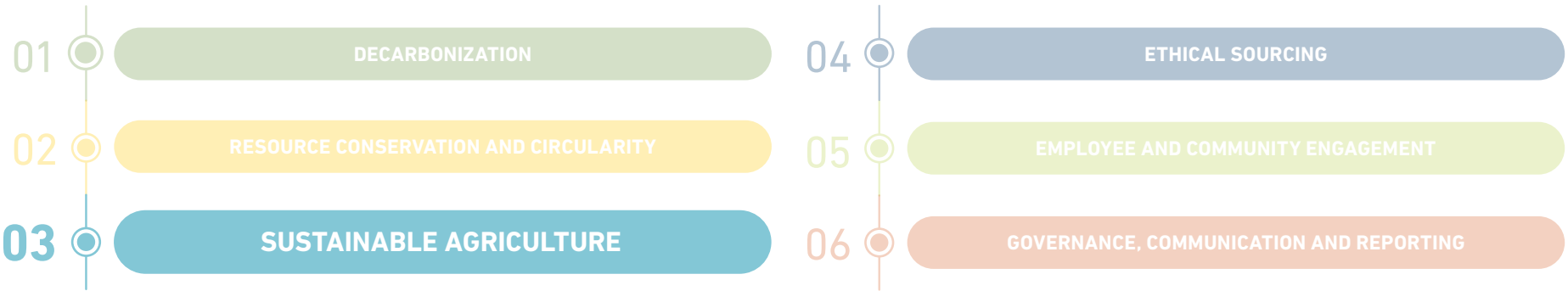




SUSTAINABILITY FOCUS AREAS





SUSTAINABLE AGRICULTURE

Defining Our Approach

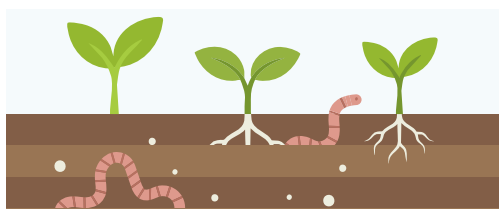
Regenerative agriculture has gained visibility as a framework for improving soil health, biodiversity, and ecosystem services. We view it as a subset of our **broader sustainable agriculture strategy**—one that complements our long-term goal of maintaining or improving productivity while enhancing ecological resilience.

Our approach is grounded in systems thinking. We recognize the interdependence of soil, water, biodiversity, and nutrient cycles, and we are developing science-based key performance indicators (KPIs) to track outcomes across these dimensions. These include metrics such as **soil organic carbon, nutrient cycling efficiency, biodiversity indices, and water use intensity**.

Embracing sustainable agriculture is essential to fulfilling society's current and future food requirements. We are committed to implementing **innovative ecological practices** to manage our natural resources and protect biodiversity.

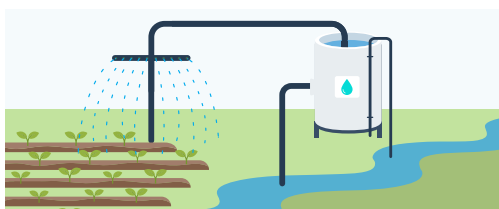
Our Sustainable Agriculture Approach:

Our Sustainable Agriculture focus area is built on a holistic approach that integrates ecological, social, and economic dimensions of agriculture. Our program is designed to maintain land health and productivity on lands owned by our companies, protect biodiversity, and enhance the livelihoods of local farmers and surrounding communities. Over time, we aim to work with suppliers to extend these practices across our broader supply chain to drive long-term resilience and sustainability. Our comprehensive plan focuses on six key areas:



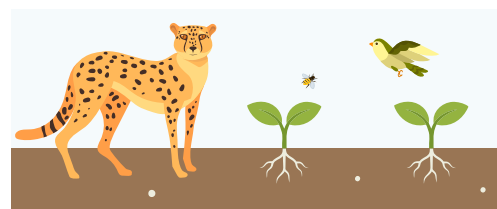
1. Soil Health

- Enhancing soil quality by managing our properties to support plant growth and ecosystem functions



