

AF INVESTMENT MANAGEMENT

IMPACT REPORT 2022



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MESSAGE FROM MANAGEMENT



**FRANCISCO
BONINO**

Founder and CEO

We are pleased to release our first Impact Report. It allows us to put down on paper much of what we have been doing these days and to reflect an approach of doing business that goes beyond financial results. Our approach involves an integrated vision of business, where the impacts on communities, workers, investors and the environment are assessed.

In this report, we present many positive elements, which AF and its funds are generating in the environment and communities, but also issues we will need to improve gradually.

We hope you find this report useful and that by sharing your opinion you will help us to improve it. This is only the beginning of this form of communication between AF and the stakeholders. We'd like to extend a huge thank to the entire AF team that has been working day after day for more than 22 years to keep this company moving forward.

ABOUT THIS REPORT

This report addresses AF's asset and property management activities in Uruguay and Chile, as well as the impact made by the funds we manage in Uruguay. Transparency of process and reporting are key components of both internal and external stakeholder confidence in AF's impact investments.

As a signatory of the PRI, we are committed to the adoption and implementation of the PRI's six principles, including that we provide transparency on our activities and progress toward implementing the principles.

Documenting past performance and reporting impact results helps to ensure that ESG (environmental, social and governance) factors are regularly implemented by our staff and third-parties, such as operators, contractors, subcontractors, suppliers, lessees, and service providers.

This report focuses on the 2022 fiscal year, and is our first Annual Impact Report. The Board of Directors has reviewed and approved its release.

We welcome feedback and questions; please contact: impact@af.com.uy.

Date published: May 2023

SUMMARY OF OUR IMPACT 2022

AF

20 YEARS

OF EXPERIENCE

62

EMPLOYEES

3 OFFICES

URUGUAY, CHILE & BRAZIL

FUNDS

USD 876 MILLION

ASSETS UNDER MANAGEMENT

IMPACT

95,587 HA.

AREAS FSC®-CERTIFIED (FSC® C129543)

9,092 HA.

CONSERVATION AREAS

904,441 TON.

CARBON SEQUESTRATION

1,016

JOBS MAINTAINED DIRECTLY

21,839

BENEFITED COMMUNITY MEMBERS



OUR COMPANY

AF

We are an impact investment manager of nature-based real assets and natural capital strategies, providing climate solutions, with USD 876 million¹ of assets under management across 129,371 total hectares as of December 2022. We manage a portfolio with the purpose of making a positive and measurable social and environmental impact alongside a financial return, including sustainable timber plantations and conservation areas, as well as carbon sequestration projects.

This company was founded in 2000 in Uruguay, where its headquarters is located. It also has offices in Chile and Brazil. AF is composed of 3 business units: i) forestry investment and asset management, ii) forest product sales and marketing, and iii) forestry services.

Vertically integrated:



SOURCING, DUE DILIGENCE & RAISE OF FUNDS

Deal sourcing and screening; asset selection; ESG negative screening; portfolio construction; marketing and fundraising; legal & regulatory approvals.



INVESTMENT

Structuring special purpose vehicles; designing best financing structures; commingled funds & separate / individual accounts; contractual agreements; exit strategy.



SILVICULTURE & FOREST MANAGEMENT

Planning; establishment; management of pruning and thinning; pest disease control; forest fire protection; tree counting and weed control through the use of drones.



PRODUCTION ACTIVITIES MANAGEMENT

Harvest and thinning; loading; transporting; logistics; tech solutions, development of production facilities (JVs, partnerships).



SALES/ MARKETING PRODUCTS

Operating a network of customers in the sale and exchange of wood, and carbon credits; presence in Vietnam, China, India and other Asian countries.



ONGOING MONITORING & ENGAGEMENT

Accounting & back-office; financial reporting; fund, portfolio & risk management; FSC®, Verra certification process; impact measurement & management; investor active engagement.

¹ According to the financial statements for the year ended December 31, 2022, and independent auditors' report.

