SUSTAINABILITY FOCUS AREAS

01 DECARBONIZATION

02 RESOURCE CONSERVATION AND CIRCULARITY

03 SUSTAINABLE AGRICULTURE

04 ETHICAL SOURCING

05 EMPLOYEE AND COMMUNITY ENGAGEMENT

06 GOVERNANCE, COMMUNICATION AND REPORTING

DECARBONIZATION

Climate change poses a significant risk to our entire value chain. Our ASR Group® family of companies ("Company") aim to become the world's lowest carbon sugar producer and a leader in sustainable manufacturing and agriculture. We are committed to the Science Based Targets initiative (SBTi) and have set targets aligned with achieving net zero emissions by 2050. To maintain transparency and integrity, we will regularly review progress and make adjustments as needed to stay on track.

Our Decarbonization Approach

In line with our commitment to the Paris Agreement and our sustainability strategy, we have established climate-related metrics and targets for the short-, medium- and long-term at both the Company and operating country levels. We use the FLAG method (Forest, Land and Agriculture) to set science-based targets for sectors involving land use.

Short- and Medium-Term Goals (2012 Baseline)

By 2030: Reduce Scope 1 & 2 emissions by 50%.

- Optimize Best Management Practices (BMPs)
- Implement low-carbon economy projects and reconfigure processes
- Validate product carbon footprints

By 2040: Eliminate all Scope 1 & 2 emissions to become **Carbon Neutral.**

- Optimize BMPs & implement low-carbon economy projects
- Transition to alternative fuel sources and green energy mixes
- Implement waste circularity programs
- Employ innovative technologies
- Utilize carbon sequestration and reuse technology
- Implement sustainable agriculture "removals"

Long-Term Goals

By 2050: Eliminate all Scope 3 emissions to become **Carbon Net Zero.**

- Prioritize low-carbon supply chain partnerships
- Collaborate with carbon-setting standards organizations
- Train direct suppliers on sustainability strategies:

1. Carbon accounting
2. Green energy transitions
3. Process reconfiguration
4. Innovative technology employment
5. Alternative fuel usage
6. Waste circularity program implementation

Updated Decarbonization Targets Aligned with SBTi Standards

SBTi Approval: Our objectives and action plan were officially approved by the SBTi.

Baseline Year Update: Initially set to 2012, updated to 2022 for SBTi compliance.

Target Adjustments: Our public targets now show a 42% reduction by 2030 and 90% by 2050. These targets reflect changes due to shifting the baseline to 2022 emissions, segregating FLAG emissions, and adding Scope 3 goals. While SBTi requires a 90% reduction, we commit to offsetting the remaining 10% to achieve "Net Zero," consistent with our previous objectives.

Reporting: In the Company's CDP filing, we will maintain the 2022 baseline for accuracy in pursuing our goals.

Despite the baseline update, our Sustainability Reports will continue to use the 2012 baseline for consistency in storytelling to our customers and to keep the targets as a generalized benchmark with additional mid-term goals.

In **2012**, our baseline for **Scope 1 and Scope 2** emissions was **678** thousand metric tons of carbon dioxide equivalent (CO_2e).

