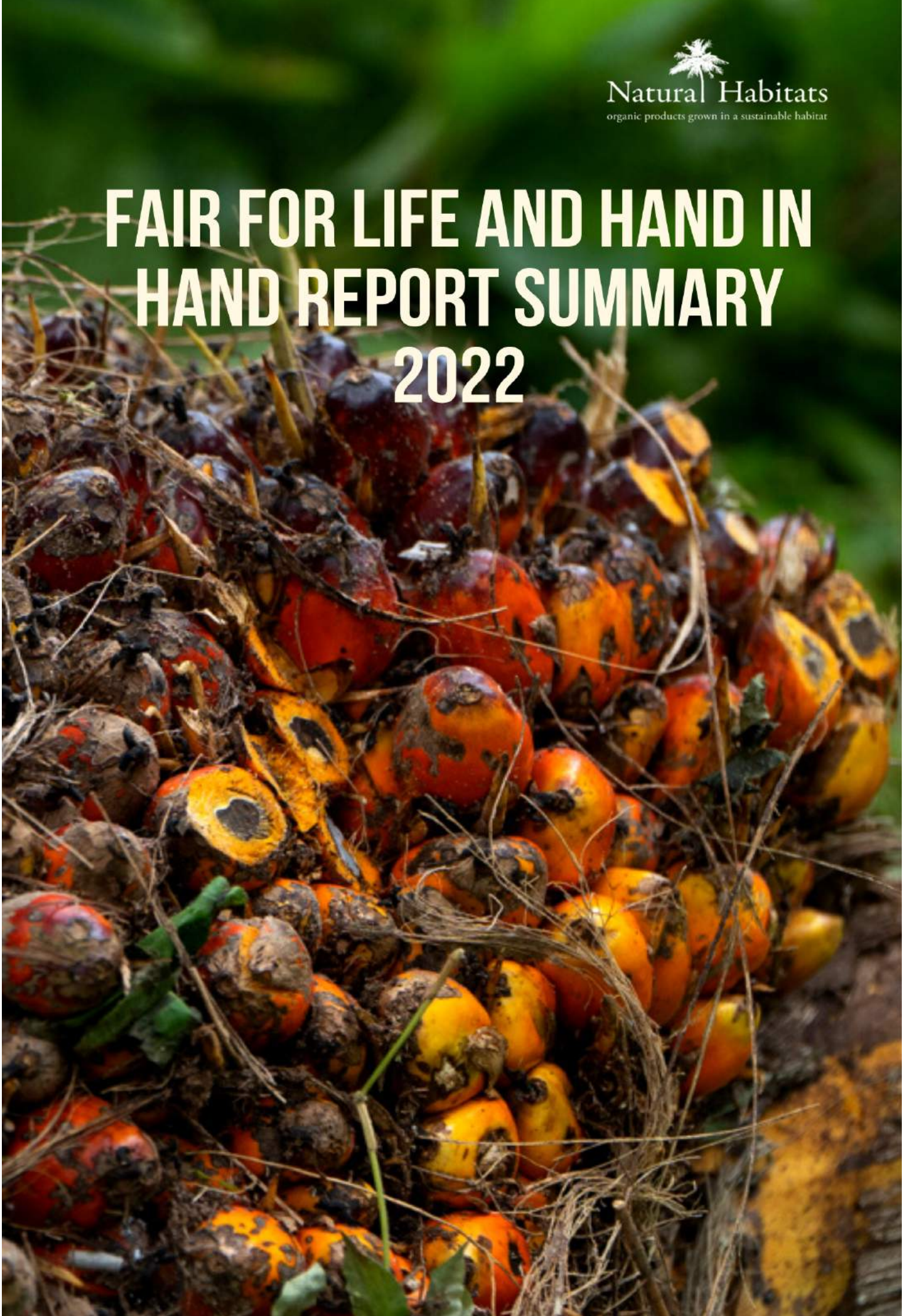


FAIR FOR LIFE AND HAND IN HAND REPORT SUMMARY 2022



CONTENT

INTRODUCTION **3**

AIM **ERROR! BOOKMARK NOT DEFINED.**

BENEFICIARIES **4**

SCOPE **4**

**RESPONSIBLE AND/OR INVOLVED IN DRIVING OF THE
USE OF THE BACKGROUND OF TRADE FAIR** **4**

4.1. RELATIONS MANAGER WITH PALM GROWERS AND SPECIAL PROJECTS **4**

4.2. COMPANY DIRECTORS **4**

4.3. MANAGER **4**

4.4. DEPARTMENT OF FINANCE **4**

REFERENCES **7**

INTRODUCTION

Extranatu is strongly committed to community development and social responsibility. The company is certified against the Fair for Life (FFL) and Hand-in-Hand (HiH) standards, which aim to improve market access and living conditions of smallholder producers and workers on agricultural farms, as well as company employees. To achieve this goal, both labeling initiatives provide several practical mechanisms. One of the instruments is the Development Premium intended to finance sustainable social community projects. FFL and HiH buyers are paying a Development Premium on top of their ingredient cost price. The Development Premium is managed separately in a dedicated Development Fund. The Development Premium can only be used for the investment in social, environmental and/or economic development projects.

This document shows the executed projects and programs for the year 2022. The sales of FFL HiH certified products to Natural Habitats customers began in 2013. The Development Fund was first used in 2016.

- In 2014, \$ 46,360.35 was added to the FFL development account.
- In 2015, the accumulated balance was \$142,781.50
- In 2016, the accumulated balance was \$232,282.52
- In 2017, the accumulated balance was \$322,632.28
