cómo Nuestra Auditoría Abordó el Asunto Clave de Auditoría
	<p>Con base en los procedimientos de auditoría realizados, determinamos que los supuestos utilizados por la Administración eran consecuentes con el desempeño histórico y perspectivas futuras esperadas, así como las tasas de descuento utilizadas eran apropiadas en las circunstancias. Las revelaciones de sensibilización ante los riesgos de deterioro se detallan en las notas a los estados financieros consolidados.</p>

Información Adicional a los Estados Financieros Consolidados y al Informe del Auditor sobre los Mismos

La Administración es responsable por las revelaciones de la información adicional a los estados financieros consolidados. Esta información corresponde a la presentación de estados financieros consolidados comparativos al 31 de diciembre de 2020 y 2019 y por los períodos de doce meses terminados en esas fechas, según se detalla en la Nota 30 de estos estados financieros consolidados, para efectos de análisis una mejor comprensión de la información para los usuarios de estos estados financieros consolidados.

Nuestra opinión sobre los estados financieros consolidados no cubre la otra información que se detalla en la Nota 30, y no expresamos ningún tipo de conclusión acerca de la razonabilidad sobre la misma.

En relación con nuestra auditoría de los estados financieros consolidados, nuestra responsabilidad es leer la otra información y, al hacerlo, considerar si la otra información es materialmente inconsistente con los estados financieros consolidados o nuestro conocimiento obtenido en la auditoría o que de otro modo parece contener errores materiales.

Si con base en el trabajo que hemos realizado a esta otra información detallada en la Nota 30 a los estados financiero consolidados, concluimos que existe un error material en dicha información, se requiere que reportemos ese hecho. No tenemos nada que reportar en este sentido.

Responsabilidades de la Administración y de los Responsables de Gobierno de la Compañía en Relación con los Estados Financieros Consolidados

La Administración es responsable por la preparación y presentación razonable de los estados financieros consolidados de conformidad con las Normas Internacionales de Información Financiera y por aquel control interno que la Administración determine necesario para permitir la preparación de estados financieros consolidados que estén libres de errores materiales, ya sea debido a fraude o error.

En la preparación de los estados financieros consolidados, la Administración es responsable de evaluar la capacidad de la Compañía para continuar como negocio en marcha, revelando, según corresponda, los asuntos relacionados con el principio de negocio en marcha y utilizando dicha base contable, a menos que la Administración tenga la intención de liquidar la Compañía o de cesar sus operaciones, o bien no tenga otra alternativa realista que hacerlo así.

How the key audit matters were addressed in our audit

Based on the audit procedures carried out, we determine that the assumptions used by Management were consistent with the historical performance and future perspectives expected and the discount rates used were appropriate in those circumstances. The sensitivity results regarding impairment risks are described in the notes to consolidated financial statements.

Supplementary information in relation to the Consolidated Financial Statements and to the Auditor's Report

Management is responsible for disclosing supplementary information in relation to the consolidated financial statements. This information corresponds to the presentation of comparative consolidated financial statements as at December 31, 2020 and 2019 and for the twelve-month periods ended on those dates, which are described in Note 30 thereto for purposes of analysis and a better understanding of the information for users of these consolidated financial statements.

Our opinion on the consolidated financial statements does not cover the other information described in Note 30, and we do not express any conclusions as to its fairness.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge gained from the audit or which otherwise appears to be materially misstated.

If, based on our work on this other information described in Note 30 to the consolidated financial statements, we conclude that there is a material misstatement of the information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Consolidated Financial Statements

Management is responsible for the fair preparation and presentation of consolidated financial statements in accordance with the International Financial Reporting Standards and for the internal control Management may deem necessary to allow the preparation of true and fair financial statements, free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using such basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audited Financial Statements

Deloitte.

Los encargados de gobierno son responsables de la supervisión del proceso de generación de información financiera de Florida Ice & Farm Company, S.A. y Subsidiarias.

Responsabilidades del Auditor en Relación con la Auditoría de los Estados Financieros Consolidados

Nuestros objetivos son obtener una seguridad razonable de que los estados financieros consolidados en su conjunto están libres de errores materiales, ya sea debido a fraude o a error, y emitir un informe de auditoría que contenga nuestra opinión. Una seguridad razonable es un alto grado de seguridad, pero no garantiza que una auditoría realizada de conformidad con las Normas Internacionales de Auditoría detectará siempre un error material cuando exista. Los errores pueden deberse a fraude o a error no relacionado con fraude y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influyan en las decisiones económicas de los usuarios, tomadas con base en los estados financieros consolidados.

Como parte de una auditoría realizada de conformidad con las Normas Internacionales de Auditoría, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante toda la auditoría. También:

- Identificamos y valoramos los riesgos de error material en los estados financieros consolidados debido a fraude o error, diseñamos y aplicamos procedimientos de auditoría para responder a dichos riesgos y obtenemos evidencia de auditoría suficiente y adecuada para proporcionar una base para nuestra opinión. El riesgo de no detectar un error material debido a fraude es más elevado que en el caso de un error material no relacionado con fraude, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionalmente erróneas o una evasión del control interno.
- Obtenemos un entendimiento del control interno relevante para la auditoría con el fin de diseñar procedimientos de auditoría que sean adecuados en las circunstancias y no con la finalidad de expresar una opinión sobre la eficacia del control interno de la Compañía.
- Evaluamos lo adecuado de las políticas contables aplicadas y la razonabilidad de las estimaciones contables y las revelaciones relativas hechas por la Administración.
- Concluimos sobre lo apropiado de la utilización de la base contable de negocio en marcha por parte de la Administración y, basándonos en la evidencia de auditoría obtenida, concluimos sobre si existe o no una incertidumbre material relacionada con eventos o condiciones que puedan generar dudas significativas sobre la capacidad de la Compañía para continuar como negocio en marcha. Si concluimos que existe una incertidumbre material, nos es requerido llamar la atención en nuestro informe de auditoría a las revelaciones correspondientes en los estados financieros consolidados o, si dichas revelaciones no son adecuadas, que modifiquemos nuestra opinión de auditoría. Nuestras conclusiones se basan en la evidencia de auditoría obtenida hasta la fecha de nuestro informe de auditoría. Sin embargo, eventos o condiciones futuros podrían causar que la Compañía cese de operar como negocio en marcha.
- Evaluamos la presentación general, la estructura y el contenido de los estados financieros consolidados, incluyendo las revelaciones, y si los estados financieros consolidados representan las transacciones y hechos subyacentes de un modo que logren su presentación fiel.

The directors' responsibilities include overseeing Florida Ice & Farm Company, S.A. and its Subsidiaries' financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement if present. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit performed in accordance with the ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Audited Financial Statements

Deloitte.