Investment management mainly takes place in Uruguay and Chile. However, we are currently in a phase of regional expansion to provide our clients with greater diversification, in terms of markets, risk-return profiles, and impact objectives. Additionally, with the purpose of increasing value and reducing risk for current investors, in 2022, we ventured into industrial transformation through the construction of a veneer mill in the city of Treinta y Tres, Uruguay.

We are committed to making a positive and durable impact with a view to enhance returns and mitigate risks over the medium to long term.

87

SALES IN
USD MILLIONS IN 2022

1.3

VOLUME OF TIMBER
PRODUCED IN MILLION M³
IN 2022

78,857

HECTARES
OF FORESTS BY 2022

IMPACT INVESTMENT & FUNDS

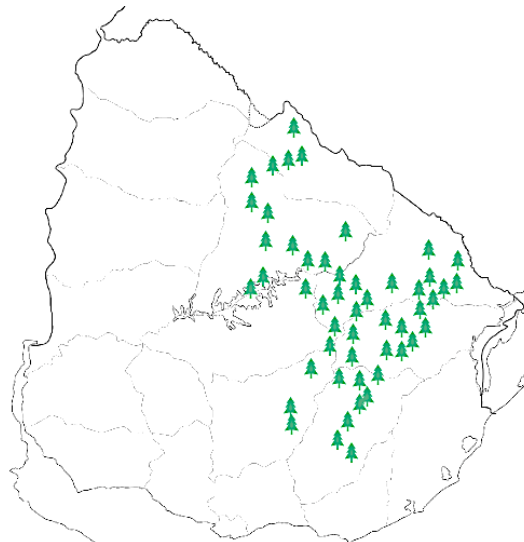
We are the first Uruguayan company to set up Financial Trusts listed on the stock exchange to develop forestry investments. Currently, our company manages 4 investment funds: Fideicomiso Forestal Financiero Bosques del Uruguay I, II, III and IV (BDUs). The Trustee of these funds is EF Asset Management Administradora de Fondos de Inversión S.A., created in 2003 by Ferrere Abogados and CPA Ferrere in Uruguay. It is the largest private trust manager in the country and has issued the largest number of financial trusts in the Uruguayan market.

	DESCRIPTION*	ISSUE DATE MATURITY	SIZE (USDMM)	TOTAL AREA (ha)	SALES 2022 (USDMM)
BDU I	Greenfield Eucalyptus Uruguay	August 2011 2031	50	9,908	11.3
BDU II	Greenfield Eucalyptus Uruguay	January 2015 2035	70	14,703	8.2
BDU III	Brownfield Eucalyptus and Pine, Uruguay	December 2016 2036	190	45,230	30.1
BDU IV	Brownfield Eucalyptus and Pine, Uruguay	April 2019 2039	330	59,890	36.9

**Greenfield project: forestry assets are developed from the very beginning.*

**Brownfield project: current forestry assets are acquired.*

LOCATION OF
BDUs ASSETS



2022 HIGHLIGHTS

MARCH



MAY

NEW SOIL
MONITORING
PROGRAM

AUGUST

Signatory of:



SEPTEMBER





OUR IMPACT

APPROACH

Preserving the land for future generations

As an investment manager, we have a fiduciary duty to investors to conduct long-term sustainable and responsible forest management, and we require third parties, such as suppliers, lessees and service providers, to act accordingly.

We are committed to create additional, positive impact on the environment and the communities affected by our operations to preserve the land for future generations.

We avoid investing in projects where there are ongoing issues with payment transparency, corruption, and bribery as well as mismanagement of the environment and where the likelihood of future environmental problems is identified in due diligence.

Our due diligence process includes the evaluation of ESG criteria, which may pose material risks to the investment, such as: i) land tenure rights, ii) planting, harvesting and tillage techniques, iii) community free, prior and informed consent, iv) labor standards, v) water use and availability, vi) supply chain of custody, vii) biodiversity conservation, among others.

We avoid projects that:

- negatively affect areas with high conservation values (HCVs)², ecosystems, habitats, biodiversity, community needs, cultural heritage, among others;
- do not ensure that they make a positive impact on local communities;
- use forced and/or child labor.

In 2022, we implemented a system for tracking and reporting ESG metrics to measure the impact of investments at the asset level, and to migrate from sustainable to impact management.

