



**HYPERGRAIN S.A.**

**Our Company Memory**

*A decade of sustainable  
commitment*







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**Special Thanks to:**

The Collaborators of the different areas who provided us with information and to all of the people who provided their testimonies.

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# A MESSAGE FROM THE PRESIDENT

I am deeply honored to address all of you through these pages, which contain an excerpt of the journey of our company HYPERGRAIN S.A. through its first decade as a business, which is shared in this Company Report.

In this report, we share with you an excerpt of the main facts and events, together with the numbers and results which pave the way we follow to strengthen our Company's business and obtain achievements in the economic, environmental and social fields.

In HYPERGRAIN S.A., we are convinced that success is deeply linked to the welfare of the community and the environment that surrounds us. This is the reason why, as we face the challenges inherent to this business, we strive to keep ourselves coherent with these principles and also to become good neighbors.

As a business that produces and exports food products, we focus ourselves in promoting sustainable agricultural practices, to avoid risking the health of our consumers and of the soil we cultivate in. The fields we cultivate, as well as the food that we give to the world are both imbued with this vision, where innovation is a strategic partner in business.

Our Company Report is also an exercise in accountability towards society, which allows our business to thrive; towards our clients, who trust our commercial proposal; towards producers, who are part of the value chain that allows us to cross borders; and to our collaborators, without whom this Project would not exist.

The achievements of HYPERGRAIN S.A. are the sum of many intertwined factors with a sole goal: responsible and sustainable production. The harvest of this first decade had some great challenges of its own – not only the pandemic-. We learned and understood that the commitment of all parties requires a continuous renewal; of values that must be experimented in practice.

I hope that this introduction may motivate you to read through the content we prepared for you, and that it may be of use for the management of your own operation.

Thank you.

**Shoichi Takahashi**



## MISSION

To become the company chosen for its compliance with international quality standards, which contributes to the development of the National Industry and is supported by an excellent and proactive human capital.

## VISION

To be both the leader and the most important grain provider in Paraguay, standing out for the quality of our products and producing both responsibly and with a commitment towards society and the environment.



## OUR ENTREPRENEURIAL PROJECT

# The story we have harvested

We began our commercial operations under the company name "Santa Marta" on July 15th, 2014, in a property located in the city of Mariano Roque Alonso. Initially, 10 collaborators were placed in the agriculture, laboratory, production, administration, collection, processing, export and commercial areas: the latter under the responsibility of the founder himself.

The growth of our company also required increasing our physical space and the number of people in our workforce. This led us to set up a new industrial plant in the City of Eusebio Ayala (better known as "Barrero") in the Department of Cordillera, leading us to the next stage in our history.

The industrial plant in Barrero, which required an investment of 1.5 million USD, opened in 2016 in a 4-hectare property, with 20 collaborators as part of its workforce. Peanut and sesame are processed in this plant, with a processing capacity of 2,500 kg. and 2,000 kg. per hour for each crop respectively.

By mid-2017, there was one other important change. As a result of the evolution of the company, we changed its name to HYPERGRAIN (in Spanish, "very big grains"), since we considered that this name better represented and identified the characteristics of our production.



# The products we trade



From the beginning of our operations, our commercial focus was set on exports, although many of our products are also available in the local market.

In the last five years, the opening of new markets and the international certifications we have achieved have put us in the top places for commercial evolution, both for our products as well as for the processes we have introduced.

Grains we produce and trade

Peanuts	Chia	Sesame
		
Organic	Organic	Organic
Blanched Organic	Conventional	Conventional
Conventional		
Oils		
Flours		

## Standards Followed and Certifications Obtained

From our start of operations, we have adopted international standards for the different processes involved in planting, harvesting and storage, so that the products we offer can reach our customers in the most optimal quality condition. Thus, in 2016 we began certifying our processes, which are continually being recertified to this day, and we are also incorporating new certifications, the most recent being the FSSC 22000 Food Safety Standard, which we obtained in October 2023.



## Production of Peanuts



The peanut or *Arachis hipogaea* L., is a plant of the legume genus, known locally by its Guarani name, "manduvi". Due to its high nutritional value, it was regularly included as part of the producers' crops, although basically for self-consumption and a scarce amount for sale.

It was not until the year 2000, when the Paraguayan peanuts entered the foreign markets, that its planting and trading began to gain momentum.

Peanuts were the first product that we began collecting, processing and exporting (2014). We intervene in all stages of the cycle: from the handing of seeds to the producers, up to the delivery of the final product to the international customer.

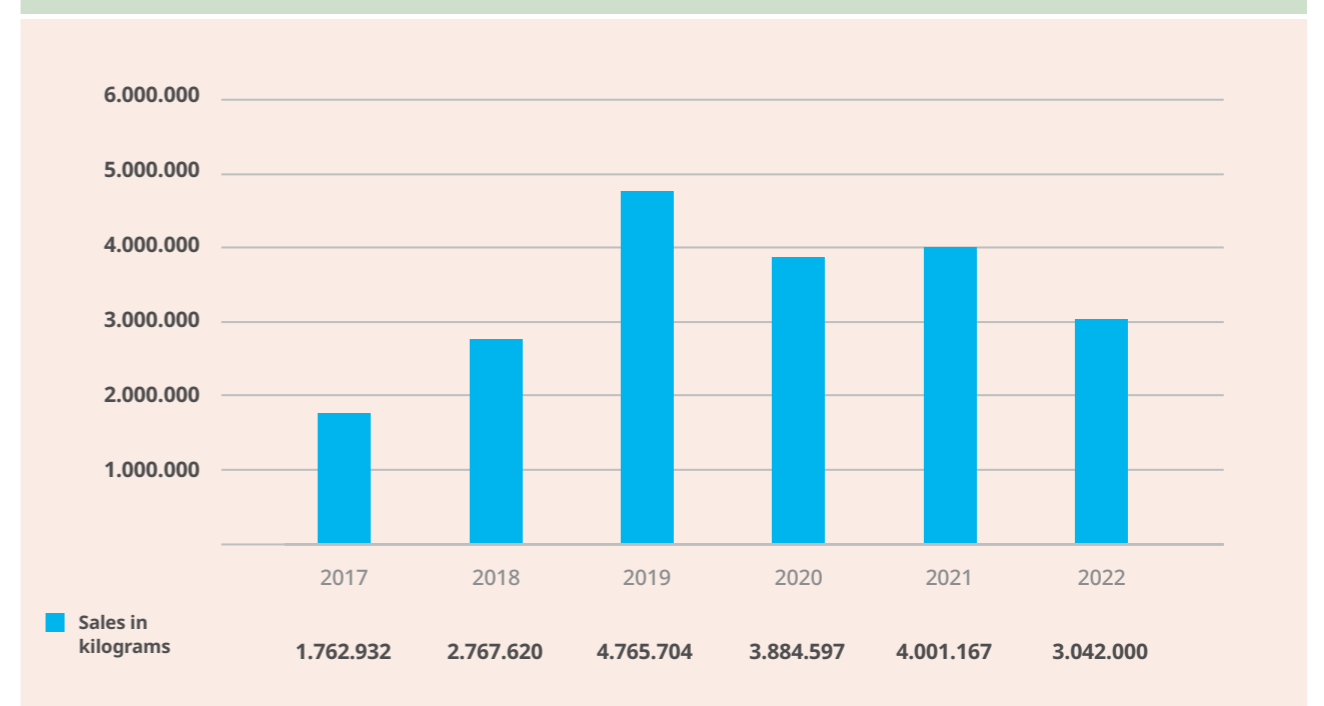
### Production Cycle

**August and September:**  
handing of seeds to producers

**October:**  
planting

**January and February:**  
beginning of the harvesting, shelling and selection by size, color and quality.

Peanut sales between 2017 - 2022



Our Company was the largest exporter of peanuts in Paraguay in the 2020-2021 cycle.



## Production of Chia



Chia, also known as chan or salvia hispanica, is an herbaceous plant of the Lamiaceae Family, which belongs to the mint family. It originates from Central and Southern Mexico, as well as El Salvador, Guatemala and Nicaragua and, together with flax, it is one of the plant species with the highest concentration of Omega 3 alpha-linolenic fatty acid.

The main producers of chia worldwide are Paraguay, Argentina and Bolivia. In recent years, Paraguay has become the world's largest supplier for this product, covering almost 60% of the global demand for this grain.

In HYPERGRAIN, from 2016 onwards, we have dedicated ourselves to the collection, processing and Export of chia. We have pioneered the organic production of this crop in Paraguay; this involved the prior and continuous training of producers, who receive their grains from our technicians, who in turn are in charge of monitoring the crop so that it is cultivated as naturally as possible, without the use of pesticides or other chemical substances.