- Obtenemos evidencia de auditoría suficiente y apropiada acerca de la información financiera de las entidades o actividades de negocios dentro de la Compañía para expresar una opinión sobre los estados financieros consolidados. Somos responsables de la dirección, supervisión y realización de la auditoría del grupo. Somos los únicos responsables de nuestra opinión de auditoría.

Nos comunicamos con los responsables de gobierno de la Compañía en relación con, entre otros asuntos, el alcance planeado y la oportunidad de la auditoría y los hallazgos de auditoría significativos, así como cualquier deficiencia significativa en el control interno que identificamos en el transcurso de la auditoría.

También proporcionamos a los encargados de gobierno una declaración de que hemos cumplido con los requerimientos éticos relevantes acerca de la independencia y les comunicamos todas las relaciones y otros asuntos que razonablemente se pueda pensar que soportan nuestra independencia, y cuando sea aplicable, las correspondientes salvaguardas.

De los asuntos comunicados a los encargados de gobierno, determinamos aquellos asuntos que fueron de mayor importancia en la auditoría de los estados financieros consolidados del año actual y por lo tanto, son los asuntos claves de la auditoría. Describimos estos asuntos en nuestro informe de auditoría a menos que las leyes o regulaciones impidan la revelación pública del asunto o cuando, en circunstancias extremadamente raras, determinamos que un asunto no debe comunicarse en nuestro informe de auditoría porque de manera razonable se pudiera esperar que las consecuencias adversas por hacerlo serían más que los beneficios de interés público de tal comunicación.

JORGE ANDRES BARBOZA HIDALGO (FIRMA)
 Firmado digitalmente por JORGE ANDRES BARBOZA HIDALGO (FIRMA)
 Fecha: 2021.02.09 18:23:48 -06'00'
 Lic. Jorge Andrés Barboza Hidalgo - C.P.A. No.5079
 Póliza No.0116 FIG 7
 Vence: 30 de setiembre de 2021
 Timbre de Ley No.6663, ¢1.000
 Adherido y cancelado en el original



9 de febrero de 2021

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company’s audit. We remain solely responsible for our audit opinion.

We communicate with the Company directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were most significant in the audit of the consolidated financial statements of the current year and are therefore key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

JORGE ANDRÉS BARBOZA HIDALGO (FIRMA)

Digitally signed by JORGE ANDRÉS BARBOZA HIDALGO (FIRMA)
 Date: 09.02.2021 18:23:48 -06'00'

Lic. Jorge Andrés Barboza Hidalgo - CPA No. 5079
 Policy No. 0116 FIG 7
 Expires: September 30, 2021
 Tax Stamp No. 6663 (¢1000)
 Paid and affixed to the original

February 9, 2021

Audited Financial Statements

**FLORIDA ICE AND FARM COMPANY, S.A.
AND SUBSIDIARIES**
Consolidated Financial Statements
December 31, 2020 and 2019

Audited Financial Statements

FLORIDA ICE AND FARM COMPANY, S.A. AND SUBSIDIARIES

Consolidated Statements of Financial Position

(in millions of colones)

December 31, 2020 and 2019

Assets	Note	2019	2018
Cash and cash equivalents	4	€ 28,887	15,804
Investments in financial instruments	5	-	1,296
Accounts receivable, net	6	69,157	88,724
Inventories	7	69,034	61,411
Advances to suppliers		762	2,164
Disbursements paid in advance	8	18,644	17,653
Available-for-sale properties		4,651	952
Current portion of notes receivable, long term	9	3,704	2,421
Total current assets		194,839	190,425
Notes receivable on the long term	9	1,668	10,370
Investment properties	10	38,133	41,565
Investments in associates and others	11	58,213	55,929
Properties, plant, and equipment, net	12	354,427	366,971
Right-of-use assets	22	23,187	-
Intangible assets	13	177,193	173,074
Goodwill	13	32,026	30,954
Other assets		2,099	2,291
Deferred income tax	23b	20,160	16,765
Total non-current assets		707,106	697,918
Total Assets		€ 901,945	888,343
Liabilities and Equity			
Short-term bank loans	14	€ -	24,471
Current portion of the long-term loans	15	23,164	15,936
Bonds payable	16	-	10,000
Short-term lease liabilities	22	8,404	-
Accounts payable	17	52,200	62,535
Accrued expenses and other accounts payable	18	31,235	32,417
Income tax payable		3,646	1,996
Other taxes payable		12,772	13,277
Advances received from customers	3n	5,902	9,609
Total current liabilities		137,323	170,241
Long-term bank loans, excluding the current portion	15	244,528	230,798
Long-term standardized bonds payable, excluding the current portion	16	108,000	108,000
Long-term lease liabilities	22	16,185	-
Deferred income tax liability	23b	40,125	38,743
Total non-current liabilities		408,838	377,541
Total liabilities		€ 546,161	547,782
Equity:			
Capital in common shares	19a	€ 92,016	92,016
Less: treasury stock at their nominal value		2,211	1,730
Capital in outstanding shares		89,805	90,286
Additional paid-in capital		54	54
Reserves		58,900	47,000
Retained earnings		165,930	171,521
Total equity attributable to owners of the parent company		314,689	308,861
Non-controlling interest		41,095	31,700
Total equity	19e	355,784	340,561
Contingencies	27, 28	-	-
Total liabilities and equity		€ 901,945	888,343

The accompanying notes are an integral part of these consolidated financial statements.

Audited Financial Statements

FLORIDA ICE AND FARM COMPANY, S.A. AND SUBSIDIARIES				
Consolidated Statements of Profit and Loss and Other Comprehensive Income				
(in millions of colones)				
For the twelve-month period ended on December 31, 2020 and the fifteen-month period ended on December 31, 2019				
	Note	2020	2019	
Net sales	26	€ 642,628	890,383	
Cost of sales	26	357,119	452,578	
Gross profit		285,509	437,805	
Sales and marketing expenses	20	147,804	206,103	
Overhead and administrative expenses	21	69,366	91,081	
Operating expenses		217,170	297,184	
Total operating profit before non-recurring items		68,339	140,621	
Other expenses, net		3,643	83,933	
Operating profit		64,696	56,688	
Financial expenses		29,638	39,834	
Financial income		(1,066)	(1,818)	
Exchange rate differences, net		7,179	1,258	
Profit in the participation of associates, net	11	(3,668)	(12,041)	
Profit of the year before taxes		32,613	29,455	
Income tax:				
Current	23	17,640	38,381	
Deferred	23	(2,447)	(5,361)	
Total income tax		15,193	33,020	
(Loss) Profit of the year		€ 17,420	(3,565)	
Other comprehensive income:				
Items that can be subsequently reclassified to profit or loss:				
Exchange rate differences when converting foreign businesses – owners of the controller		11,900	(5,769)	
Exchange rate differences when converting foreign businesses – non-controlling interest		2,630	(1,135)	
Hedge reserve		-	741	
Participation in surplus from revaluation		-	(6,918)	
Other comprehensive income of the year after taxes		14,530	(13,081)	
Total comprehensive income of the year		€ 31,950	(16,646)	
(Loss) Profit attributable to:				
Owners of the parent company		10,655	(1,243)	
Non-controlling interest		6,765	(2,322)	
		€ 17,420	(3,565)	
Total comprehensive income attributable to:				
Owners of the parent company		22,555	(13,189)	
Non-controlling interest		9,395	(3,457)	
		€ 31,950	(16,646)	
(Loss) Basic profit per share	19d	€ 11.83	(1.37)	

The accompanying notes are an integral part of these consolidated financial statements.