Decarbonization Transparency

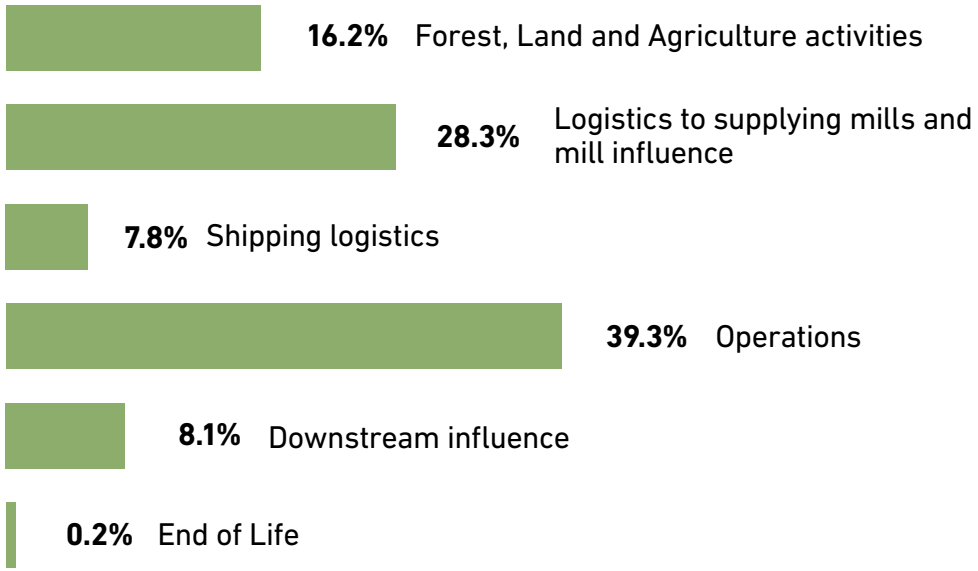
Global Goal: Ensure each product has a published, transparent carbon footprint intensity (product life cycle) to inform customer and consumer choices.

SBTi Validation: SBTi validated our targets in December 2024, available on their website.

CDP scorecard: Updated annually since 2016, available under "ASR Group Int."

Product Life Cycle

To actively reduce the carbon footprints of our finished goods, we first need to understand them. We conducted a comprehensive **product life cycle analysis (pLCA)** in alignment with the **GHG Protocol's accounting and reporting standards.** This involves surveying, modeling, and data mining to **assess both direct (Scope 1) and indirect (Scope 2 and 3) emissions.**



2022 Baseline Breakdown of our sugar's carbon footprint: **% of our GHG emissions**

Our analysis continues to evolve alongside improvements in our internal data systems and updates to the **GHG Protocol**. We've built robust datasets across our business units and actively collaborate with suppliers to gain deeper insights into the emissions associated with raw materials and finished goods.

Where data gaps exist, we use predictive models based on internationally recognized databases and methodologies. We are also transitioning from secondary to primary data sources to improve accuracy. For example, we are moving away from spend-based estimates toward databases that quantify embodied carbon by material or product. Ultimately, these figures will be replaced by supplier-reported data, verified through third-party critical review in accordance with **ISO & GHG Protocol standards.**

Value Chain Product Life Cycle Analysis

The following graphic depicts our product's carbon footprint as it moves through each step in the supply chain. A comprehensive description of our Value Chain pLCA and the methodologies used to develop our product Life Cycle Analyses are available in our GHG Methodology Manual.

Other: Purchased Goods and Services, Business Travel, Employee Commute, etc.

Sources of our carbon emissions

SUGARCANE CULTIVATION

- Fertilizer production and decomposition (releases nitrous oxide)
- Fuel used in agricultural machinery
- Land use / above and below ground carbon stock changes (positive or negative)
- Land management activities, including cultivation and tilling practices
- Emissions from employee commutes, business travel, and procurement of maintenance materials and chemicals

TRANSPORTATION OF SUGARCANE TO THE MILL

- Combustion of fossil fuels in transportation vehicles

SUGARCANE MILLING

- Combustion of fuels to generate steam and electricity for milling processes
- Use of chemicals and other inputs; fugitive emissions from refrigerants
- Treatment of solid waste and wastewater
- Emissions from employee commutes, business travel, and procurement of packaging materials, maintenance materials and chemicals