The Metrics were defined using the IRIS+ system³, and divided into 8 categories. They are aligned with the United Nations Sustainable Development Goals (SDGs) and aim to address the following SDGs:



This report outlines the results of 23 metrics, both at the AF and fund level, as well as the targets we intend to achieve over the next 5 years (in 2027).

To promote responsible investment, sustainable forest management and to have independent, external bodies monitoring our ESG practices, we are affiliated to and involved in the following industry initiatives, networks and entities:

- Forest Stewardship Council® (FSC®)
- International Organization for Standardization (ISO)
- Society of Forest Producers in Uruguay (SPF, for its acronym in Spanish).
- Verra
- Principles for Responsible Investment (PRI)
- Global Impact Investing Network (GIIN)

² As provided by the Forest Stewardship Council® (FSC®). HCVs are classified into 6 categories: species diversity (HCV 1), landscape-level ecosystems and mosaics (HCV 2), ecosystems and habitats (HCV 3), ecosystem services (HCV 4), community needs (HCV 5) and cultural values (HCV 6).

³ Impact measurement and management system created by the Global Impact Investing Network (GIIN).



1. LAND MANAGEMENT & PRODUCTIVITY

Uruguay has a regulatory framework for forest management (Forestry Development Law N.º 15,939 and regulatory decrees) that bans logging of native forests and establishes priority soils for forest plantations. These soils are suitable for forestry production; however, they have some limitations (e.g., low natural fertility) for other activities such as agriculture, dairy farming or higher-productivity livestock.⁴

The forests owned by the funds in Uruguay are mainly made up of eucalyptus and pine plantations, established since 1996 and located in the southeast, north and northeast of the country.

	BDU I	BDU II	BDU III	BDU IV
Total Area (ha)	9,908	14,704	45,230	59,890
Planted Area (ha)	5,634	9,036	26,707	37,480
Planted Area Eucalyptus (ha)	5,634	7,678	16,288	25,666
Planted Area Pine (ha)	-	1,358	10,419	11,815
Certified Area* (% Total Area)	100%	72%	55%	84%

Target 2027	BDU I	BDU II	BDU III	BDU IV
Certified Area* (% Total Area)	100%	100%	100%	100%

* Area under third-party sustainability certification: we are FSC®-certified (FSC® C129543).

⁴ Which is explained by low Productivity Indexes by CONEAT (National Commission for the Agronomic Investigation of the Land), pursuant to Law 13,695, Articles 65 to 68.

Soil Use, Planting & Silvicultural Practices

Soil preparation is crucial for the establishment and development of seedlings, as it promotes aeration and infiltration, which improves nutrient availability and soil-plant contact, while contributing to subsequent weed control. It is also important that tillage is carried out, preventing erosion and seeking the highest water retention, avoiding surface runoff as much as possible, as well as water stagnation in the line, since it affects the root system of the plants.

Currently, AF is conducting soil monitoring activities to evaluate structural changes such as erosion and degradation. In 2022, we joined the Society of Forest Producers (SPF) program to monitor soil physicochemical properties. Every 5 years, the same soil will be sampled (with and without forest plantations), to evaluate its pH, as well as the levels of calcium, magnesium, potassium, sodium, organic carbon, among other nutrients. This analysis will identify the magnitude of possible changes in soil properties and, if necessary, implement corrective measures to minimize negative impacts.

We hire well-known nurseries for the production of seedlings. Seeds are selected based on evaluation results carried out by local institutions or companies that ensure their good performance in the region.

In the case of Eucalyptus, planting can be carried out from March to May or from September to October, in the case of seminal *E. grandis* the density used is 1,100 plants/ha, in clonal *E. grandis*, it is 650 plants/ha and 1,300 plants/ha in *E. dunnii*. Regarding Pine, planting is carried out from May to July, manually or mechanized, at a density of 650 to 850 plants/ha.

Replanting is carried out between 6 months and 1-year post-harvest, so as the remains of the previous forest can reach the minimum decomposition rate. In the case of Eucalyptus *dunnii*, priority is given to the management of resprouts to minimize the impact of tillage and agrochemicals.