Audited Financial Statements

FLORIDA ICE AND FARM COMPANY, S.A. AND SUBSIDIARIES
Consolidated Statements of Changes in Shareholders' Equity
(in millions of colones)
For the twelve-month period ended on December 31, 2020 and the fifteen-month period ended on
December 31, 2019

	<u>Balance at December 31, 2019</u>	<u>Comprehensive income of the period</u>	<u>Paid dividends</u>	<u>Absorption of treasury stock</u>	<u>Purchase of treasury stock</u>	<u>Balance at December 31, 2020</u>
Share capital	₡ 92,016	-	-	(1,065)	-	92,016
Treasury stock	(1,730)	-	-	1,065	(481)	(2,211)
Additional paid-in capital	54	-	-	-	-	54
Reserves:						
Surplus from revaluation	24,882	-	-	-	-	24,882
Legal reserve	22,516	-	-	-	-	22,516
Currency conversion adjustment of financial statements	(398)	(11,900)	-	-	-	11,502
Total reserves	47,000	11,900	-	-	-	58,900
Retained earnings	171,521	10,655	(13,962)	-	(2,284)	165,930
Equity attributable to owners of the parent company	308,861	22,555	(13,962)	-	(2,765)	314,686
Non-controlling interest	31,700	9,395	-	-	-	41,095
Total equity	₡ 340,561	31,950	(13,962)	-	(2,765)	355,784

	<u>Balance at September 30, 2018</u>	<u>Comprehensive income of the period</u>	<u>Paid dividends</u>	<u>Absorption of treasury stock</u>	<u>Purchase of treasury stock</u>	<u>Balance at December 31, 2019</u>
Share capital	₡ 93,081	-	-	(1,065)	-	92,016
Treasury stock	(1,065)	-	-	1,065	(1,730)	(1,730)
Additional paid-in capital	54	-	-	-	-	54
Reserves:						
Surplus from revaluation	31,800	(6,918)	-	-	-	24,882
Legal reserve	22,516	-	-	-	-	22,516
Hedge reserve	(741)	741	-	-	-	-
Currency conversion adjustment of financial statements	5,371	(5,769)	-	-	-	(398)
Total reserves	58,946	(11,946)	-	-	-	47,000
Retained earnings	221,066	(1,243)	(37,298)	-	(11,004)	171,521
Equity attributable to owners of the company	372,082	(13,189)	(37,298)	-	(12,734)	308,861
Non-controlling interest	49,336	(3,457)	(14,179)	-	-	31,700
Total equity	₡ 421,418	(16,646)	(51,477)	-	(12,734)	340,561

The accompanying notes are an integral part of these consolidated financial statements

Audited Financial Statements

FLORIDA ICE AND FARM COMPANY, S.A. AND SUBSIDIARIES		
Consolidated Statements of Cash Flows		
(in millions of colones)		
For the twelve-month period ended on December 31, 2020 and the fifteen-month period ended on December 31, 2019		
	2020	2019
Cash sources (use):		
Operating activities:		
(Loss) Profit for the period	₡ 17,420	(3,565)
Items that do not require cash:		
Depreciation and amortization	49,029	46,285
Goodwill impairment	-	53,400
Unrealized exchange rate difference	6,420	(1,472)
Loss (profit) in the sale of assets	2,299	1,965
Interest in profits of associate companies	(3,668)	(12,041)
Allowance for doubtful accounts	2,079	1,056
Deferred income tax	(2,447)	(5,361)
Current income tax	17,640	38,381
Financial expenses	29,638	39,834
Cash provided before changes in working capital	118,410	158,482
Changes in working capital:		
Accounts receivable	18,799	(19,412)
Advances to suppliers	1,402	(2,024)
Inventories and properties for sale	(6,342)	3,784
Disbursements paid in advance and other assets	(992)	3,226
Accounts payable	(10,335)	9,209
Other assets	192	(206)
Accrued expenses and other obligations	(1,021)	(5,301)
Other taxes payable	(505)	5,325
Advances received from customers	(3,707)	5,658
Cash provided by the operations	115,901	158,741
Income tax paid	(15,762)	(41,614)
Net cash provided by the operating activities	100,139	117,127
Investment activities:		
Dividends received	10,082	10,162
Investment in financial instruments	1,296	4,245
Additions to property, plant, and equipment and intangible assets	(23,906)	(72,700)
Product of disposal of productive assets	2,347	2,350
Net cash used in investing activities	(10,181)	(55,943)
Financing activities:		
From bank loans	27,418	65,561
Payment of bank loans	(36,516)	(77,154)
Interest payment	(28,597)	-
Acquisition of treasury stock	(2,765)	(12,734)
Decrease of non-controlling interest from dividends paid	-	(14,179)
Bonus payment	(10,000)	(5,250)
Bond issuance	-	50,000
Lease payments	(14,991)	-
Dividends paid	(13,962)	(37,298)
Net cash used for financing activities	(79,413)	(70,649)
Decrease in cash and cash equivalents	10,545	(9,465)
Cash and cash equivalents at the beginning of the period	15,804	26,185
Currency conversion effect of financial statements	2,538	(916)
Cash and cash equivalents at the end of the period	₡ 28,887	15,804

The accompanying notes are an integral part of the consolidated financial statements.

Other Social Standards

Other Social Standards

STANDARD GRI 102-8

Total permanent, temporary and part-time jobs, by gender and location

País	2018					2019					2020						
	Permanent Contract		Temporary or Part-time contract		Total	Permanent Contract		Temporary or Part-time contract		Total	Permanent Contract		Temporary or Part-time contract		Total		
	Women	Men	Women	Men		Women	Men	Women	Men		Women	Men	ND	Women		Men	ND
Costa Rica	725	3,261	18	67	4,071	3,333	45	350	4,492	682	3,092	0	42	156	0	3,972	
Guatemala y El Salvador	167	624	136	103	1,030	79	427	2	41	549	84	423	0	1	38	0	546
United States	82	441	1	199	723	155	635	117	106	1,026	153	624	0	58	33	0	868
Total	974	4,326	155	369	5,824	998	4,395	164	497	6,067	919	4,139	0	101	227	0	5,386
Total less temporary					5,300					5,393							5,058

Note: The number of temporary or part-time employees depends on market demand.