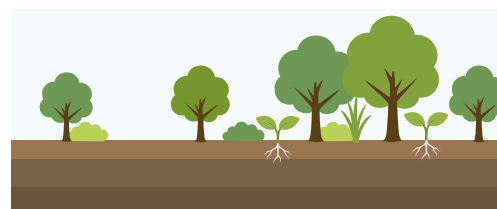
4. Water Resource Management

- Efficiently using water on farms and in processing areas with tailored programs for specific locations and needs



2. Biodiversity

- Increasing the diversity and distribution of life at the genetic, species, and ecological levels



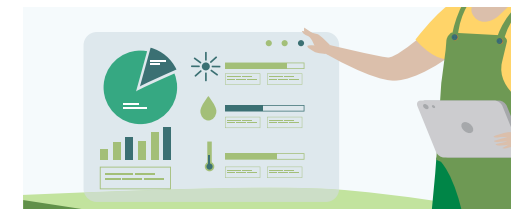
5. Carbon Emissions Reduction and Sequestration

- Applying evolving best practice measures in line with international GHG protocols and NGO guidance for agricultural activities



3. Agroforestry and Reforestation

- Integrating trees and shrubs into agricultural landscapes
- Developing sustainable forest management practices

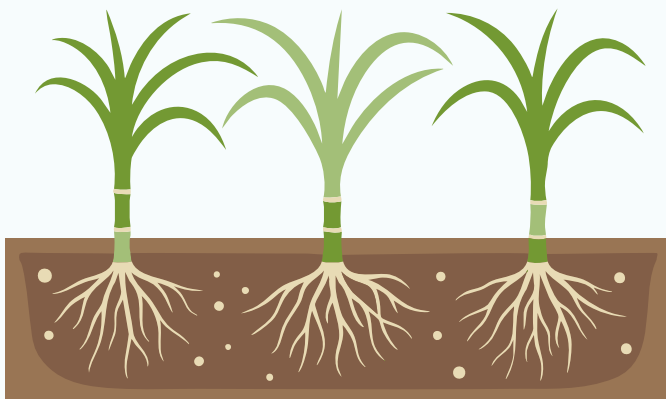


6. Local Farmer Engagement, Education and Capacity Building

- Continuously engaging at community and individual levels

Soil Health

The **soil's ability to grow** sugarcane is the **cornerstone of our business**. By focusing on soil health, we are transforming the process of growing, harvesting, and processing sugarcane. To support this transformation, we have launched several initiatives with experts to analyze growing conditions in sugarcane regions:



Nutrient management:

We maintain and improve soil quality as a natural resource.

Integrated pest management:

We manage the soil's physical, chemical, and biological properties to sustain plant growth and ecosystem functions, which helps create a healthier environment that naturally reduces pest populations.

Soil amendments:

We improve soil fertility and structure while reducing chemical inputs and increasing water retention.

Crop rotation:

We are experimenting with crop rotation cycles to sustain soil health.

Harvesting Practices:

ASR is actively transitioning to unburnt harvesting on its own lands, a practice that keeps the land covered, increases nutrient cycling and soil organic matter, and improves soil habitat to support biodiversity.

Biodiversity

Guided by the **Kunming-Montreal Global Biodiversity Framework**, the program aims to maintain or improve native species diversity in surrounding undeveloped lands compared to **2020** levels through robust monitoring, rehabilitation, and education. We have identified **21 of the 23 targets for our biodiversity plan**.

Due to the diverse expertise required, collaborations with **NGOs** and public entities are essential to leverage the program's potential. By incorporating standards from ProTerra and Bonsucro, we aim to conserve biodiversity through effective environmental management. This includes developing a **Biodiversity Management Plan**, protecting high-value conservation areas, and prohibiting the conversion of natural ecosystems into farmland for sugarcane or other crops.