At the time of harvesting, when the grains leave the field, our company hand bags to the producers to ensure that the seed does not lose quality due to contamination derived from other types of packaging.

In our plants, the grain is cleaned, classified and processed so that the customer receives the best Paraguayan chia.

### Production Cycle

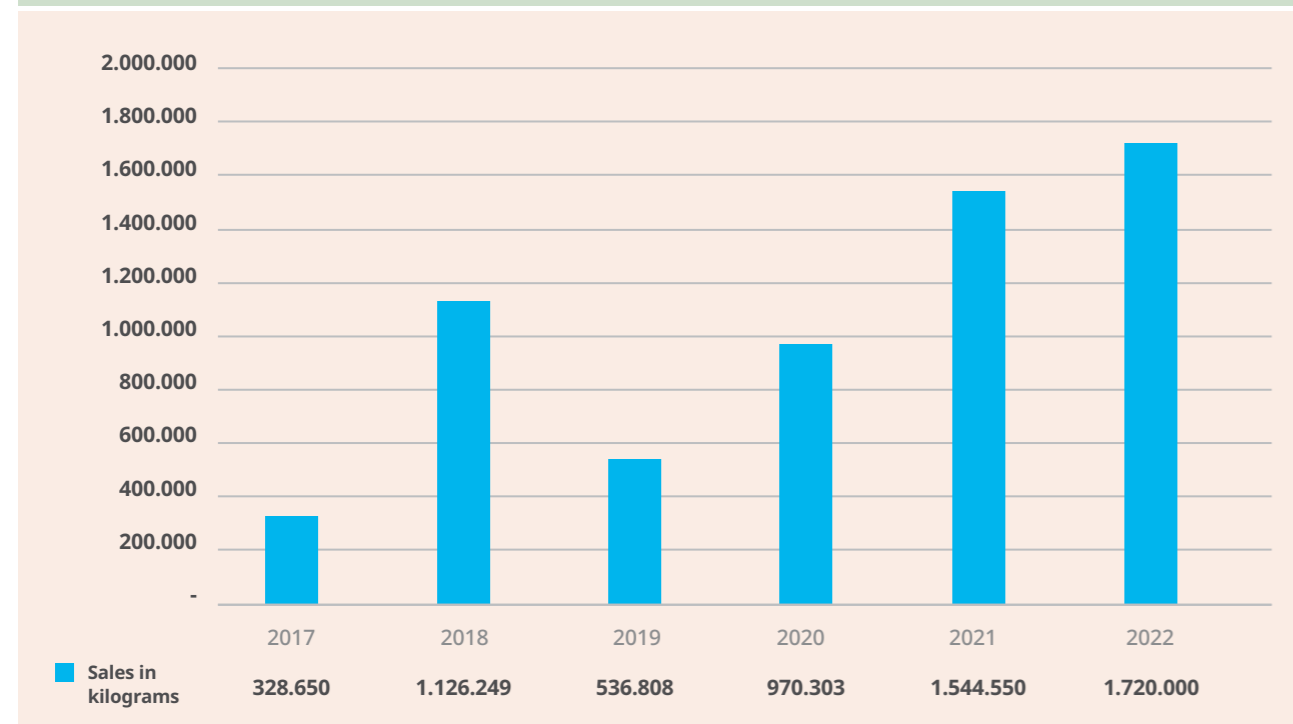
**January to March:** delivery of the seed to the producer and training update.

**March to April:** planting.

**July, August and September:** harvesting, which includes the hiring of temporary personnel, generating knowledge and skills.



Chia sales between 2017 - 2022



## Production of Sesame



The sesame or sesamum indicum is a plant of the genus Sesamum with edible seeds. It contains 85% of unsaturated fatty acids, as well as 21% of proteins rich in amino acids and minerals that provide "lecithin" (an organic substance that helps reduce LDL (bad) cholesterol levels and improve liver function). It has also been proven to improve memory and cognitive functions in the elderly.

In Paraguay, sesame crops are of great economic importance, in particular for small farmers. Seventy-five percent of the production of sesame is concentrated in the departments of San Pedro and Concepcion, followed by Boquerón and Itapúa.

Our production and Export of sesame are highly linked to our arrival to the Asian markets, where sesame is widely used, mainly in the local cuisines.

This grain has enabled us to establish close ties with many other companies, but at the same time it has also allowed us to provide our clients with the produce of the Asian descendants' colonies in Paraguay, thus achieving a synergy of work between Japan and its descendants in our country.



### Production Cycle

**September and October:** delivery of seed to the producer and training update.

**Octubre y noviembre:** planting.

**January, February and March:** harvesting, including the hiring of temporary personnel, generating knowledge and skills.





# MARKET PRESENCE

## LOCAL

Between the year of our incorporation and 2023, our company installed two industrial plants in the Department of Cordillera. One of them is located in Eusebio Ayala, with a storage capacity of 1,390 tons and the other is located in Caraguatay, where 1,900 tons of Chia can be stored.

Additionally, our company also has 6 external storage warehouses, with a total storage capacity of 6,000 tons of raw material or finished product, whichever is needed.



*We have invested around 6,000,000 USD in the assembly of the warehouses, including machinery.*



**Plant 2  
EUSEBIO AYALA**

It is located at KM 70 of Route PY02, and it started Operations in the year 2017. This unit is solely dedicated to the processing of peanuts and sesame. Initially, 15 people were hired to work in this plant. Nowadays, it possesses a workforce of 48 workers, mostly from the Department of Cordillera and its different cities.

## Industrial Plant 2 CARAGUATAY

It occupies 13 hectares of land, with 5 of them being set aside as a protected reserve. 4,5 million USD were invested in its construction.

2,000 kilos per hour of finished product, which can then be immediately prepared for Export.

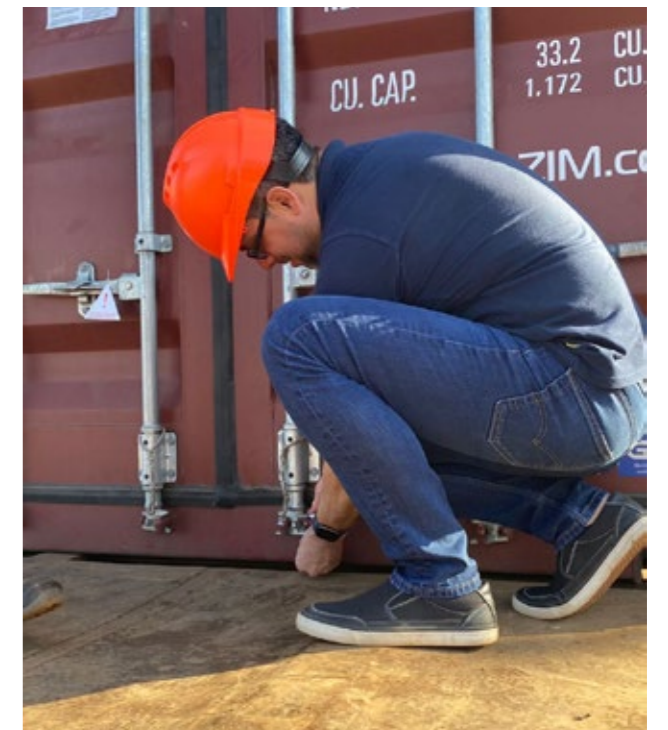
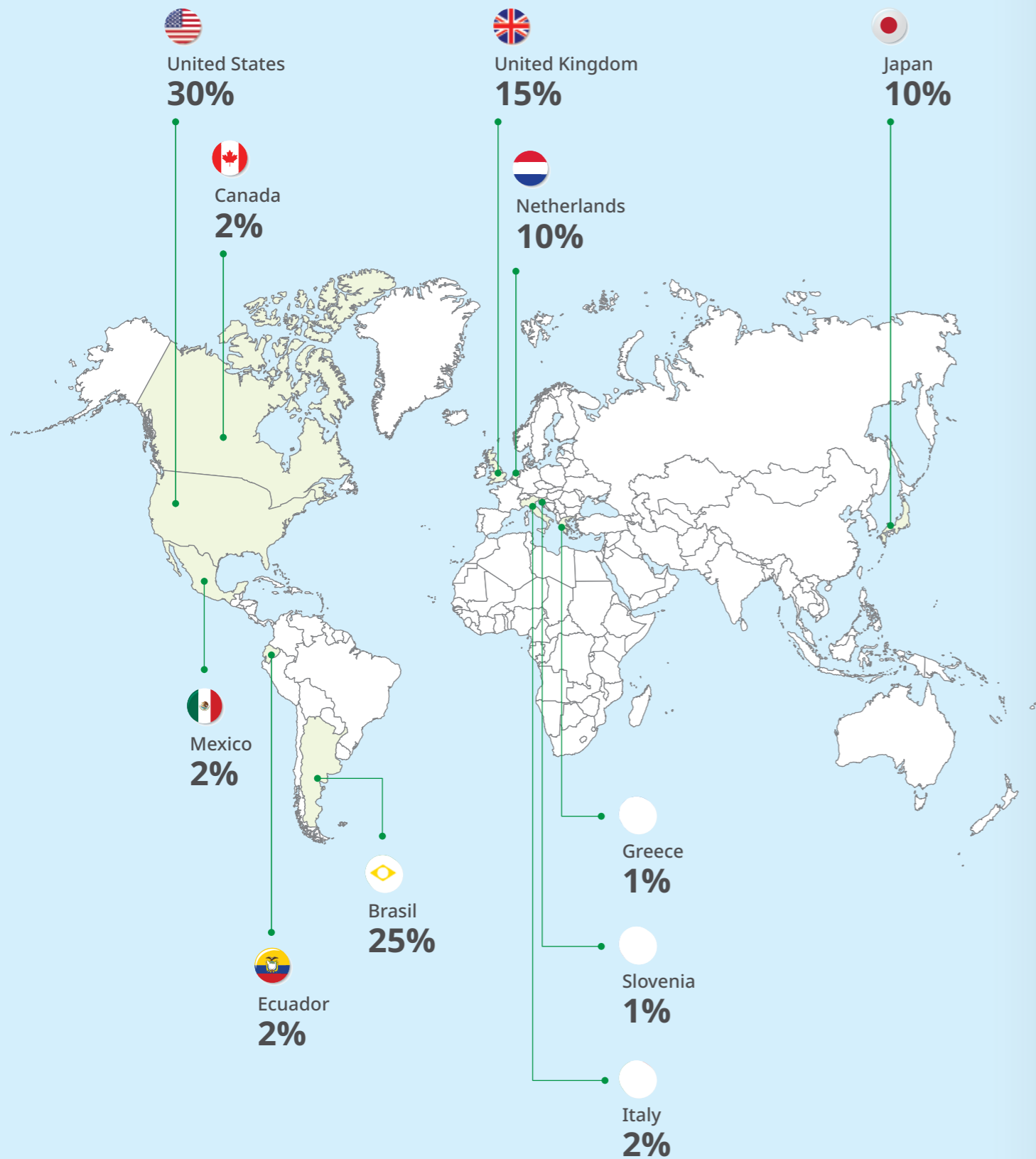
Its construction began in 2021 and its operations began in June 2023. Its processing capacity is