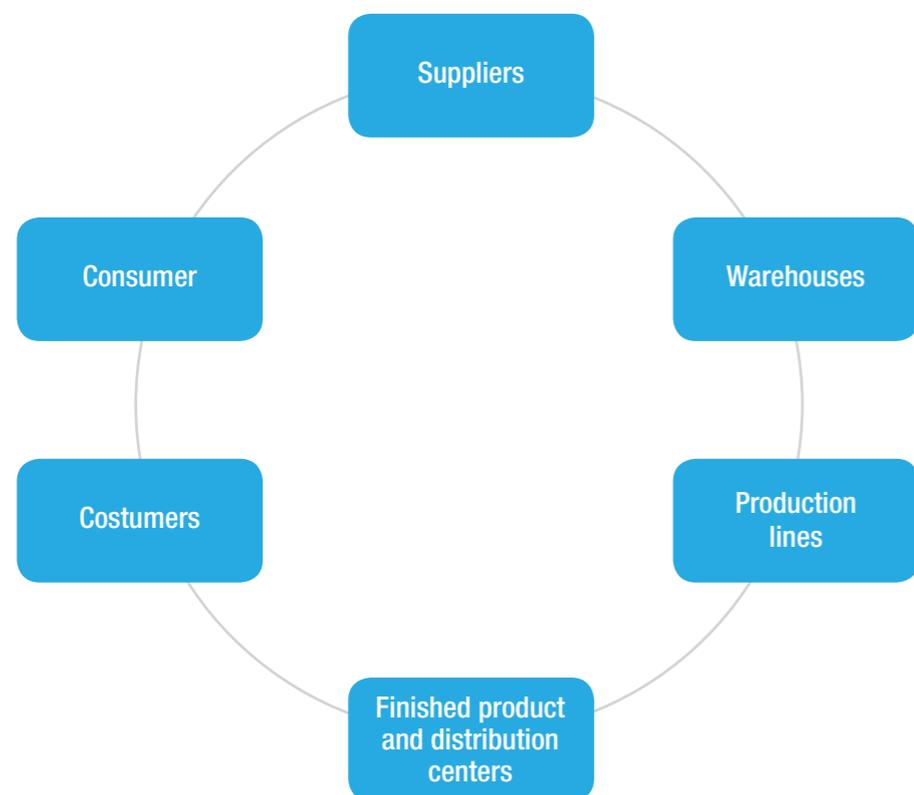
Other Social Standards

STANDARD GRI 102-9

Expenses for suppliers, by operation

País	2018			2019			2020		
	Direct Expense	Indirect Expense	Other expenses	Direct Expense	Indirect Expense	Other expenses	Direct Expense	Indirect Expense	Other expenses
Costa Rica	+\$159,000,000	+\$174,000,000	+\$51,930,000	113,316,000	115,095,000		\$137,891,599.00	\$175,226,325.28	\$2,600,314.01
Guatemala	+\$48,000,000	+\$5,500,000	+\$10,260,000	58,059,000	6,500,000	10,260,000	\$52,440,257.07	\$19,292,082.87	\$2,727,919.46
FIFCO USA	+\$100,000,000	+\$71,000,000	+\$67,500,000	103,914,000	122,000,000		\$123,070,826.91	\$37,051,604.53	

Supply chain



FIFCO suppliers are located in different countries, and expenses invested in those suppliers are classified by: indirect or direct expenses, or others. Direct expenses are those such as raw materials and product packaging. Indirect expenses are those related to different types of inputs, services required for product operation or marketing. Lastly, there are one-time payments for specific services and that are not part of the operation's daily activity.

Other Social Standards

STANDARD GRI 201-1

It was not possible to report on the GRI 201-1 standard this 2018, due to the availability of data prior to publishing the report.

FIFCO will report this standard in the next report.

STANDARD GRI 201-3

Social Benefits Program and retirement plans, by country

Costa Rica	The Worker Protection Law 7983 establishes a benefit plan for retirement, complementary to the Costa Rican Social Security Fund's disability, old age and survivors system.
	The company contributes the equivalent of 3% of each employee's salary under this law, to consolidate a complementary pension system.
	Unemployment fund: For this purpose, the company contributes 1% of each employee's salary through the Solidarity Association, and each employee contributes 2%.
Guatemala	A monthly contribution is made to the retirement program, laid down by the Social Security Fund, which translates to 10.67% of paid salaries.
	Voluntary retirement program: all workers who wish to voluntarily withdraw from the company can do so and benefit his or her relatives in hiring their services.
United States	There are no obligations stemming from benefit plans; contributions go to benefits managed by the union. The operation consists of each plan based on the amount of hours worked per week, according to location.

Other Social Standards

STANDARD GRI 202-1

Standard entry-level category salary ratio, by sex compared to local minimum salary

Business Unit	Year	Currency	Average minimum wage by country	Company entry-level average	Company/Country Minimum Ratio
FIFCO USA	2018	USD	11.59	14.46	1.2
	2019	USD	20.8	20.8**	1*
	2020	USD	22.125	50.70	2.29***
<i>Distribuidora La Florida</i>	2018	Colones	300,256	307,518	1.02
	2019	Colones	309,143.36	310,500.00	1.00
	2020	Colones	316,965.00	320,000.00	1.01
FIFCO Retail	2018	Colones	300,256	300,500	1.00
	2019	Colones	309,143.36	310,000.00	1.00
	2020	Colones	316,965.00	322,970.00	1.02
Reserva Conchal	2018	Colones	300,256	306,400	1.02
	2019	Colones	309,143.36	311,987.00	1.01
	2020	Colones	316,965.00	320,000.00	1.01
Industrias Alimenticias Kern's	2018	Quetzales	2,724.37	2,770.78	1.01
	2019	Quetzales	2,724.37	2,792.63	1.02
	2020	Quetzales	2,724.37	2,850.95	1.04

*New York State collaborators. FLSA category: Exempt (no overtime). Other Full-Time Hourly positions are mostly incorporated within one of the 5 Collective Bargaining Agreements (CBAs), which guarantees benefits above and beyond the requirements of the law and a good relationship with employee associations.

** Daily subscriptions and not monthly subscriptions for Guatemala and Costa Rica.

*** Most of this year's hires were at the management level, due to restructuring at the commercial and operations level, including a new CEO, which will generate a much higher ratio in 2020 vs. previous years.