TRANSPORTATION OF RAW SUGAR TO REFINING PLANTS

- Combustion of fossil fuels in shipping vessels and trucks

SUGAR REFINING

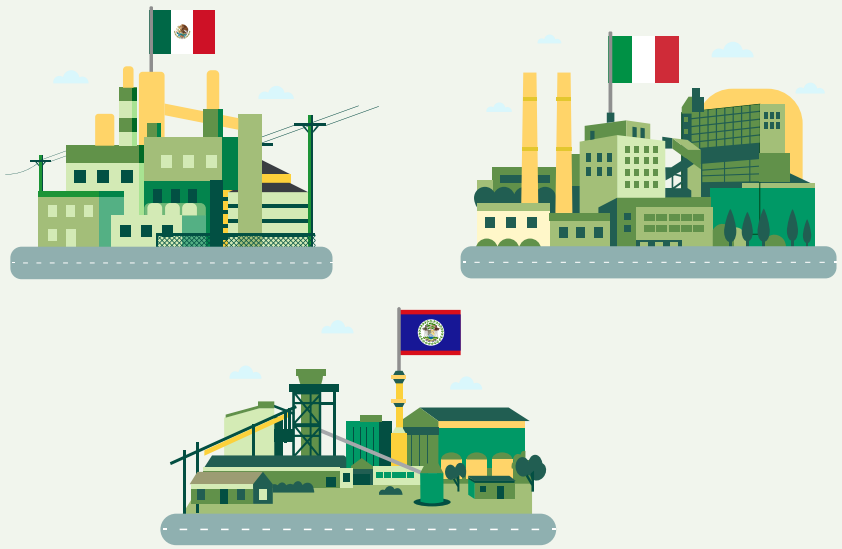
- Combustion of fuels to generate steam and electricity
- Use of chemicals and other inputs; fugitive emissions from refrigerants
- Treatment of solid waste and wastewater
- Emissions from employee commutes, business travel, and procurement of packaging materials, maintenance materials and chemicals

SCOPE 1 & 2

Our Operations

ASR Group's family of companies owns and operates facilities across the sugar value chain from farms to refineries. Our carbon reduction efforts are most advanced within our owned operations, where we have the greatest control. Since 2012, we've been actively measuring and reducing our emissions by:

- Expanding and optimizing biomass use at our mills in **Mexico** and **Belize.**
- Piloting alternative fuel sources at our join-venture-owned refinery in **Brindisi.**



We are now entering an accelerated phase of decarbonization, focused on three priority workstreams:

1. Standardizing best practices across all ASR Group facilities.
2. Integrating technologies not yet in our portfolio.
3. Exploring and developing emerging technologies.

Operational Reliability

Operational reliability is critical to reducing our carbon footprint. We drive this through continuous improvement and predictive maintenance, including:

- Advanced diagnostics such as vibration analysis to prevent equipment failures.
- Minimizing downtime through technologies like variable frequency drives (VFDs), digital flow monitoring, and digital twinning.
- Reducing energy use by optimizing start-ups and managing water and steam systems efficiently.

We've tasked our sites with achieving an average **3% annual energy reduction**; Facility Managers and Sustainability Engineers lead this effort through reliability and process optimization programs. Site leadership is accountable for results, with sustainability engineers acting as change agents. We are implementing energy efficiency projects to maintain production volumes while lowering energy use—key to reducing **CO_2** emissions. These efforts are complemented by asset optimization aligned with industry best practices.

Between **FY28** and **FY40**, we aim to implement **infrastructure upgrades to modernize production**, pending feasibility and alignment with long-term sustainability goals. Key areas of focus include **capturing and reusing waste heat and water vapor** to reduce resource consumption. For remaining emissions, we are exploring **renewable energy adoption** and **carbon capture technologies**, potentially supported by next-generation powerhouses. Our Research and Technology team is actively assessing the technical and financial viability of these solutions to inform future decision-making.

Agriculture and Milling Activities

Decarbonizing agriculture is uniquely challenging because it involves dynamic, living systems that require detailed mapping and tracking. For more detail, please refer to our Sustainable Agriculture focus area document.

Renewable Energy in Our Operations

Most of our operational energy is generated through cogeneration plants that provide efficient electricity and process heat. The energy mix varies by facility:

- Mills in **Mexico** and **Belize** use sugarcane fiber (bagasse).
- The **Brindisi** refinery uses ethically sourced, certified biofuel.

We export surplus power to local grids. While most of the electricity we sell is green, this does not reflect the electricity we purchase or consume. We are actively working to increase the share of green electricity sourced from utility providers.