Chia is exclusively processed in this plant. It has a permanent workforce of 41 employees, 98% of them from the area.



## INTERNATIONAL

The sesame, peanut and chia our company produces are continuously present in the following countries, bearing the "Made in Paraguay" seal:



# Participation in Exhibitions and Trade Fairs

HYPERGRAIN and its production have been recognized in many places due to its participation in International Trade Fairs and Exhibitions since 2018.

Here is a summary of the main fairs we have participated in, alongside the results obtained:



## Fairs in which we participated in 2018

### - Natural Products Expo West, California and Maryland (USA).

In these events we made contact with potential Chia customers and held meetings with our main Organic Peanut customer in the United States.

### - Food Taipei, Taiwan.

We exhibited our Chia and Sesame products, making new contacts which led to the purchase of between 500 to 600 tons of these products. Our presence in this Trade Fair was financially supported by the Taiwanese Embassy.

### - SIAL, Paris, France.

In this event, besides exhibiting our products in a stand, we also carried out programmed visits to Germany, the Netherlands, England and Belgium, being able to hold meetings with six companies. These new connections, in turn, allowed us to reach exports of 1000 tons of Chia and 200 tons of Sesame in the span of 4 years. Our participation in this Fair was financially supported by REDIEX/BID, which reimbursed 50% of the expenses incurred.

## Fairs in which we participated in 2019

### - Biofach, Nuremberg, Germany

It is both the main world trade fair and the main reference fair for organic products and foods. As a result of our participation, we secured clients from Germany and the Netherlands, who to date have purchased 300 tons of Chia and 100 tons of organic peanuts from us.

### - Food Taipei, Taiwan.

Our participation in this Trade Fair was once again supported by the Taiwanese Embassy, and it led to sales of Chia exports to new markets in Vietnam, Thailand and Indonesia.

### - Food and Beverages Malaysia, Malaysia.

The framework of this trade fair allowed us to carry out many visits and meetings in this country as well as Singapore, being able to export 150 tons of Chia as a result. We also made contact with clients from Australia, a country to which we have already exported 100 tons of white and black Chia.

### - ANUGA, Cologne, Germany

We exhibited our products in our trade fair stand and received more than 130 visitors, also managing a presale of Chia and Peanuts estimated at USD 5,000,000. REDIEX/IDB supported us in this activity.

This year, we were once again present in the Natural Products Expo West event, held in California, USA.

## Fairs in which we participated in 2020

### - Biofach, Nuremberg, Germany.

In this edition of the trade fair, we held meetings with 14 companies, and we closed sales for 700 tons of Chia, 100 tons of Traditional Peanuts and 200 tons of Organic Peanuts. Despite the pandemic, the volume of exports and the number of contacts grew regularly and periodically.

## Fairs in which we participated in 2021

### - Natural Products Expo East, Pennsylvania, USA.

As a result of our participation in this fair, we secured a new customer for our Chia. We began by shipping 300 tons of Organic Chia and, to date, orders of more than 2,000 tons have been confirmed for clients in USA and Canada.

### - ANUGA, Colonia, Germany.

In this edition, our stand received more than 170 visitors, which resulted in the opening of new markets in Italy, England, Canada and Australia. Our participation was made possible thanks to the support of REDIEX/IDB.

By our more recent participation, we were able to hold commercial meetings with clients from Italy, The Netherlands, Germany, England, USA, Malaysia, Singapore and Australia. Our participation was supported by REDIEX/BID.

## Fairs in which we participated in 2022

### - IFT, Illinois, USA.

We mainly held meetings with customers of our Chia and Peanuts, in order to identify opportunities for added value for our products.

### - Natural Products Expo East

We participated in two trade shows in Pennsylvania and California, USA. By participating, we were able to secure new clients for traditional Chia in USA and Canada.

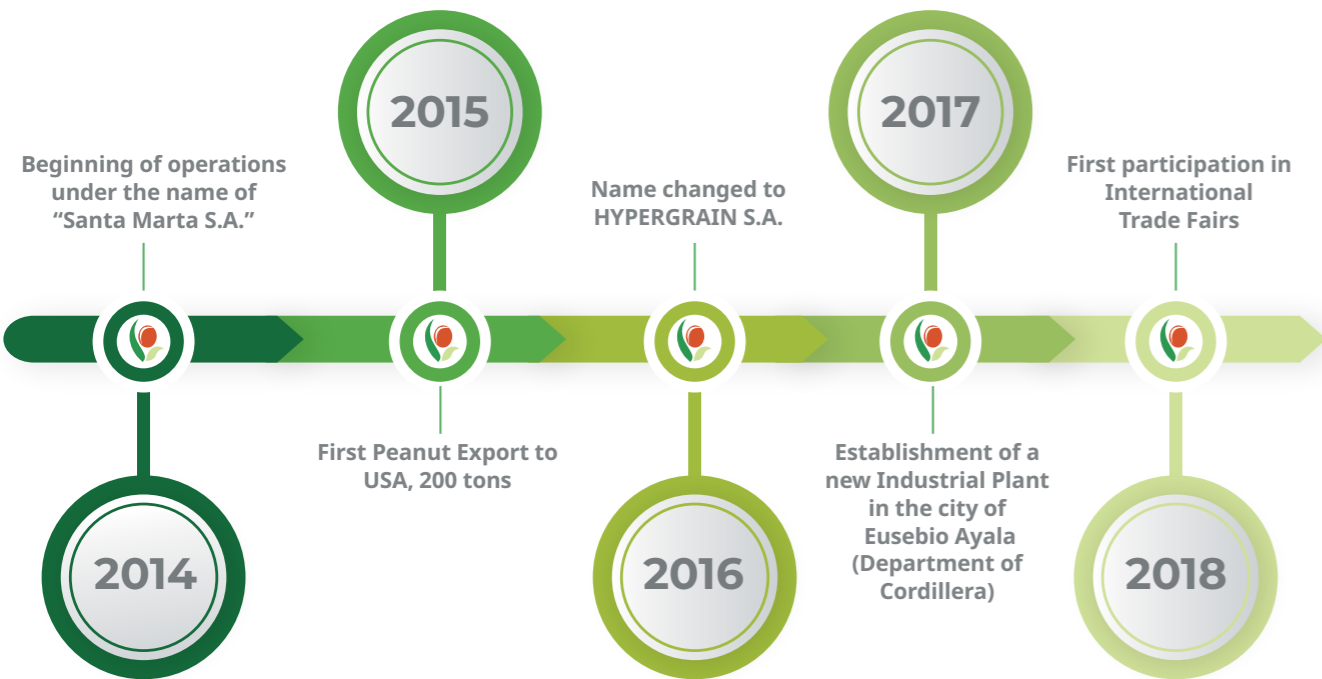
### - SIAL, Paris, France

### - Biofach, Nuremberg, Alemania.

As a result of our participation, we were able to hold meetings with 20 companies, for which we prepared proposals of 2,000 tons of organic Chia; 1,000 tons of organic Sesame and 600 tons of organic Peanuts.