Other Social Standards

STANDARD GRI 401-1

Permanent worker rotation, by age, gender and zone

País	United States							Costa Rica and Guatemala						
	2018		2019		2020			2018		2019		2020		
	Women	Men	Women	Men	Women	Men	Undefined	Women	Men	Women	Men	Women	Men	Undefined
Rango de edad														
Under 30	24	29	94	116	23	57	1	132	425	194	662	57	178	0
From 30 to under 50	14	42	38	104	15	74	1	98	386	162	664	64	195	0
50 or more	2	13	3	28	3	25		4	23	6	27	1	5	0
Total hires	40	84	135	248	41	156	2	234	834	362	1353	122	378	0
Total employees	167	624	276	750	205	657		807	3.702	890	4.151	896	4.140	0
Average annual rotation, by gender	24%	13%	49%	33%	20%	24%	100%	29%	23%	41%	33%	14%	9%	0%

Note: Calculations for the average annual rotation by gender = total dismissals / total employees. In the case of FIFCO USA, the collaborators total was included, permanent and temporary; the rest of the countries only include permanent employees, since that is how the company collects the information.

Other Social Standards

STANDARD GRI 401-3

Return-to-work and retention rates after maternity or paternity leave, disaggregated by gender and location

Empleados que:	Guatemala							United States							Costa Rica						
	Women			Men			Undefined	Women			Men			Undefined	Women			Men			Undefined
	2018	2019	2020	2018	2019	2020	2020	2018	2019	2020	2018	2019	2020	2020	2018	2019	2020	2018	2019	2020	2020
Were eligible for maternity or paternity leave	83	0	2	640	1	9		163	272	150	614	741	617	0	743	52	45	114	122	71	0
Went on maternity or paternity leave	2	0	2	24	1	9		4	9	7	12	22	20	0	37	52	45	77	122	71	0
Returned to work at the end of their maternity or paternity leave	2	0	2	24	1	9		4	9	6	12	22	20	0	30	52	45	77	122	71	0
Returned to work after their maternity and paternity leave, and kept their job twelve months after their return	2	0	2	24	1	9		4	5	5	12	19	17	0	27	52	45	63	122	71	0
Return-to-work and retention rates for employees who went on their maternity or paternity leave	100%	0%	100%	88%	100%	100%		2%	56%	83%	100%	86%	85%	0	73%	100%	100%	82%	100%	100%	0

Note: Every employee has the right to maternity or paternity leave. However, only the ones who could apply for this benefit during the year are accounted for (for IAK, Reserva Conchal, Florida Bebidas, and Florida Retail).

Other Social Standards

STANDARD GRI 403-2

Accident Rate in Guatemala and Costa Rica

		2018	2019	2020
		IAK		
Accident injury incidence rate	Men	0.84%	3.30%	0,69%
	Women	0%	0%	N/D
	Costa Rica			
	<i>Dist. La Florida</i>	2.71%	1.98%	1.39%
	FIFCO Retail	7.76%	4.71%	4%
	<i>Reserva Conchal</i>	1.83%	0,60%	3%
	FIFCO USA			
Total	N/A	N/A	N/A	

Other Social Standards

STANDARD GRI 404-3

Percentage of employees who have undergone a periodic assessment of their performance and of their career's evolution throughout this reporting period, by gender and by professional category in the 2020 period

País	Workers		Middle Management		Management		Directors	
	Female	Male	Female	Male	Female	Male	Female	Male
FIFCO USA	80%	80%	80%	80%	80%	80%	80%	80%
Guatemala	100%	100%	100%	100%	100%	100%	100%	100%
Costa Rica	100%	100%	100%	100%	100%	100%	100%	100%

Note: During 2020, necessary adjustments were made to the objectives to align with strategic priorities that emerged during the pandemic.

Other Social Standards

STANDARD GRI 405-1 (B)

Workforce by professional category and sex, age, minority group and other diversity indicators

Position	2018							2019							Percentage 2019	2020									
	United States		Costa Rica		Guatemala y El Salvador			Total	Estados Unidos		Costa Rica		Guatemala y El Salvador			Total	United States		Costa Rica			Guatemala y El Salvador		Total	
	F	M	F	M	F	M	F		M	F	M	F	M	F			M	F	M	Un-defined	M	H	Un-defined		M
Workers	97	462	486	2.719	50	328	4,142	237	630	550	3.157	47	368	4,989	82,31%	122	474	0	472	2,750	0	51	381	0	4,250
Middle Management	65	138	204	455	30	106	998	16	54	214	427	28	88	827	13,68%	61	131	0	214	406	0	35	71	0	918
Management	5	24	35	87	2	7	160	19	56	42	89	6	12	224	3,77%	28	46	0	35	82	0	3	5	0	199
Directors/Managers	0	0	0	0	0	0	0	0	1	3	10	0	0	14	0,23%	6	0	0	3	10	0	0	0	0	19
Others	167	624	725	3.261	82	441	5,300	272	741	809	3683	81	468	6,054	100,00%	211	657	0	724	3.248	0	89	457	0	5,386

F= Female

M= Male

Other Social Standards

STANDARD GRI 405-2

Basic salary ratio by category, gender and location

Reserva Conchal, Dist. La Florida and FIFCO Retail

Position	Male	Female	2018 ratio*	2019 ratio*	2020 ratio*
Management	WA		1.27	1.25	1.23
Specialists, Supervisors and Heads	WA		1.06	1	1.01
Auxiliaries and Analysts		WA	0.87	0.91	0.9
Workers	WA		1.14	1.07	1.06

Industrias Alimenticias Kern's

Management	WA		1.45	1.14	1.9
Specialists, Supervisors and Heads	WA		1.05	1.07	2.17
Auxiliaries and Analysts	WA		0.73	0.91	5.42
Workers	WA		0.80	0.83	7.53

FIFCO USA

Management	WA		0	0	0
Specialists, Supervisors and Heads		WA	1.14	1.09	0.90
Auxiliaries and Analysts	WA		1.12	1.15	0.95
Workers		WA	1	1.14	0.79
Management	WA		1.55	1.14	0.80

(*) Corresponds to men's base salary divided by women's base salary.

WA = Wage Advantage

In Costa Rica, men in management positions, specialists, supervisors, heads and workers still have a Wage Advantage (WA). Women keep their WA in auxiliary and analyst positions. There is an opportunity for improvement in wage equality by gender. FIFCO works towards such equality through its compensation structure.