SCOPE 3

Third-Party Operations

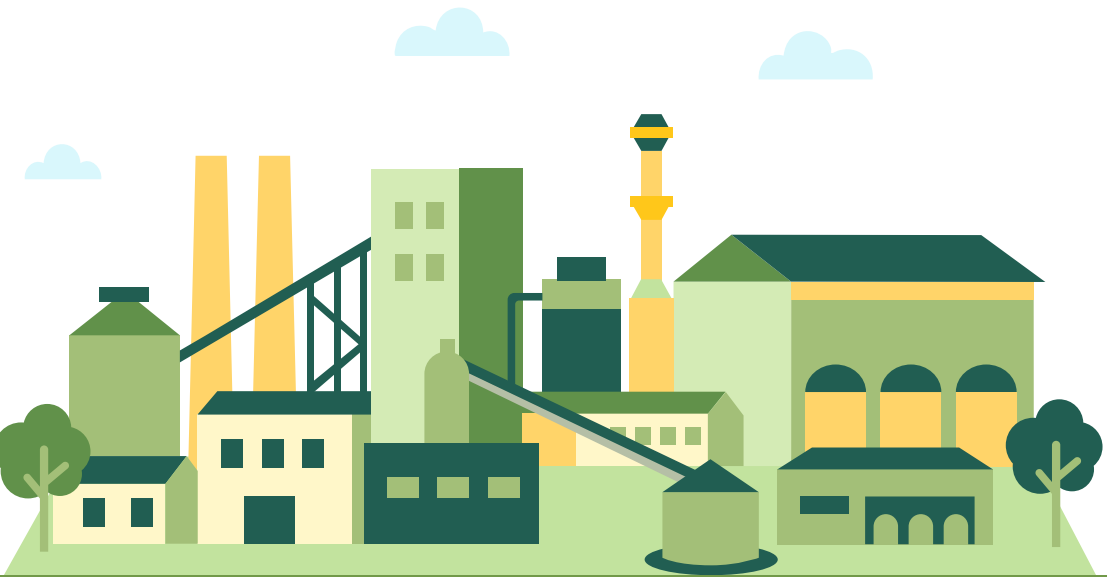
Our partners across the value chain, particularly raw sugar suppliers and freight operators, produce significant emissions. While we do not directly control these impacts, we recognize our role in working with our suppliers to create a sustainable value chain.

Collaboration with Standard-Setting Organizations

We collaborate with standard-setting organizations, such as **Fairtrade** and **Bonsucro**, to share and develop best practices for sugar producers. This collaboration is one of the many ways we support our suppliers in assessing emissions, decarbonizing, and mitigating climate change impacts.

Examples of initiatives we have been involved in include:

- **Measuring the carbon footprint** of several suppliers in Belize, Eswatini, Fiji, Costa Rica, Mauritius and El Salvador with **Fairtrade**.
- Participating in the funding of the **Climate Cane Toolkit** developed by **Bonsucro**.



Raw Sugar Origins

Raw sugar is transported from mills to our refineries worldwide in bulk, ocean-going ships. By engaging with our service providers, we gather detailed information on freight movements and fuel consumption. Understanding the shipping channels used allows us to minimize transit distances and reduce our carbon footprint.

Production Gate to Consumer

IN MEXICO

Ingenio San Nicolás (ISN) participates in the **'Transporte Limpio' ('Clean Freight')** program and is committed to using the most sustainable carriers.

We distinguish and monitor our outbound sales separately from internal product transfers (Stock Transfer Orders, or STOs) between our sites. Our goal is to **reduce STOs** through improved planning, freight mode shifts, and route optimization. By identifying more efficient routes and transportation modes, we prioritize direct-to-customer shipments, eliminating the need for stops at third-party warehouses.

IN THE U.S. & CANADA

We have actively participated in the **EPA SmartWay** program for many years, maintaining a consistent performance rating. By collaborating with select shipping partners and the EPA, we have advanced our **GHG measuring and monitoring tool**, allowing us to benchmark against our peers and uphold high standards.

We continuously raise awareness of the program among our freight partners. Their involvement helps us move freight sustainably while measuring and benchmarking their sustainability efforts.