As for the year 2023, we have also been participating in trade fairs in Germany, USA and Taiwan, managing to maintain and serve our customers as well as to comprehend and transmit new trends in food consumption and the international food market. Last but not least, we visited 4 new companies in the USA and secured sales for a total of 300 tons of our products, with a potential of 2,000 tons.

# MILESTONES





# **ORGANIZATIONAL PERFORMANCE**

# GOVERNANCE

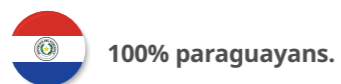
## Executive Staff

HYPERGRAIN is a Joint Stock Company incorporated in the Republic of Paraguay, with local capital, initially under the name of "Santa Marta". The name change was made in 2016, in General Assembly, alongside the amendment of the Bylaws, which remain to date.

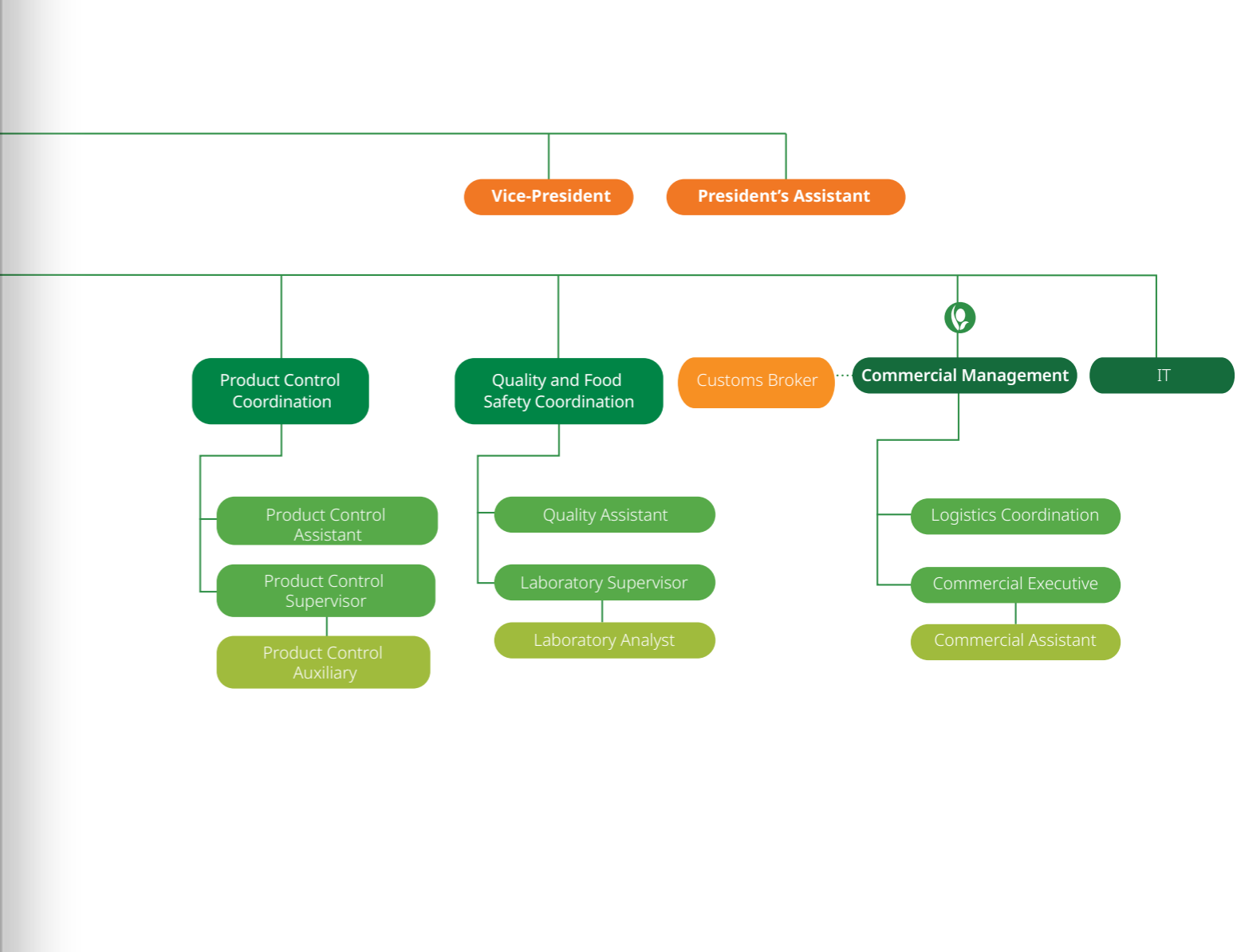
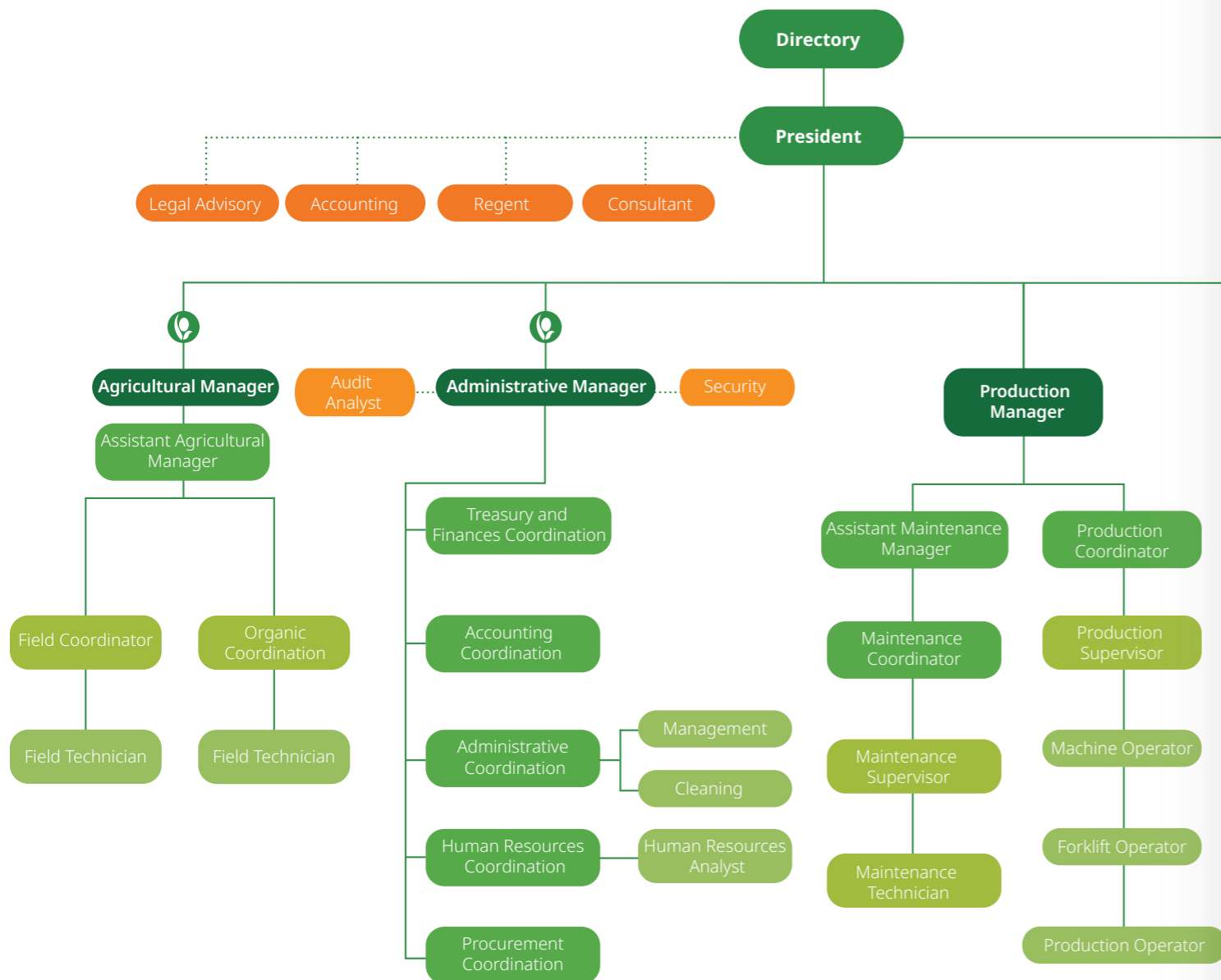
The Shareholders' Meeting, held annually, is the highest authority in the Company. However, the President also is in permanent communication with the shareholders.