Other Environmental Standards

Other Environmental Standards

Environmental Disclosures for 2019

GRI Standard	Units	GRI Standard	Summary Results	Details
301-3	Kg	Percentage of reclaimed products and their packaging materials	78% 2018 83% 2019	See table 301-3
301-2	%	Percentage of recycled input materials used to manufacture the organization's primary products and services	First reporting year for FDIS, 16%	Explained in the Word document
302-1	GJ	Indirect electrical and thermal energy consumption	<ul style="list-style-type: none"> Westin Hotel: 60,052 GJ in 2017; 57,049 GJ /pd in 2018 Florida Retail: 27,944 GJ in 2017; 26,547 GJ in 2018 FIFCO USA: 338,220 GJ in 2017; 321,309 GJ in 2018 IAK: 94,371 GJ in 2017; 43,165 GJ in 2018 	See table 302-1
302-2	GJ	Direct fuel consumption for outsourced transportation	Florida Bebidas: 78,539 in 2017; 83,237 in 2018 Retail: Not available	
302-3	GJ/unit	Energy intensity: Electrical and thermal energy consumption per sales unit	<ul style="list-style-type: none"> Westin Hotel: 0.12 GJ/pd in 2017; 0.10 GJ/pd in 2018 Florida Retail: 1.43 GJ/ton in 2017; 1.39 GJ/ton in 2018 FIFCO USA: 0.14 GJ/hl in 2017; 0.13 GJ/hl produced in 2018 IAK: 0.14 GJ/HI produced in 2017; 0.13 GJ in 2018 	See table 302-3
302-4	GJ	Quantified reduction of electrical and thermal energy	<ul style="list-style-type: none"> Westin Hotel: -5,644 in 2018 Florida Bebidas: -26,397 in 2018 FIFCO USA: -15,648 in 2018 	See table 302-4
303-2	Units	Water sources significantly affected by withdrawal of water	Hospitality. Source with High Water Scarcity Rate. Relevant for local communities.	
304-4	N/A	Species (biodiversity)	See GRI 304-4	See table 304-4
305-4	Tons of CO ₂ e/hl pr	GHG emissions intensity	<ul style="list-style-type: none"> Florida Bebidas CR: -0.091 in 2017; 0.0086 in 2018 Florida Retail: 0.12 in 2017; 0.06 in 2018 IAK: 0.016 in 2017; 0.015 in 2018 FIFCO USA: 0.072 in 2017; 0.070 in 2018 	See table 305-4
305-6	Kg CFC-11 equivalente	Emissions of ozone-depleting substances	Florida Bebidas: 276 en 2017; 238 en el 2018	See table 305-6
305-7	Kg de Nox; kg de SO ₂ ; Kg PTS; Kg PM10	Other significant air emissions	<ul style="list-style-type: none"> NOx: 185,774.42 in 2017; 190,245 in 2018 SO₂: 454,245 in 2017; 350,139 in 2018 PTS: 27,032 kg in 2017; 19,802 kg in 2018 	See table 306-7
306-1	m ³ ; kg	Water discharge by quality and destination	<ul style="list-style-type: none"> Florida Bebidas: 921,196 hl. See GRI 306-1 detail IAK: 134,765 hl 	See table 306-1
306-3	Liters; kg	Significant spills of dangerous materials	<ul style="list-style-type: none"> Florida Bebidas: see detail for GRI 306-3 Florida Retail: 0 IAK: 0 	See table 306-3
306-4	Liters; kg	Weight of hazardous waste transported, imported, exported or treated	<p>Distribuidora La Florida</p> <ul style="list-style-type: none"> Transported in 2019: 40,898.37 kg; Exported in 2019: 4,215.5 kg; Treated in 2019: 30,898.37 kg <p>Retail:</p> <ul style="list-style-type: none"> Transported in 2019: 4,868 kg Treated in 2019: 4,868 kg <p>Hospitality:</p> <ul style="list-style-type: none"> Transported in 2019: 10,750 kg Transported in 2019: 10,750 kg 	N/A

Other Environmental Standards

STANDARD GRI 201-2

Financial implications and other risks and opportunities derived from climate change

Type	Detailed description	Physical, regulatory, other	Description of impact	Timeframe of financial implication	Methods to manage it
Opportunity	Consumers more aware of environmental issues, willing to recognize the environmental performance of products as a purchasing criterion and to choose more sustainable products from the point of view of the entire value chain.	Reputational	Growing awareness and knowledge of the problems associated with climate change is leading consumers to recognize this situation and to be more critical of products and the environmental performance of the companies that produce them, when buying.	Continua	Air Brands
	Adoption of new technologies to operate more effectively and efficiently with available resources such as water and energy.	Physical, reputational	Improve the environmental performance of processes and products and competitiveness by operating with state-of-the-art technology.	Continua	Innovación, Benchmark, BCS Heineken
Risk	Damage to infrastructure due to natural hazards	Physical	Flooding from heavy rains, tropical storms and even hurricanes increase the risk of damage to the infrastructure of the direct value chain, as well as that of suppliers and customers.	Winter	Emergency response Business continuity

Other Environmental Standards

STANDARDS GRI 302-1, 302-2, 302-3 Y 302-4

Energy consumption and reduction in 2020

Energy consumption by type and facility

NON-RENEWABLE	Energy consumption in 2019 (GJ)							Energy consumption in 2020 (GJ)							
	Tipo de combustible	FBEB CR	IAK	FBEB	RETAIL	FIFCO USA	CONCHAL	TOTAL	FBEB CR	IAK	FBEB	RETAIL	FIFCO USA	CONCHAL	TOTAL
Bunker	267,560	346	267,906					267,906	223,075		223,075				223,075
Fleet LPG	33,597		33,597	183				33,780	27,169		27,169	111			27,280
Machinery LPG	2,876	109,576	112,452	1,381		28,948		142,780	2,314	105,930	108,244	905		16,578	125,726
Fleet diesel	119,674		119,674			2,207		121,881	107,947		107,947			2,515	110,462
Machinery Diesel	2,658		2,658			759		3,417	759		759	56		1,859	2,674
Fleet gasoline	7,971		7,971			1,793		9,764	5,485		5,484			990	6,475
Machinery gasoline	16		16					16	107		107				107
Natural gas	2,929		2,929					2,929	1,551		1,551				107
Jet A1 fuel	437,281	109,922	547,203	1,564	253,367	33,707		835,841	368,406	105,930	474,336	1,071	258,348	21,942	1,551
TOTAL NON-RENEWABLE FUEL															755,697
RENEWABLE															
Fuel type	FBEB CR	IAK	FBEB	RETAIL	FIFCO USA	CONCHAL	TOTAL	FBEB CR	IAK	FBEB	RETAIL	FIFCO USA	CONCHAL	TOTAL	
Biomass		0				0	0			0				0	
TOTAL RENEWABLE FUEL	0	0	0		0	0	0	0	0	0	0		0	0	
ENERGY PURCHASE															
Electricity	192,252	35,367	227,619	34,789	90,095	60,122	412,626	154,773	29,046	183,819	24,058	94,727	39,369	341,973	
Cooling														0	
Heating														0	
Vapor														0	
Electricity														0	
TOTAL ENERGY PURCHASE	192,252	35,367	227,619	34,789	90,095	60,122	412,626	154,773	29,046	183,819	24,058	94,727	39,369	341,973	
SELF-PRODUCED ENERGY															
Solar	62,364		62,364			2,706	65,071	62,364		62,364			1,903	64,268	
TOTAL ENERGY	691,897	145,289	837,186	343,463	343,463	95,536	1,313,538	585,543	134,976	720,519	25,129	353,075	63,214	1,161,938	