In AF, we have developed a silvicultural system for the different species planted in all the farms following specific criteria, such as the frequency and intensity of thinning and the frequency and height for pruning. This system allows us to produce larger diameter logs, a higher percentage of knot-free timber and reduce the risk of fire. Pruning residues remain in the fields to recycle nutrients.

Fertilization

As the forests' soils are deficient in potassium, phosphorus and nitrogen, it is necessary to provide these elements to them, mainly in the case of Eucalyptus. We use 15 to 30 kg/ha of controlled-release NPK fertilizers (nitrogen, phosphorus, potassium) applied, only once, at the planting stage. It lasts 4 to 5 months in the soil. The fertilizer is granular and is applied inside the seedling hole. The amount is adjusted in each case according to the results of the soil analysis.

Forest Health Management and Use of Pesticides (fungicides, herbicides & insecticides)

We monitor the health status of plantations to promptly detect and quantify problems. Then, we implement the relevant management measures to minimize the impact of such problems and to conduct biological and silvicultural controls over chemical measures.

We have channeled our efforts into the Health Commission of the Society of Forest Producers (CS-SPF, for its acronym in Spanish), by integrating and working actively in this commission. The CS-SPF has established a short- and medium-term working plan, including guidelines related to monitoring, control, research and training/dissemination on priority pests.

If necessary, priority is given to cultural measures, such as sanitary thinning, or biological control, like inoculations with nematodes to monitor the "wood wasp" pest, (*Sirex noctilio*; *Hymenoptera Siricidae*), considered a serious threat to pine plantations. Chemical alternatives, such as Fipronil, are used to control leaf-cutting ants. The use of insecticides is highly restricted to control ants during the first year of the crop, employing localized or systematic applications, and very low concentrations of the active ingredient.

Should the need to use agrochemicals be identified, we began developing Environmental and Social Risk Assessments (ESRA) in 2021 to determine the potential risks and the relevant mitigation and monitoring measures for the different chemical alternatives. Besides, we use products authorized by FSC®.

Eucalyptus requires pre- and post-planting weed control, therefore, we use these agrochemicals: 2,4 D Amine, S-Metolachlor, Haloxyfop and Clopyralid. Glyphosate and Triclopyr are mainly employed for regrowth control. These herbicides have a specific management procedure depending on their level of toxicity and exposure. The purpose of such a procedure is to significantly reduce their release into the atmosphere, water and soil, to minimize herbicides' adverse effects on human health and the environment.

In recent years, to reduce the impact of main pesticides on employees, third parties and the environment, we have established the following operational measures:

- The degree of personal protective equipment was increased from level C1 to C2.
- The use of electric backpacks was prioritized over manual ones.
- Stump control was prioritized to minimize regrowth control.

We are currently working with the SPF on a 5-year plan to incorporate a continuous evaluation system to reduce the impacts of pesticide applications, either through changes in the methods of application, in commercial products, in the concentrations or in the variation of mixtures.

Baseline 2022	BDU I	BDU II	BDU III	BDU IV
Level of Hazardous of Pesticides Used*				
Class II- Moderately Hazardous (% Total volume used)	18%	17%	11%	12%
Class III- Slightly Hazardous (% Total volume used)	82%	83%	89%	88%
Hectares Treated with Pesticides (% Total Area)**	6.9%	10.5%	12.4%	7.7%

Targets 2027	BDU I	BDU II	BDU III	BDU IV
Level of Hazardous of Pesticides Used*				
Class II- Moderately Hazardous (% Total volume used)		Maximum 20%		
Hectares Treated with Pesticides (% Total Area)**		Maximum 20%		

* According to the WHO Recommended Classification of Pesticides by Hazard.

** Moving average in the last 5 years.



Harvest & Production

To maximize the production of timber and minimize impacts on other resources, we determine the best harvesting time, according to the farm characteristics, its species, the product market (supply and commercialization), and trying to reduce the time and effort required to perform the harvesting activities.

We mainly produce timber for sawmilling or veneer, which requires rotations between 18 and 22 years. A positive aspect of such a long rotation period is that tillage and agrochemical interventions are occasionally carried out.