Executive Staff	
President	Shyoichi Takahashi
Agricultural Manager	Bruno Paulinelli
Administrative Manager	Mirzza Vargas
Production Manager	Diego Rojas
Quality Manager	Evelyn Miranda
Assistant Agricultural Manager	David Echeverría
Assistant Maintenance Manager	Delio Fernández



# FUNCTIONAL ORGANIGRAM





# Ethical Commitment

Based on our Vision and Mission statements, we have established the 2019 Ethics Code (available on our website) which guides the actions and behavior of all company members, from the top management to the operational level. Both in their relationship among peers and the stakeholders with whom they interact.

For the Code to be known, we implemented numerous actions which include training, presentation on induction, publishing in Internal media, among others.

## Main Provisions:

-  **Ethical Business Practices**

To conduct our business in a fair and honest manner, fairly and honestly, without paying bribes, kickbacks nor offering anything of value to secure an improper advantage.
-  **Compliance**

To maintain accounting books and records in accordance with all applicable laws, regulatory and tax system requirements and accepted accounting practices.
-  **Abuse, harassment and disciplinary measures**

To encourage the hiring of diverse personnel and provide a workplace free from discrimination, harassment or any other form of abuse. To not practice physical, mental verbal, sexual or any other type of mistreatment, inhuman or degrading treatment, corporal punishment nor any other form of harassment.
-  **Fair and equal treatment / Regarding discrimination**

To treat employees in a fair and honest matter, including aspects related to salaries, working hours as well as labor benefits. To keep a discrimination-free work environment. To fairly compensate all employees by providing wages and benefits in accordance with applicable laws.
-  **Child Labor**

To ensure that child labor is not used in any of the operations.



### Voluntary Employment / Forced Labor

To respect human rights and prohibit any type of forced or compulsory labor.

### Immigrant Labor:

To accept individual legal, social and cultural situations that immigrant workers face, and to ensure said workers are treated with dignity, respect and in accordance with the same standards applicable to all other workers.

### Health and Safety:




To adequately train employees in occupational safety practices according to the local regulations, including emergency evacuation procedures. To provide training, PPE and other systems designed to help prevent accidents and injuries.

### Environment:

To conduct operations with consideration for the environment and to comply with all applicable environmental laws and regulations.

## Application mechanisms:

The following channels are available to receive complaints or cases of non-compliance with the provisions of the Code:

-  **E-mail:**  
[etica@hypergrain.com](mailto:etica@hypergrain.com)
-  **E-mail or direct contact with Internal Audit:**  
[aldo.llanes@hypergrain.com](mailto:aldo.llanes@hypergrain.com)
-  **WhatsApp number:**  
**0994 281 248**

Once the complaint is received, a thorough investigation of the incident will be carried out to submit all gathered information to the General Management so a decision can be made

regarding the measures that will be taken, to later provide a response to the affected party, ensuring at all times the preservation of their anonymity.

# The team that accompanies us

Our staff is composed of 93 workers, averaging from 20 to 35 years of age. 20% of the total staff are women, and 40% are university graduates with specialized training. All of our staff is permanently contracted.



## Contributor Profile

TOTAL: 93	
WOMEN	MEN
18	75
In leadership positions (total number of positions: 27)	
9	18
By age range	
Up to 29 years old	
12	41
From 30 to 49 years old	
6	34

95% are from the community where they provide services.

## Distribution by Location and Sex

HEADQUARTERS	MEN	WOMEN	TOTAL
Asunción	3	2	5
Eusebio Ayala	34	14	48
Caraguatay	38	2	41

% 100 permanently contracted

## Occupational Health and Safety

### Safety Training

All of the international requirements, audits and seals of quality lead us to develop our safety training programs on five fronts:

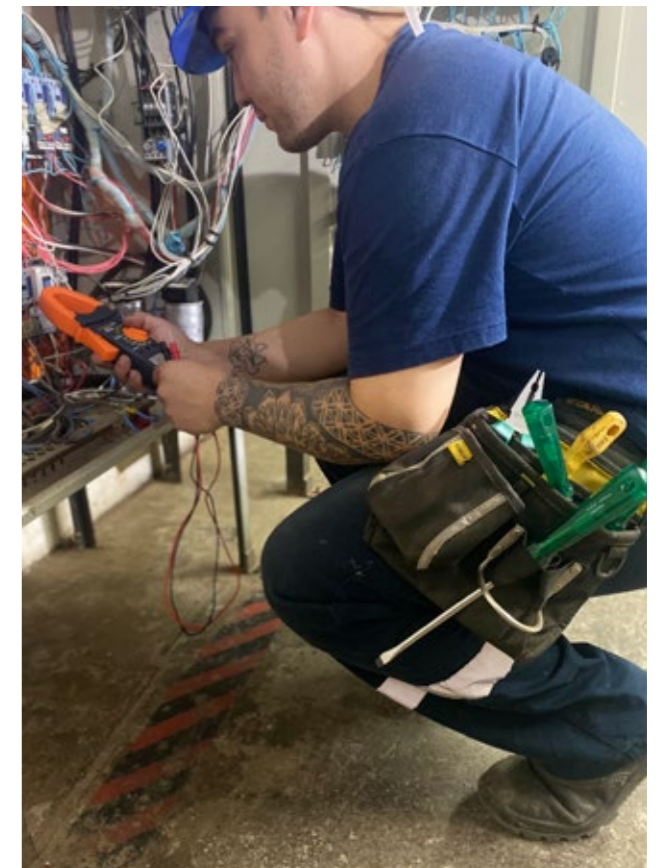


#### TRAINING FRONTS IN SAFETY

Physical Safety of the Employee	Food Safety	Safety of Computer Files	Safety of Company Assets	Safety of the Know-how
---------------------------------	-------------	--------------------------	--------------------------	------------------------

Each front has specific protocols which are in charge of a designated collaborator. Likewise, there are also specific rules for machinery and products. This makes it easier for the person to safely fulfill their obligations, while at the same time the product is also preserved and taken care of, ensuring the compliance of all food safety norms.

There are also administrative company protocols to ensure the safety of the computer files, assets and know-how.



### Provision of PPE and uniforms Evacuation Drills

In order to increase the guarantees for safe operation for our collaborators, we invested in personal protective equipment (PPE) especially for the people who work in the maintenance area; each one receives harnesses, girdles, goggles, helmets, arm and leg protectors, as well as masks and ear protectors.

Machine and line operators are provided with a set of uniform that includes boots, light twill pants, t-shirts, sweaters, helmets, girdles, ear protectors and cloth gloves.

This equipment is delivered twice a year, free of charge to the employee.

### Internal Commission for Accident Prevention (CIPA)

Although we do not have more than 100 permanent employees, we decided to form a CIPA to work on the prevention of occupational accidents and diseases. It is made up of representatives from different areas, who take on the challenge to make work compatible with the performance of functions and health.

On a bi-annual basis, the Quality and Safety area carries on evacuation drills and specific training regarding the exit routes and meeting points indicated for such cases.



### Lactarium

Due to the continuous increase in hiring of women and the opening of the new industrial plant, we have set up a breastfeeding room, which is installed in a space isolated from the noise in the plant, so that it can favor the breastfeeding or milk extraction process.

The room has a private bathroom and a changing table for the baby, together with the necessary equipment to refrigerate the milk as well as a couch for the mother to be comfortable.



## Education and Training

Our training program includes topics of occupational content, for the performance of functions, as well as general training that contributes to the improvement of the quality of life of our collaborators and their families. In fact,

training activities carried on before COVID were essential in keeping a low rate of infections, since our collaborators and their families had already integrated into their daily lives the habits of personal hygiene and the GMP.