- In 2018, the accumulated balance was \$417.498,58.
- In 2019, the accumulated balance was \$529,640.03.
- In 2020, the accumulated balance was \$676,705.61
- In 2021, the accumulated balance was \$330.520,55

The available value of the Development Fund of Fair For Life and Hand-in-Hand for the year 2023 is \$339,390.55, the result of the accumulated value, plus the value received from the Fair For Life premium of 2022.

	2016 Balance	2017 Balance	2018 Balance	2019 Balance	2020 Balance	2021 Balance	2022 Balance
Quinindé Area	\$ 139,722.75	\$ 118,818.88	\$ 192.300,90	\$ 243,933.45	\$ 145.909,02	\$28.095,75	28,078.44
Viche Area	\$ 55,889.10	\$ 12,908.20	\$ 10.608,61	\$ 11,861.35	\$ 9.251,87	\$9.291,29
Mompiche	\$ 58,429.511	\$ 15,984.37	\$ 25.163,11	\$ 28,587.39	\$ 39.825,22	\$60.378,59	63,405.77
Quevedo	\$ 3, 148.70	\$ 107.485,98	\$202.246,85	214,542.38
Extranatu Workers	\$ 28,226.82	\$ 2,481.56	\$ 15.984,37	\$ 11,935,62	\$ 16.844,98	\$30.508,07	32,533.04
Remaining funds	\$ 282.268.181	\$ 150,188.04	\$ 244,056.99	\$ 299,466,52	\$ 319.317,07	\$330.520,55	339,390.55

AIM

Publish the amounts collected from the sales of Fair For Life and Hand-in-Hand certified products in the United States and Europe.

BENEFICIARIES

Beneficiaries of the Development Fund are the producers, workers of the producers and neighboring communities where the farms and plantations of our producers are located, as well as different sites of operation of the collection center and extractor, in addition to the workers of Extractora Natural Ecuador S.A Extranatu (Extranatu).

SCOPE

This document details the values received for sales of FFL and HiH certified products, their origin and distribution to the different associations.