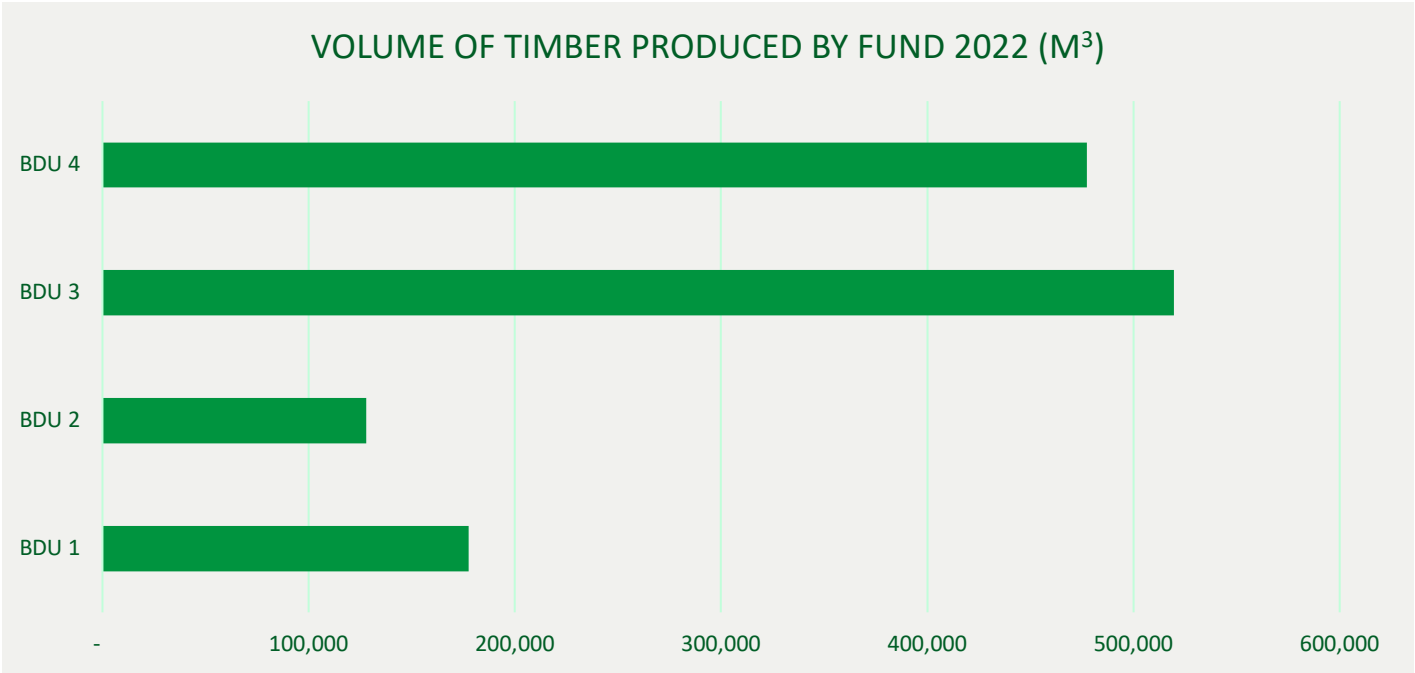
Baseline 2022	BDU I	BDU II	BDU III	BDU IV
Certified Timber Harvest Volume (% Total)	100%	93%	87%	66%

Target 2027	BDU I	BDU II	BDU III	BDU IV
Certified Timber Harvest Volume (% Total)	100%	100%	100%	100%

The timber harvest volume depends on the planted area, forest plantation age and commercial commitments. Harvest planning helps us avoid clear-cutting of large continuous areas (affecting the landscape) and leave forest waste on the field to prevent potential erosion risks. Therefore, timber is produced in different farms, which reduces the impact on the biodiversity and ecosystems developed. In addition, our harvesting system aims to avoid unnecessary removal of nutrients and accumulation of waste outside the forests, in order to strike a balance between maximizing the production of timber and minimizing forest waste.