Other Environmental Standards

STANDARD GRI 302-1

Energy consumption and reduction in 2020

Energy consumption by type and facility

Electrical Energy

Locación	Electrical Energy Consumption (KWH)			Consumption Indicator (KWH/HL)		Hectoliters produced	
	2019	2020	Reduction (KWH)	2019	2020	2019	2020
Beer Plant	20,309,784	19,658,059	-651,725	9.72	10.48	2,089,484.00	1,875,769
Cristal plant	19,889,067	17,583,323	-2,305,744	9.59	9.59	2,095,792	1,833,506
Pepsi Plant	5,962,826		-5,962,826	10.05		593,316	
Others CR	9,622,183	8,926,556	-695,627	2.21	2.35	4,345,694	3,799,678
Subtotal Costa Rica	55,783,860	46,167,938	-9,615,922	12.84	12.15	4,345,694	3,799,678
IAK Plant	10,076,854	8,068,413	-2,008,441	9.38	8.75	1,073,935	921,743
Total beverages CA	65,860,714	54,236,351	-11,624,363	12.15	11.49	5,419,629	4,721,421
FIFCO USA	25,026,482	26,312,951	1,286,469	9.32	7.89	2,686,311	3,334,066
Retail	7,503,878	6,682,833	-821,045	436.02	476.63	17,210	14,021
Conchal	16,700,593	10,935,789	-5,764,804				

Thermal Energy

Year	Thermal Energy						MJ/Ton	MJ
	MJ/HL							
	Beer Plant	Refreshments Plant	PEPSI Plant	Others in CR	IAKGT Plant	FIFCO USA	RETAIL	Conchal
2014	104.28	61.88	10.28	43.49	97.55		138.50	
2015	96.40	65.06	9.74	42.97	93.47		120.47	
2016	97.31	53.94	5.49	39.33	105.38		123.89	
2017	95.26	62.09	5.02	38.87	103.20		110.05	
2018	90.27	51.84	4.44	41.90	106.89		118.92	22.00214
2019	95.40	42.65	5.08	36.00	102.35	94.32	90.89	33.70699
2020	91.90	39.18		36.00	114.92	77.49	72.43	21.94

Other Environmental Standards

STANDARD GRI 302-2

Total energy consumption and reduction in 2020

(Gigajoule)

FBEB CR	IAK	RETAIL	FIFCO USA	CONCHAL	TOTAL
585,543.45	134,976.00	25,129.24	353,074.98	63,214.09	1,161,937.77

Energy consumption and reduction in 2020

External energy consumption for FDIS by massive transport and in Hospitality for collaborator

Fuel type	Energy consumption (GJ)		Business
	2019	2020	
Diesel	73,475	65,429	<i>Distribuidora La Florida</i>
Diesel	12,558	6,746	Hospitality
TOTAL	86,033	72,175	

Other Environmental Standards

STANDARD GRI 302-3

Intensity of energy consumption in GJ/unit produced

	Consumo de energía 2019 (GJ)							Consumo de energía 2020 (GJ)						
	FBEB CR	IAK	FBEB	RETAIL	FIFCO USA	CONCHAL	TOTAL	FBEB CR	IAK	FBEB	RETAIL	FIFCO USA	CONCHAL	TOTAL
Total energy (GJ)	691,896.97	145,289.16	837,186.13	36,353.07	343,462.78	96,535.59	1,313,537.57	585,543.45	146,198	134,976.00	720,519.45	25,129.24	63,214.09	1,161,937.77
Production unit	5,475.847	1,073,935	6,549,782	17,210	2,686,311		9,253,303	3,799,678	1,073,935	921,743	4,721,421	14,021		8,069,508
Intensity indicator	0.13	0.14	0.13	2.11	0.13	ND	0.142	0.15	0.14	0.15	0.15	1.79		0.144

ND: information not available

STANDARD GRI 302-6

Number of ozone-depleting substances used in 2020

Tipo de gas refrigerante	FREON R22 (30 LB)
Kg	149
ODP	0.05

Note: Florida Bebidas uses refrigeration equipment, mainly in the commercial area to display and cool beverages, the most widely used being R134A and R404A, both with zero ozone depletion potential. They are also used in some industrial equipment, although the greatest use in the Beer Plant is with ammonia. Since 2008, Florida Bebidas does not purchase equipment that uses refrigerant gases that destroy the ozone layer. There is still some equipment that consumes this type of gas among the assets, which are taken out of operation once they are damaged and are not repaired. In the case of PINOVA's industrial bakery plant, the Brine type CO₂/NH₃ Natural Refrigerant Gas Replacement Project was implemented, entirely replacing this facility's R22. This system starts operating in February 2018.

Other Environmental Standards

STANDARD GRI 302-4

Energy consumption and reduction in 2019

Energy consumption reduction initiatives

Description of the reduction initiative	Facility	Estimated reduction (GJ)	Type of energy	Description of reduction calculation method
An improvement group is created to meet the plant's compressed air needs without waste.	Beer	48.49	Electricity	Amount of energy consumed prior to project minus energy consumed after project implementation
Stabilization of basic conditions of packaging pasteurizer 1 by correct temperature set, repair of operating controls and valve failures and calibration	Beer	17.45	Steam	Amount of GJ of fuel that was no longer consumed due to the implementation of the project, minus the GJ consumed for the recurrent charging of the batteries.
Although the investment cost was 11% higher, 19 Euro 05 technology trucks were acquired, which reduces NOx emissions (1 EPA 98 technology truck emits NOx equivalent of 18 Euro 05 trucks). At the same time, it is more efficient (although there is a downward trend in the efficiency of modern trucks), than purchasing International trucks or its counterpart Freightliner (lower price) The amount of diesel consumption in liters will be compared if the investment were made with International (the most recent group of trucks acquired by the company).	W&T	82.44	Fuel	Gasoline consumption in the year prior to the replacement of the fleet
Consolidated cargo shipments to the point of sale (Puntarenas and Ciudad Neilly from CEDI). Loading and unloading at the rural depot is avoided; direct delivery is made. Reduction of diesel and mileage of T1 (massive).	W&T	N/D	Fuel	N/D
Reduction of forklift transfers due to the location of racks to carry out the picking operation.	W&T	N/D	Fuel	N/D
Less mileage with SERCANS Transfer yard: Departure of the routes is closer to the place where it will be delivered. Savings in routes and mileage (Centroides: Cartago, San José Este and Detalle Este). The loading of 3 trucks is consolidated in one cart. There is an avoided emission of 3 empty trucks and a decrease in truck mileage. Change to a T1 (traditional canal routes Cartago and Desamparados about 33 routes per day). 11 carts for 3 trucks each = 33 routes	W&T	N/D	Fuel	N/D
Emergency solution to L12 of Refreshments Plant to reach 9bar of pressure. An LPG boiler is rented temporarily for a specific process, and while there is the possibility of renting a bunker boiler, an LPG boiler is chosen because it has a cleaner emission.	Refreshments	N/D	Steam	N/D
Gradual replacement of 44 luminaires (according to the end of the useful life of the existing one), also improving the lighting quality	Refreshments	3.68	Electricity	Amount of energy consumed prior to project minus energy consumed after project implementation
Shutdown of compressor associated with finished product chamber.	Retail Plant	34.90	Electricity	Theoretical power consumption of the SCU-01 compressor; this is converted to energy with the number of hours per month that it will remain off and the energy reduction that can be achieved.
Displacement of peak hours for ice machine	Retail Plant	45.35	Electricity	Theoretical power consumption of the ice machine; this is converted to energy with the number of peak hours per month that will remain off and we obtain the energy reduction that can be achieved.