Our 2030 objectives include:

- Conducting biodiversity surveys on owned and operated land
- Setting genetic baselines for soil microbiota
- Establishing flexible, site-specific plans responsive to local needs

Our focus areas include:

- Species diversity
- Ecosystem diversity
- Genetic diversity

Our strategies include:

- Establishing protected areas — for example, identifying undeveloped land on ASR-owned properties where native vegetation is preserved and where agricultural expansion is restricted to avoid habitat loss.
- Restoring degraded habitats — such as replanting native species in areas impacted by prior land use or erosion to improve ecosystem function and support wildlife.
- Sustainably managing natural resources — for instance, implementing soil and water conservation practices that maintain ecological balance while supporting agricultural productivity.
- Addressing climate change — by integrating climate-resilient land-management practices that help preserve biodiversity under shifting temperature and precipitation patterns.



Agroforestry and Reforestation

We are developing agroforestry and reforestation programs on our owned lands, guided by a comprehensive survey of marginal and sub-marginal lands. These programs aim to create additional economic value or repurpose these lands for reforestation projects.

In our **reforestation efforts**, we are focusing on lands that can:

- Recreate movement corridors or migration areas
- Recharge as part of a long-term crop rotation strategy
- Serve as buffers or reforested areas due to their low economic value

The **goal** is to **integrate these programs** into both natural and human communities for optimal outcomes.

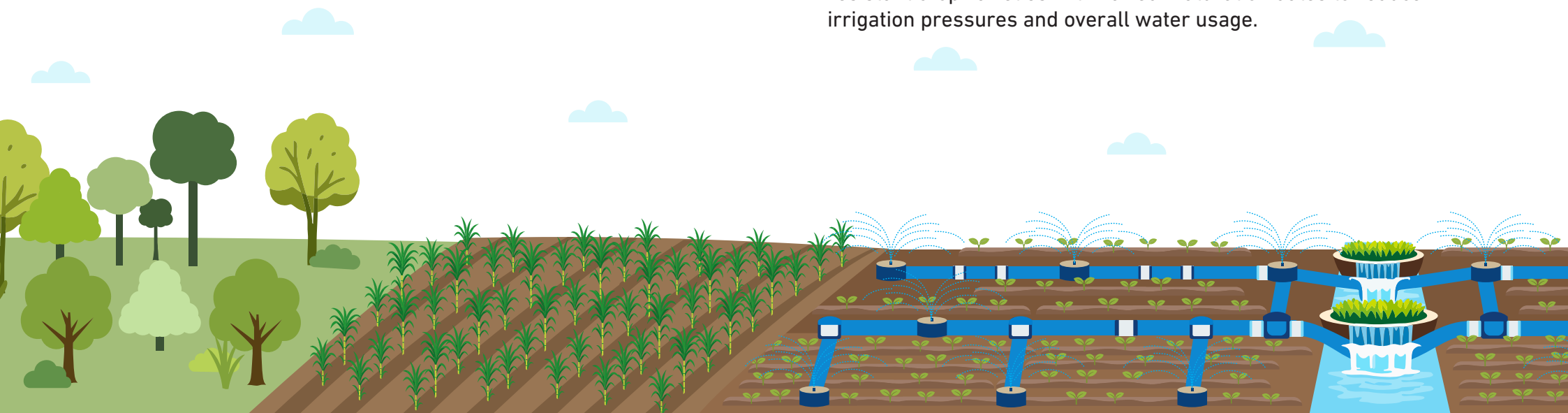
Water Resource Management

We are developing a water resource management strategy that focuses on **decarbonization, water use optimization, waterbody clarification, nutrient load mitigation**, and other sustainable practices.

We create site-specific programs to manage natural waterways, including flowing, navigable, and standing water features, adhering to local and international standards to protect sub-surface water, groundwater, and aquifers. Our initial strategic plan focuses on **reducing waste, decarbonizing pumping, and implementing precision irrigation**.