OCCUPATIONAL TOPICS	GENERAL TOPICS
<ul style="list-style-type: none"> <li>-Quality Policy</li> <li>-Food Defense</li> <li>-Good Hygiene Practices (HACCP).</li> <li>- 5S</li> <li>-Production procedures and records</li> <li>-Evacuation, crisis and emergency plan</li> <li>-Supplier management</li> <li>- FSSC 22000 Certification.</li> <li>-Preventive and routine maintenance of machines</li> <li>-Health and Safety Management (ISO 45001).</li> <li>-Excel</li> <li>-Cross-contamination techniques</li> </ul>	<ul style="list-style-type: none"> <li>-Financial education</li> <li>-Sexual and reproductive health</li> <li>-Breast and prostate cancer</li> <li>-Mental health</li> <li>-First aid</li> <li>-Personal hygiene</li> <li>-Cross-contamination techniques</li> </ul>

Average hours per employee: 19  
Investment: USD 32,000



## Career Plan

In full awareness of the reality of the industrial sector and the context in which its operations are carried out – in cities outside of the metropolitan area-, in HYPERGRAIN we contribute to the promotion of our employees, to generate internal mobility by functions and thus promote our employees' Career Plan in the company.

In order to put this into practice, we reference the organigram and we look at the different positions and profiles required for each, to facilitate making "win-win" decisions; in turn, the collaborators acquire the opportunities and improve their income; and the company achieves their loyalty, commitment and permanence. Below are two testimonials from employees.



David Echeverría Medina

"HYPERGRAIN is a company where ideas, discipline and innovation are given proper value. They have supported my training in and outside the country, which commits me to earnestly return this investment in me with dedication to the company.

From the year of my entry as Laboratory Assistant (2016) onwards, I have been promoted twice to new positions; as Head of the Organic Area, and from 2022 onwards, as an Assistant Manager for the same area.

I am very proud to be part of the company workforce, since the presence of the company in the community is an opportunity for concrete development."

Born in La Paz (Department of Itapúa). David graduated from the Faculty of Agricultural Sciences of the National University of Asuncion/UNA. He settled in the city of Caacupé with his family.



Evelyn Miranda Gómez.

"In less than five years, the company gave me the opportunity to evolve throughout the internal career. I began working as the Laboratory Coordinator, then I moved to the Quality area in 2019. By the beginning of 2020 I was proposed to lead said area, and I accepted the challenge.

The company's decision to put women in positions of responsibility demonstrates in practice the commitment that exists towards equality.

HYPERGRAIN gives me the opportunity to grow and improve in my work daily, without leaving my family".

Born in Eusebio Ayala (Department of Cordillera). Evelyn finished her university studies at the UNA, obtaining the degree of Agronomist Engineer

## Benefits in addition to the law

As part of our commitment towards our collaborators and seeking to strengthen their sense of belonging to the company, we provide additional benefits to those set by law. Some of them are:

### • Handing of uniforms

Every year we hand uniforms to our collaborators in all areas; footwear is also included for the production area.

### • Diaper bonus

This initiative consists in the handing of diapers and supplies, such as soap, towels and creams, for six months, to collaborators who have become parents.

### • Fuel vouchers

Fuel vouchers are provided to employees who must travel to the industrial plant and other production areas, depending on the range and place of travel. This contributes to our collaborators' daily economy.

### • Days off for New Year's holidays

We are aware that the end-of-year holidays are a time to be spent meeting and sharing with family, thus, in those days work is halted in both plants and collective vacations are granted from December 23 to January 3 or 4, of the following year, to encourage joy and sharing with family.





# Our Value Chain

In our production process, our more than 1,000 producers are also our strategic allies. In addition, 350 people also contribute by providing inputs for production, construction, raw materials and support for imports. The largest percentage of procurements is made locally.

**Department-level purchases: 30%**

**National purchases: 60%**

**International purchases: 10%**

**Purchases of over USD 25,000,000  
between 2020 and 2023**



## Producers as Allies

Department	Zone	Production		Producers	
		C	O.	Total	Type
San Pedro	San Vicente Pancholo	x		115	Small Producers
	Maracana	x		82	
Amambay	Pedro Juan Caballero		x	4	
Concepción	Yby jau			35	
	Horqueta	x	x	42	
Canindeyu	Britz Kue		x	67	
	Curuguay		x	15	
	Villa Ygatimi		x	10	
Cordillera	Caragatay	x		70	
	Eusebio Ayala	x		40	
Caaguazú	Juan Manuel Frutos	x	x	7	Extensive Producers
Alto Paraná	Mallorquín	x	x	3	
	Yguazú	x	x	8	
Itapúa	San Pedro del Paraná		x	30	Small Producers
	San Ramón		x	45	
	Alto Verá		x	45	
	Edelira		x	20	
	Ma. Auxiliadora		x	25	
	Yataity		x	35	
	Pirapó		x	6	
La Paz		x	5		
Boquerón	Macharety		x	45	Indigenous Communities
	Koë pyahu		x	32	
	La Princesa		x	35	
	La Armonía		x	25	
	Yalve Sanga		x	25	
	Campo Largo		x	22	
	Paz del Chaco		x	30	
	Pozo Amarillo	x		30	
	Casuarina	x		35	
	La Esperanza	x		40	
	Campo Alegre		x	38	
Comunidad La Ribera	x		15	Extensive Producers	
<b>TOTAL</b>				<b>1081</b>	

C=Conventional; O= Organic

The whole family (sons, siblings and relatives) is involved in the production process of sesame, as well as that of chia and peanuts. They participate in the planting and in the commercial activities involving transportation, cleaning, machinery movement and rentals.

Through the National Housing Census of 2023 (conducted by the DGEEC), it is estimated that around 720 families are directly involved in these activities.

### FEATURED CASE

Chia cultivation was initiated in 2015, with 4 producers on 20 hectares.

Currently, there are 211 producers with more than 600 hectares cultivated. This shows the evolution of the crop and its contribution to the local and family economy of the producers.



### Relationship Mechanisms

Producers are first visited by members of our Agricultural Department and are selected after the contact. Once producers are selected, meetings are held to plan the planting and harvest.

Subsequently, we deliver the seed and inputs necessary for cultivation to the producer. We bring them support and training free of charge, and we take care of following up on the production.

### Formalization Mechanisms

In addition to training producers in cultivation, we also promote their formalization. This is a requirement for our company to be able to purchase their production, and it has been achieved in the last few years.

The producer, within this context, is very close to the company's management. Every day our company receives calls from different parts of the country asking for guidance on the issuance of invoices and receipts.

Between 2019-2022, we managed to formalize more than 300 producers who then incorporated into cooperatives and associations, which have since become trustworthy and prestigious legal entities and producers themselves.

### Payment System

The payment system includes the delivery of the product from the field, followed by a laboratorial analysis for the determination of quality and type (organic or conventional) in order to clear the remitted load. The payment is made after this process.

In these years, our trajectory and fulfillment with the producers have allowed us to establish bonds of trust with them who, in turn, allow us credits of between fifteen and sixty days for the payment of the remitted loads.

### Organic Production

We have more than 600 registered organic producers, which translates into products with export quality. They produce 60% of the organic production we trade, which in turn is the result of the producers' efforts, as well as constituting evidence that the "specialty grain" is gaining ground.

Paraguay is one of the world's largest Chia suppliers, providing 60% of the global demand.