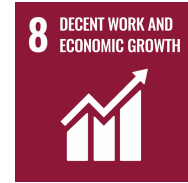
Additionally, we seek to prioritize the traffic of forestry machinery (harvesters, extraction machinery, tractors) over forest waste, in order to protect the soil from direct contact with the rolling trains. The circulation of machinery is prohibited in the vicinity of conservation areas and protection zones. Therefore, when harvesting, we use special techniques to cut trees located near these areas to prevent them from being adversely affected.

After harvesting is completed, our operational team monitors the condition of natural resources, such as soil (mainly erosion and compaction by machinery), buffer zones and surrounding conservation areas or protected zones.



Logs are stored in temporary storage areas until they are finally transported. In order to reduce the impact, these areas must have the following characteristics: i) be located in well-drained sites, ii) be far from protected, conservation, buffer and watercourse areas, and iii) have aggregate of granular material, in case of using them in wet periods.





2. SUPPLY CHAIN & CIRCULAR ECONOMY

Suppliers

We promote the entrepreneurship, formalization and growth of micro, small and medium-sized enterprises. Our main suppliers are service companies that carry out operations in the forests of the funds including contractors and subcontractors. Activities related to planting, silviculture, harvesting, production and transportation are conducted by such companies.

When contracting suppliers, we give priority to those companies located in the communities close to the farms, to encourage decentralization and increase employment in rural areas. We also have a supplier selection and monitoring process, including the following parameters: i) quality of work, ii) speed of response, iii) compliance with standards, iv) financial solvency, v) honesty and ethics, vi) machinery conditions, vii) care for the environment, and viii) self-management capacity, among others.

Baseline 2022	BDU I	BDU II	BDU III	BDU IV
Local Micro & SME suppliers* (% Total)	52%	57%	52%	45%
Average payment days to suppliers	18	20	21	24

** Micro, small and medium-sized enterprises according to Decree 504/007.*

Targets 2027	BDU I	BDU II	BDU III	BDU IV
Average payment days to suppliers	Maximum 30			

In AF, we encourage a continuous and long-term relationship with suppliers. Every month, we measure their performance, and according to their annual average, we assess their permanence in the company.

Our goal for the next 5 years is that our suppliers comply with ESG best practices. Therefore, we will incorporate ESG guidelines in our contracts and will monitor their compliance. In order to incorporate the new guidelines, we will work with our suppliers to achieve sustainable forest management in our value chain.

Waste Management

In AF, we seek to significantly reduce the generation of waste through prevention, reduction, recycling and reuse activities.

The main waste of the forestry plantations is generated by tree processing: branches, foliage, bark and fine logs. The harvesting is carefully planned with the intention of obtaining the maximum commercial yield, by reducing wood waste and leaving on the field the portions of the tree with the highest concentration of nutrients.

Since, in the local market, there are currently very few viable alternatives to use the thin pine logs as biomass, they are left in the forest. Our objective is to achieve a progressive, effective and homogeneous decomposition of this forest waste while avoiding the vertical fuel continuity that could lead to crown fires. These residues are disposed of respecting adjacent buffer strips and must be at least 20 meters away from conservation areas, watercourses, buffer zones and ecotones. Burning these residues is not a management alternative.

Regarding non-vegetable waste generated from forestry activities, we classify and manage it as follows:

Type of Waste	Management
Organics, plastics and bottles used by the staff	Firstly, they are stored in properly identified containers and then disposed of in the recycling centers of the nearest city, by AF or the service company staff.
Agrochemical product containers and expired agrochemicals	The containers are triple washed and then, delivered to authorized collection centers, where they are received. As for expired agrochemicals, they are segregated as obsolete stock in a warehouse.
Vehicle and machinery batteries	Batteries cannot be replaced in the farms, only in the cities, according to Decree 373/2003. Old batteries are disposed at battery sales centers.
Fuels	They are placed in duly identified containers in a certain, marked area, on a floor cover or tray to avoid possible spills. Then, they are returned to their respective suppliers by the service companies.

Used lubricants and lubricant containers	They are sent to companies that reuse them. The contractor is responsible for management. Containers are stored at disposal centers as contaminated waste.
Wires and old fences	They are stored in special places located in the farms, and will then be handed over to a scrap dealer. Old fences are eventually used as firewood.
Tires and tubes	End-of-life tires are sent to the assigned reception points, according to Decree 358/2015. The contractor is responsible for their management.