RESPONSIBLE AND/OR INVOLVED IN DRIVING OF THE USE OF THE DEVELOPMENT FUND

4.1. Relations Manager with Palm Growers and Special Projects

- In charge of compiling the information of the values that are deposited in the Development Fund account from the sales of certified products.
- Prepare the Annual General Report of the FFL and HiH funds received during the sales year.
- In charge of communicating and socializing with the company managers.
- In charge of communicating and socializing with the different associations of Extranatu.
- In charge of carrying out an annual internal audit to ensure the traceability of funds and prepare a report with the activities financed by the fund.

4.2. Company Directors

- Responsible for addressing and executing the strategies of Natural Habitats Americas and will ensure that the use of funds is handled transparently and under the guidelines of FFL and HiH.

4.3. Manager

- Responsible for monitoring that the resources are deposited and available in the Development Fund account of Extranatu SA, reviewing and approving the CSR-EC-PRO-027 Annual General Report of the Development Fund-Fair For Life and Hand-in-Hand, as received during the sales year.

4.4. Finance Department

- Verify that the amounts are deposited and available in the account of the Development Fund - Fair For Life and Hand-in-Hand of Extranatu SA.
- Manage the bank account in which the funds are deposited, derived of the sales of FFL and HiH certified products.
- Provide the details for the Annual Report of the Development Fund, received from January to December of the corresponding year.
- Manage the amount received for the Development Fund from the United States and Europe.

The amount received for the Development Fund - Fair For Life and Hand-in-Hand for palm oil and palm kernel oil products (stearin, olein, shortening) sold in the United States of America to Nutiva is \$ **9,359.65**.

Table 1. Development Fund Fair For Life accredited amounts received from Nutiva in The United States of America

Document	Customer	Date	Description of the article	Sales
62200303	Nourishing	01/14/2022	Fair for Life Fair Trade fund organic palm oil	313.42
62200303	Nourishing	01/14/2022	Fair for Life Fair Trade fund organic RBD palm oil	483.32
62200303	nourishing	01/14/2022	Fair for Life Fair Trade fund organic palm stearin	195.44
62200373	nourishing	03/18/2022	Fair for Life Fair Trade fund organic palm oil	313.42
62200373	Nourishing	03/18/2022	Fair for Life Fair Trade fund organic RBD palm oil	276.18
62200380	Nourishing	03/22/2022	Fair for Life Fair Trade fund organic palm shortening	367.10
62200381	Nourishing	03/24/2022	Fair for Life Fair Trade fund organic palm stearin	157.72
62200402	Nourishing	12/4/2022	Fair for Life Fair Trade fund organic red palm oil (slightly refined)	690.46
62200480	Nourishing	11/7/2022	Fair for Life Fair Trade fund organic palm oil	522.37
62200480	Nourishing	11/7/2022	Fair for Life Fair Trade fund organic RBD palm oil	966.64
62200480	Nourishing	11/7/2022	Fair for Life Fair Trade fund organic palm stearin	370.30
62200504	Nourishing	07/26/2022	Fair for Life Fair Trade fund organic palm shortening (it's a butter)	971.14
62200504	Nourishing	09/20/22	Nutiva, FFL-SHORTPO FREIGHT, EXT22112 PO#15863 Bas	138.24
62200561	Nourishing	09/19/22	Nutiva, O-SHORTPO-C6TUBS, EXT22113 PO#15864 Based	1,109.38
	Nourishing	11/10/2022	Nutiva, O-SHORTPO-C6TUBS, EXT22141 PO#15867 Based	1,103.60
62200621	Nourishing	9/11/2022	Nutiva, O-RPO-T913KG, EXT22144 PO#15891 Based On S	1,380.92
Total				9,359.65

The amount received for the Development Fund - Hand-in-Hand for palm oil and palm kernel oil products sold at Palma Organica Holland (POH) is \$11,063.10.

Table 2. Development Fund Hand-in-Hand of Europe for POH

Date	Origin	Detail	Total
2/18/2022	134202	FFL POH 2-2021	2,170.90
3/11/2022	135350	FFL POH 3-2022	512.20
3/25/2022	135352	FFL POH 3-2022	5,672.60
5/27/2022	138839	FFL POH 5-2022	309.92
7/15/2022	141535	FFL POH 7-2022	2,397.48
Total			11,063.10

The available amount in the Development Fund - Fair For Life and Hand-in-Hand for the year 2023 is \$339,390.55, which is the result of the accumulated value, plus the amounts received during the year 2022.