# The clients that propel us

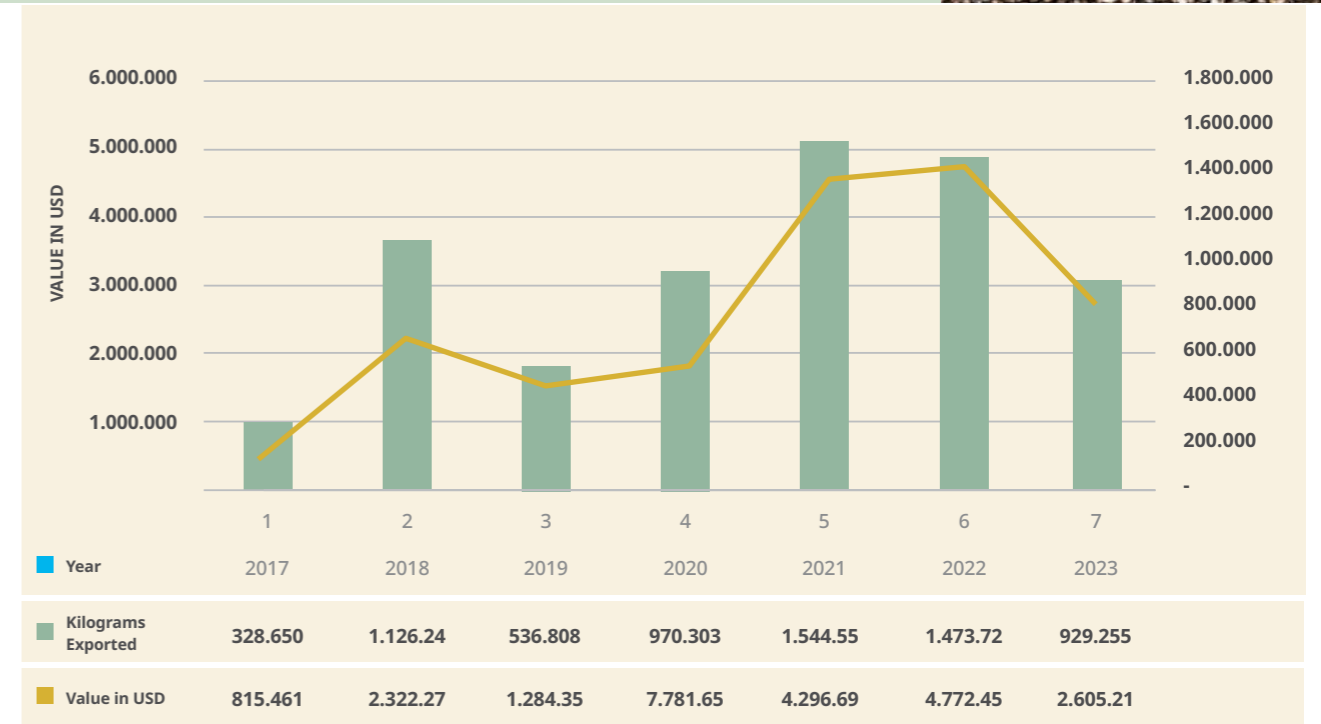
## Customer portfolio

Our commercial operation began with four clients, reaching 25 clients by the first half of 2023, 95% of which are foreign clients.

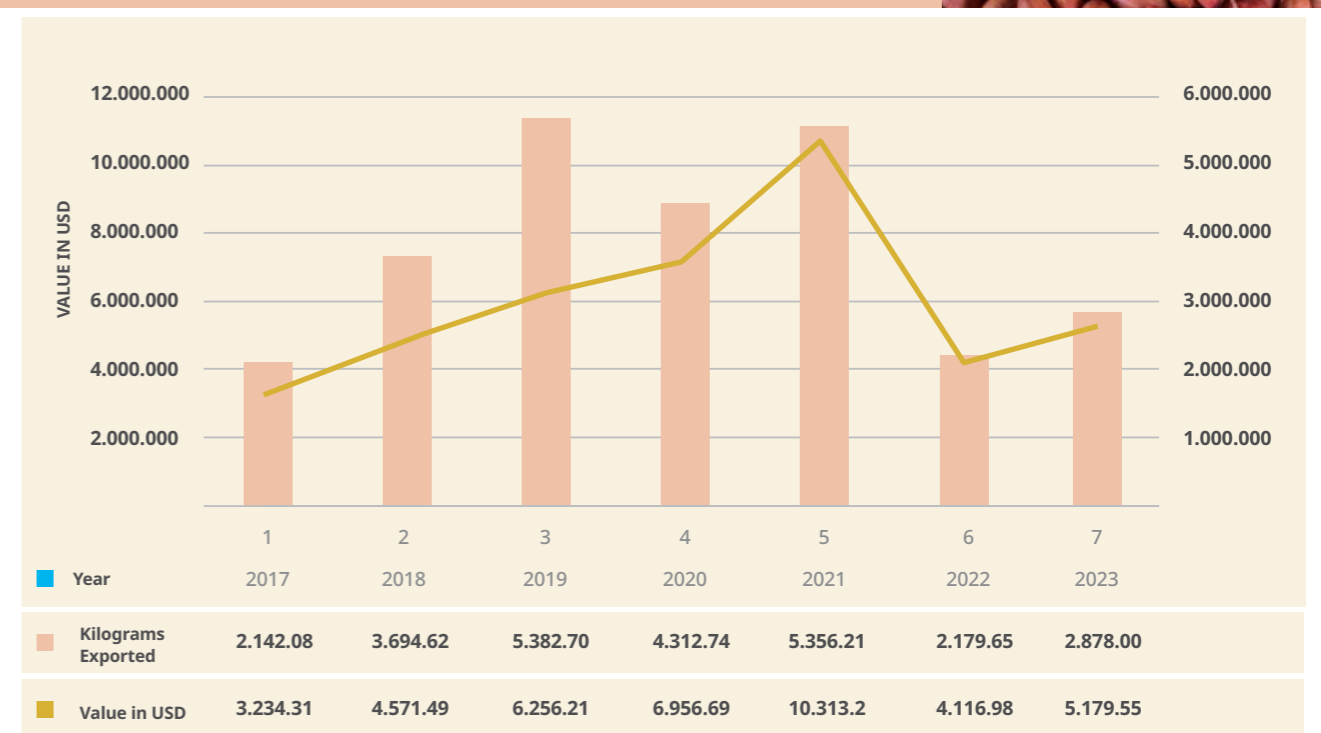
Year	GRAIN TYPE		
	Chia	Peanut	Sesame
2015	3	2	1
2017	5	3	2
2019	5	2	2
2021	10	4	3
2023	15	6	4

Portfolio growth is presented on a biannual basis.