Initiative Examples:

- **Catch Basins:** To enhance water circularity, we use catch basins to retain runoff or excess water on farms and other sites, allowing it to be reused as needed.
- **Water Flow Management:** In riparian zone management, we control the flow of excess water to protect sensitive ecosystems.
- **Optimal Crop Variety:** We select climate-optimized and drought-resistant crop varieties with varied maturation dates to reduce irrigation pressures and overall water usage.



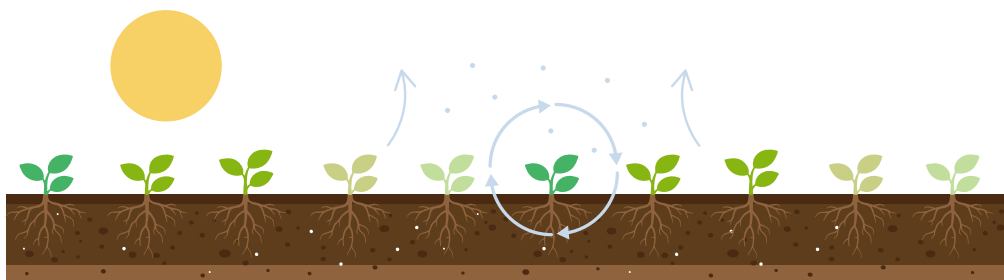
Carbon Emissions Reduction and Sequestration

We focus on promoting and transitioning to farming practices that sequester carbon in the soil and reduce the need for high-carbon-footprint soil amendments and inputs. Our **goals** include:

- Reducing emissions by shortening supply chains for purchased materials and chemicals
- Adopting precision agriculture to minimize field passes
- Switching to specialized irrigation systems that use less electricity
- Eliminating diesel generators

We aim to advance soil carbon sequestration by enhancing soil testing capabilities and adapting planting and management strategies. Our **practices** include:

- Removing soil compaction layers for deep carbon storage
- Integrating unburnt harvest practices to retain carbon in the field
- Longer replant periods
- Targeted species and varietal selections



Carbon Credits: We are aligning with existing and developing voluntary carbon markets to develop tracking and trading mechanisms for carbon credits on our farms in Belize, serving as a model for other producers. This includes Verra certifications and other carbon accounting methodologies.

Local Farmer Engagement, Education and Capacity Building

We recognize that empowering local farmers through training, capacity building, and access to modern agricultural tools is essential for building a resilient and sustainable sugarcane sector. Strengthening farmer livelihoods remains central to our long-term approach, and we aim to improve productivity and resilience through structured support programs, technical guidance, and improved access to resources.

Our approach focuses on building agronomic capacity, expanding access to mechanization, improving climate resilience, and enhancing transparency across the sugarcane value chain. In addition, we remain committed to responsible sourcing and maintain oversight of our third-party suppliers through independent social and environmental verification against internationally recognized standards. Many growers participate in assessments or certification programs aligned with leading frameworks such as **Bonsucro, SAI, Fairtrade, or ProTerra**, helping ensure that farming practices meet rigorous expectations for worker welfare, environmental management, and continuous improvement.

Through our farmer engagement programs in **Belize** and **Mexico**, including the evolving model used in **AgGrowPro**, we support growers by:

- Providing continuous agronomic guidance on soil health, pest management, regenerative practices, and ratoon maintenance.
- Supporting transparency and stronger financial resilience through improved service tracking and farmer-facing information systems.
- Expanding access to modern agricultural technologies and equipment to improve land preparation, planting, and harvesting efficiency.
- Enhancing community-level adoption through collaboration with educational institutions, environmental partners, and farmer organizations.
- Improving climate resilience by supporting the use of clean, disease-free planting materials and varieties adapted to local conditions.
- Encouraging participation in independent verification or certification programs, including support where applicable to prepare farmers for these assessments.

Expected outcomes include improved yields, reduced operational risk, and greater financial stability for small and medium-scale farmers. These efforts strengthen farmer livelihoods, reinforce responsible sourcing, and support the long-term sustainability of the sugarcane sector across our supply chain.