In addition, we have implemented a pilot recycling system at AF's headquarters in Uruguay, that has enabled us to reduce our impact on waste.

1,057

KG OF WASTE GENERATED
AT AF HEADQUARTERS, UY

82%

RECYCLED WASTE AT AF
HEADQUARTERS, UY

7,949

RECYCLED PET PLASTIC
BOTTLES AT AF
HEADQUARTERS, UY

Our goal, for the next 5 years, is to implement the recycling system in the rest of our offices, as well as to improve the current waste management system in the BDUs funds. To this end, we will develop waste management programs for the main residues to ensure their traceability.

3. WATER MANAGEMENT

Water resources near the forest plantations are protected to avoid any type of contamination caused by the activities carried out in the farms. In AF, we seek to minimize the environmental impact on watercourses, natural drainage areas and headwaters, as these areas are complex ecosystems and home to the greatest biodiversity. Therefore, we have adopted the following measures:

- 1.** The extraction of water from rivers, streams, lakes or ponds from the farms we manage is currently limited to low volumes, used for human and animal consumption, fire fighting and agrochemical applications.
- 2.** Establishment and maintenance of buffer zones adjacent to water resources to prevent soil erosion, sedimentation, and to avoid affecting the condition of biological corridors.
- 3.** Plantations must be at least 20 meters away from permanent watercourses, as provided by law.
- 4.** All activities related to the establishment of operational areas must be carried out at least 6 meters away from watercourses.
- 5.** Maintenance, loading and cleaning activities of the machinery used for herbicide application are carried out in specially conditioned areas away from watercourses.
- 6.** It is forbidden to till the soil when building firebreaks in surroundings areas of watercourses in order to avoid the destruction of the adjacent strip.
- 7.** Every two years, a microbiological analysis is performed on the farms with water wells to determine whether or not their water is potable.

There are no wetlands of international importance (Ramsar sites⁵) on the BDUs farms.

⁵ The Ramsar Convention is an intergovernmental environmental treaty established in 1971 by UNESCO, which entered into force in 1975 and provides the framework for national action and international cooperation for the conservation of wetlands habitats, and for the wise and sustainable use of their resources.

In AF, we are working to improve the water resources monitoring and management system. Therefore, we will define sampling points in the main watersheds of the farms, which will allow us to adequately assess the possible impacts of forestry activities on water quality. We will also implement programs to monitor the impact on local water cycles. Currently, water quality is monitored in the Tacuarí basin (Santa Sofía area and other farms owned by BDU 4 fund) and we are evaluating to do it in other basins.



4. BIODIVERSITY & ECOSYSTEM CONSERVATION

In AF, to ensure the conservation of the fauna and flora in all the farms, we annually monitor: i) the number of species by class and environments, ii) the proportion of resident and migratory bird species, iii) the continued existence of threatened species, according to the International Union for Conservation of Nature's Red List (UICN), iv) the continued existence of priority species for conservation in Uruguay, according to the protection of the National System of Protected Natural Areas [SNAP, for its acronym in Spanish], and v) the continued existence of species that are listed under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

In Uruguay, identification, management and monitoring activities are carried out by a team of 6 biologists and botanists hired by AF. In the farms comprising the BDUs funds, 227 species of fauna have been recorded (21 amphibians, 24 reptiles, 167 birds and 15 mammals) of which 21 are listed with conservation issues at a national and international level (1 amphibian, 5 reptiles, 17 birds and 8 mammals). As for flora, 11 endemic and unique species have been detected.

In order to calculate the number of threatened species, we selected the farms of BDUs funds that have areas with High Conservation Values (HCVs) or Areas of Special Conservation Interest [APIC, for its acronym in Spanish]. We have used the method provided by the list of Priority Species for Conservation of the National System of Protected Natural Areas (SNAP) under the following criteria:

- Criterion 2 - Rare species: species rarely collected in Uruguay, with no recorded populations.
- Criterion 3 - Species with restricted distribution in Uruguay.
- Criterion 4 - Species that have undergone an appreciable decrease in population size, due to human actions (urbanization, harvesting, agriculture, forestation, dams, coastal alterations, etc.).