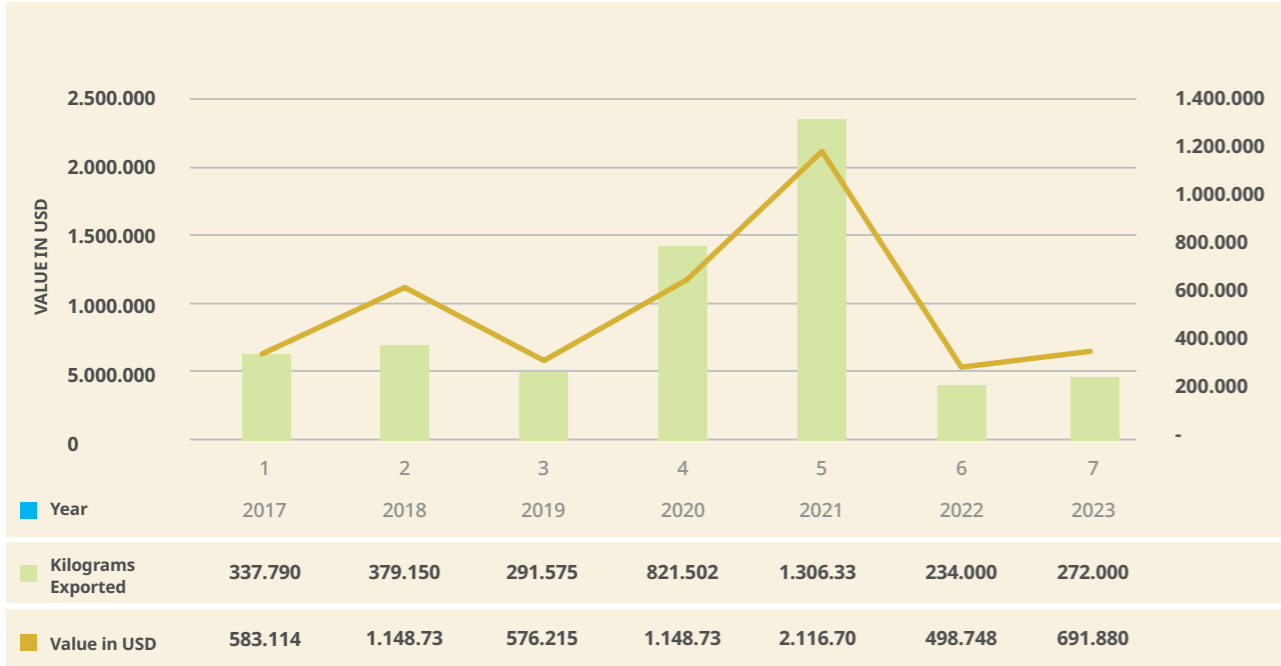
## Total Sales of Chia per year



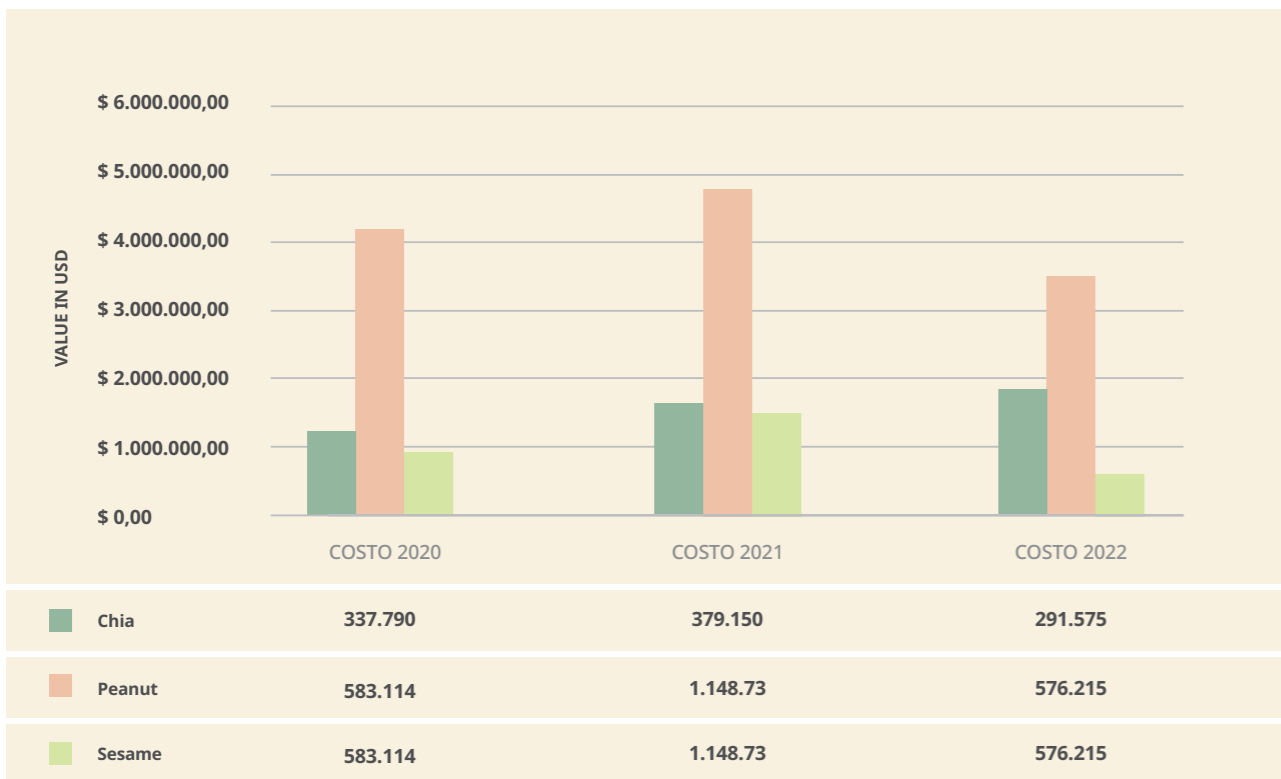
## Total Sales of Peanut per year



Total Sales of Sesame per year



Execution in Purchase of Raw Materials



Attention given to customers

The commercial team is headed by the commercial manager and the current president. The contact with our customers is bidirectional, in a business-to-business format, focused on providing solutions to the product needs that arise.

The orders are received at the trade fairs, then visits are scheduled, and the customer is guided by the commercial team through the plants' facilities. The customer can also request, in the same way, a tour of the logistics chain to verify the treatment given to the cargoes.

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# **SUSTAINABILITY IN BUSINESS**

# THE SDGs in our projects



We consider ourselves a socially responsible company and as such, a promoter of the Sustainable Development and its Goals (SDGs) facing 2030. On those lines, based on our Vision and Mission statements, we have identified the SDGs that are related to the company's business and its operation, highlighting the mission or core, as well as the complementary and cross-cutting goals.

## Our Company's Mission SDG

2 ZERO HUNGER



As a company that aims to "be the company of choice for its compliance with International Quality Standards, contributing to the development of the National Industry and supported by an excellent and proactive human capital", we recognize in the SDG No. 2 and its Goals 3, 4, b and c, the main challenges for a Sustainable Development according to our business scope.

Meta 2.3	Meta 2.4	Meta 2.b	Meta 2.c
Double the agricultural productivity and income of small-scale food producers, particularly women, indigenous peoples and family farmers.	Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.	Correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round	Adopt measures to ensure the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility.

## Complementary and cross-cutting SDGs



COMPLEMENTARY

3 Good health and well-being	4 Quality Education	5 Gender Equality
<p>3.4 ... promote mental health and well-being.</p> <p>3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol.</p> <p>3.6 ... halve the number of global deaths and injuries from road traffic accidents...</p>	<p>4.3 ... ensure equal access for all women and men to affordable quality technical, vocational and tertiary education, including university.</p> <p>4.4 ... substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.</p>	<p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.</p> <p>5.b Enhance the use of enabling technologies, in particular ICT, to promote women's empowerment.</p>

7 Affordable and clean energy	8 Decent work and economic growth	9 Industry, innovation and infrastructure
<p>7.2 ... increase substantially the share of renewable energy in the global energy mix.</p>	<p>8.2 ... achieve higher levels of productivity of economies through diversification, technological upgrading and innovation, including through a focus on high value added and labor-intensive sectors..</p> <p>8.5 ... achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p> <p>8.8 ... protect labor rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment.</p>	<p>9.2 Promote inclusive and sustainable industrialization and raise significantly industry's share of employment and GDP in line with national circumstances and double its share in LDCs.</p> <p>9.4 ... 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, all countries taking action in accordance with their respective capabilities.</p>



COMPLEMENTARY

12 Responsible consumption and production	13 Climate Action	15 Life on Land
<p><b>12.2</b> ... achieve the sustainable management and efficient use of natural resources.</p> <p><b>12.3</b> ... halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.</p> <p><b>12.4</b> ... 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.</p> <p><b>12.5</b> ... substantially reduce waste generation through prevention, reduction, recycling, and reuse.</p>	<p><b>13.2</b> Integrate climate change measures into national policies, strategies, and planning...</p>	<p><b>15.1</b> ... ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements...</p> <p><b>15.2</b> ... promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally...</p> <p><b>15.3</b> ... combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.</p>

CROSS-CUTTING



16 Peace, justice and strong institutions	17 Partnerships for the goals
<p><b>16.5</b> Substantially reduce corruption and bribery in all its forms</p> <p><b>16.6</b> Develop effective, accountable and transparent institutions at all levels.</p> <p><b>16.7</b> Ensure responsive, inclusive, participatory and representative decision-making at all levels.</p>	<p><b>17.16</b> Enhance the global partnership for sustainable development complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technologies and financial resources to support the achievement of sustainable development goals in all countries, particularly developing countries.</p> <p><b>17.17</b> Encourage and promote effective public, public- private, and civil society partnerships, building on the experience and resourcing strategies of partnerships.</p>

# Social Participation

## Memberships:



## Green Alliances

In our internal management we apply a "zero waste" program, based on our Code of Ethics, with the intention of protecting the environment with good practices. These are the initiatives being undertaken.:

### Polypropylene recycling

We take care of recovering the bags that contain the packages with our products. These are handed to the supplier Envases Paraguayos S.A. (ENVAPAR), from whom we originally acquired the bags and with whom we have established a cooperation agreement.

Once the material is withdrawn, the supplier recycles it and gives it a new use, avoiding discarding it and also reducing the polypropylene waste that could arise during the process.

### Cardboard recycling

We work in the recycling of paper and cardboard of offices and any other similar waste that could arise from the process, especially with those

customers who request the delivery of their products in paper bags.

To close the cycle, we hand the collected material to the company Cartones Yaguarete, with whom we have also established a cooperation agreement.

### Reciclado de material de uniformes y botas usadas

Taking into account that each year we deliver new sets of boots and uniforms to our entire staff, we retire the ones used in the previous year and hand them to a local factory in the Cordillera department, which turn them into industrial rags. In turn, the boots are handed to companies in the plastics and rubber industries.

# CHALLENGES FOR 2030

## Economic

- 📍 To maintain a sustained economic growth of no less than 15%.
- 📍 To grant benefits and compensations additional to those provided by the law, as a mechanism for attracting and retaining collaborators and producers.

## Social

- 📍 To continuously improve the skills and knowledge of the work team.
- 📍 To strengthen the initiatives undertaken with the different stakeholders, especially the producers.

## Environmental

- 📍 To identify and adopt environmental practices that, in line with the business, contribute significantly to the related SDGs.
- 📍 To implement mechanisms to survey and monitor the environmental footprint (GHG), applying at least one compensation measure.

## Organizational

- 📍 To publish our 1st Sustainability Memory, based on GRI indicators.
- 📍 To participate in one of the leading organizations in CSR and Sustainability.
- 📍 To obtain the “Marca País” (country brand), based on the ISO 22000 Certification.





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