Table 3. Distribution of Development Fund - FFL and HiH by association in percentages (according to the tons of fruit delivered)

Asociaciones	Tons of fruit delivered per zone/year 2022	% Distribution
Mompiche	3,997,530	14.91
Quinindé	1,091,034	4.07
Quevedo	19,045,665	71.02
Workers	2,681,590	10.00
Total	26,815,819	100.00

The distribution percentages for each of the 4 Extranatu SA associations are assigned according to the total amount of fruit delivered by each producer belonging to each association; according to what is specified in the CSR-EC-PRO-001 Procedure for the Use of the Development Fund For Life and Hand-in-Hand.

Table 4. Amounts received in 2022 from the Development Fund - FFL and HiH in USA and Europe

Producer Associations	Received 2022
Quinindé	830.92
Viche	-
Mompiche	3,044.49
Quevedo	14,505.06
Extranatu SA	2,042.28
Total	20,422.75

Table 5. Detail of amounts received (\$) from the Development Fund FFL and HiH in USA and EU, from the year 2020 to 2022

Producer Associations	Balance 2020 + received 2021	Values available 2022	Values used in 2022	Values for bank commissions 2022	Balance of Available Values 2022	Received 2022
Quinindé	53,717.75	28,095.75	-	17.31	28,078.44	830.92
Viche	9,323.72	9,291.29	9,291.29	-	-	-
Mompiche	60,411.02	60,378.59	-	17.31	60,361.28	3,044.49
Quevedo	202,279.28	202,246.85	2,192.22	17.31	200,037.32	14,505.06
Extranatu SA	30,540.50	30,508.07	-	17.31	30,490.76	2,042.28
Total	456,272.27	330,520.55	1,483.51	69.24	318,967.80	20,422.75

1.1 AMOUNTS OF THE DEVELOPMENT FUND USED FOR THE DIFFERENT PROJECTS IN 2022

The amounts used in 2022 for social projects and bank commissions is \$ **11,552.75** . These values were used in:

- The legalization of the association of the producers of Quevedo
- Drilling of a water well in the Tachina-Cube-Viche community
- Financial Commissions for account maintenance

Table 6. Detail of amounts used in 2022 for projects financed by the Development Fund FFL and HiH

No.	Association that runs	Project Executed	TOTAL/\$	Beneficiaries	Communities
1	Quevedo Association	Legalization of the Quevedo association	2,192.22	31 producers	Producers Zone Quevedo
2	Viche association	deep well drilling	9,291.29	48 families	Tachina-Cube
3	Bank fees	International Bank + MasterCard	69.24	N/A	N/A
Total			11,552.75		

Table 7. Detail of amounts received by the Development Fund - FFL and HiH, from the year 2020 to 2022 , and the value available for 2023.

Producer Associations	Values available 2022	Values used in 2022	Values for bank commissions 2022	Balance of Available Values 2022	Received 2022	Values available 2023
Quinindé	28,095.75	-	17.31	28,078.44	830.92	28,909.36
viche	9,291.29	9,291.29	-	-	-	-
mompiche	60,378.59	-	17.31	60,361.28	3,044.49	63,405.77
Quevedo	202,246.85	2,192.22	17.31	200,037.32	14,505.06	214,542.38
Extranatu SA	30,508.07	-	17.31	30,490.76	2,042.28	32,533.04
Total	330,520.55	11,483.51	69.24	318,967.80	20,422.75	339,390.55

REFERENCES

- CSR-EC-PRO-001 Procedure for the Use of the Development Fund Fair For Life and Hand-in-Hand
- CSR-EC-F-019- Application of Projects of Background of Trade Fair