Other Environmental Standards

STANDARD GRI 304-4

Threatened or endangered species in the Reserva Conchal Sphere of Influence 2020

FAUNA

Common Name	Scientific Name	Status	CITES	IUCN Red List	Causes
Anteater	<i>Tamandua mexicana</i>	Threatened		√	Run over and habitat reduction
Howler monkey	<i>Alouatta palliata</i>	Threatened	√	√	Run over, electrocution, food for humans, habitat loss
Armadillo	<i>Dasypus novemcinctus</i>	Threatened	√	√	Loss of nesting trees such as Gallinazo and Ceiba, as well as wetland drainage
White-tailed deer	<i>Odocoileus virginianus</i>	Threatened			Run over and food for humans
Puma	<i>Puma concolor</i>	Endangered	√	√	Food for humans, hunting
Jaguarundi	<i>Puma yagouarundi</i>	Endangered	√	√	Hunting and habitat loss
Ocelot	<i>Leopardus pardalis</i>	Endangered	√	√	Hunting and habitat loss
Olive Ridley Turtle	<i>Lepidochelys olivacea</i>	Endangered	√	√	Egg removal and food for humans
Leatherback Turtle	<i>Dermochelys coriacea</i>	Endangered	√	√	Egg removal and habitat degradation

FLORA

Common Name	Scientific Name	Status	CITES	IUCN Red List	Causes
Mahogany	<i>Swietenia humilis</i>	Endangered	√	√	Precious timber extraction
Cocobolo	<i>Dalbergia retusa</i>	Threatened		√	Precious timber extraction
Cenízaro	<i>Samanea saman</i>	Threatened			Timber extraction
Hollywood	<i>Guaiaacum sanctum</i>	Endangered	√	√	Timber extraction
Tempisque	<i>Sideroxylon capiri</i>	Threatened			Timber extraction
Brazilwood	<i>Haematoxylon brasiletto</i>	Threatened			Timber extraction
Cedro	<i>Cedrela Odorata</i>	Threatened		√	Timber extraction

Other Environmental Standards

STANDARD GRI 305-1 A 305-4

Greenhouse Gas Intensity 2019 vs 2020

Absolute emissions (CO₂e ton)

Locación	Scope I			Scope II			Scope III			Total Tons CO ₂ e			Emission intensity (tons CO ₂ /hl producido)		Base Year
	2019	2020	Reducción 2020 vs 2019	2019	2020	Reducción 2020 vs 2019	2019	2020	Reducción 2020 vs 2019	2019	2020	Reducción 2020 vs 2019	2019	2020	
CCR Plant	20,018.37	20,686.35	667.98	853.41	743.92	-109.50	386.82	306.43	-80.39	21,258.61	21,736.69	478.09	0.0102	0.0116	2012
Cristal Plant	5,062.12	6,560.44	1,498.32	615.43	641.89	26.46	24.61	36.30	11.69	5,702.16	7,238.63	1,536.47	0.0028	0.0041	2012
PEPSI Plant	192.67		-192.67	71.92		-71.92	0.50	0.00	-0.50	265.09	0.00	-265.09	0.0004		2012
Others in CR	5,818.56	7,771.00	1,952.44	217.19	182.40	-34.79	4,332.46	6,321.73	1,988.54	10,368.21	14,274.40	3,906.19	0.0019	0.0038	2012
SUBTOTAL CR	31,091.71	35,017.78	3,926.07	1,757.95	1,568.21	-189.74	4,744.40	6,663.73	1,919.33	37,594.07	43,249.73	5,655.66	0.0069	0.0114	
IAKGT	6,941.64	6,686.36	-255.29	1,034.26	8.59	-1,025.67			0.00	7,975.90	6,694.94	-1,280.96	0.0012	0.0014	2019
TOTAL FBEB	38,033.35	41,704.14	3,670.79	2,792.21	1,576.80	-1,215.42	4,744.40	6,663.73	1,919.33	45,569.97	49,944.67	4,374.70	0.0070	0.0106	
FIFCO USA										14,800	15,193	233.31	0.0055	0.0046	2019
Retail	1,019.10	1,277.82	258.72	264.00	264.00	0.00	28.10	2.69	-25.41	1,311.20	1,544.51	233.31	0.0762	0.1102	2017
Conchal	3,246.50	1,443.12	-1,803.38	659.70	399.16	-260.54	1,116.30	626.78	-489.52	5,022.50	2,469.06	-2,553.44			2014

*Ton of CO₂ equivalent per ton sold

Other Environmental Standards

STANDARD GRI 305-7

Other Relevant Emissions in 2020

Source	NOX (kg)				SO2 (kg)			PTS Y PM ₁₀ (kg)		
	FDIS	IAK	RETAIL	CONCHAL	FDIS	IAK	RETAIL	FDIS	IAK	RETAIL
Fixed sources	31,237.32	1,547.24	109.00	13.03	321,068	112,540	1,016	986.19	139.87	7.66
Forklifts	19,142.20	2,497	65					173.71	19.66	0.51
Own mobile sources	79,834.95	NA	NA	167.88				2,415.31	NA	NA
Special equipment	107.31	NA	NA					12.12	NA	NA
Outsourced mobile sources	50,894.36	NA	NA	27.80				1,433.64	NA	NA
Total Kg of pollutant	181,216.14	4,043.82	174	209	321,068	112,540	1,016	5,021	160	8
Variation vs 2019	-28%	-21%	16%			59%	-38%	-53%	-80%	

Other Environmental Standards

STANDARD GRI 302-3

Water discharge by quality and destination for 2020

Business Unit		<i>Distribuidora La Florida</i>	Florida Hospitalidad	IAK Guatemala	FIFCO Retail*
Water discharge by destination					
1 Surface water	Total	31.5			
2 Underground water	Total	843.8	749.0		
3 Sea water	Total		53.6		
4 Third party water	Total			221.6	28.3
Total water discharge (1+2+3+4)		875.3	802.6		28.3
Water discharge by fresh water or other waters	Water discharge by fresh water or other waters	843.8	154.4	221.6	
	Other waters (total dissolved solids >1000mg/L)				

STANDARD GRI 306-3

Significant spills of hazardous materials in 2020

No significant spills are reported in this period.



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