Baseline 2022	BDU I	BDU II	BDU III	BDU IV
Conservation zone or protected area (% Total Area)	15%	11%	7%	5%
Converted area from forestry to agriculture ⁶ (% Total Area)	0%	0%	0%	0.2%
Number of threatened species	42	10	19	39
Cattle load per hectare*	0.13	0.19	0.15	0.12

In the next 2 years, we will introduce 8 monitoring and follow-up programs, including 4 threatened plant species and 4 priority bird species, according to the SNAP criteria, to measure the impact that the development of the BDUs projects has had on the stability or growth of the populations of these species.

Targets 2027	BDU I	BDU II	BDU III	BDU IV
Conservation zone or protected area (% Total Area)	15%	11%	7%	7%
Converted area from forestry to agriculture (% Total Area)		Maximum 10%		
Cattle load per hectare*		Maximum 0.50		

**In cattle units per hectare (1 cattle unit = 350kg animal)*

Conservation zone or protected area comprises native forest, areas protected by local entities, Areas of Special Conservation Interest (APIC)⁷, and areas with High Conservation Values (HCVs)⁸.

11

AREAS IDENTIFIED AS HCVs
IN THE BDUs FUNDS

2,541

HECTARES WITH AREAS
IDENTIFIED AS HCVs & APIC
IN THE BDUs FUNDS

4,322

HECTARES OF NATIVE
FOREST IN THE BDUs FUNDS

⁶ AF defines a converted area from forestry to agriculture if it is used mainly for agriculture for 3 years or more.

⁷ According to criteria established by AF. These areas have natural attributes characteristic of the flora and landscape of the region where they are located and are well-preserved samples, with considerable surface area, high potential and actual biodiversity.

⁸ As established by the Forest Stewardship Council. HCVs are classified into 6 categories: species diversity (HCV1), landscape-scale ecosystems and mosaics (HCV2), ecosystems and habitats (HCV3), ecosystem services (HCV4), community needs (HCV5) and cultural values (HCV6).

In AF, we carry out a special management in these areas, including: i) restriction of access to a limited number of our staff and that of the service companies, and access control for outsiders, ii) surveillance tasks in charge of our staff, iii) monitoring and control of the presence of feral exotic fauna species, iv) control of invasive plant species, v) control of natural regeneration of planted tree species into these areas, vi) fire prevention tasks, vii) protection of the biological corridors, which allows the movement of wildlife between these areas, avoiding their interruption or narrowing, viii) protection of connecting areas between natural environments, and ix) cattle grazing monitoring and access control.

We promote cattle grazing in the farms, thereby benefiting the ecosystem⁹. In order to estimate the maximum cattle load per farm, we carried out a vegetation analysis to determine whether the farms have suffered degradation or regeneration processes. In very specific cases and subject to expert evaluation, cattle are allowed to enter conservation zones or protected areas, as it helps to seed pastures of native forage value. In other cases, entry to these areas is prohibited.

Conservation Case: Black spine-neck swamp turtle

The black spine-neck swamp turtle is a carnivorous reptile. Its neck is covered with tubercles, which give it a spiny appearance. Its shell is black on both the top and bottom. Juveniles have reddish spots. This turtle gets its name from the longitudinal trough-shaped depression at the top of its shell.

It is found in the system of lagoons and wetlands in the east of the country (Laguna de Rocha, de Castillos and Negra), in the Río Negro basin and in the departments of Tacuarembó and Rivera. This turtle can also be seen in small sandy lagoons and clear water puddles on the roadsides. In the region, it is found in Argentina (Paraná River) and in the state of Rio Grande do Sul (Brazil). It is a threatened reptile and protected by the National System of Protected Natural Areas (SNAP).



The black spine-neck swamp turtle is one of the 227 species recorded in Bosques del Uruguay farms by their annual monitoring carried out to analyze the development of natural environments. This work is part of AF and BDUs' commitment to preserve biodiversity on their farms.

Photo: National Museum of Natural History (Uruguay)

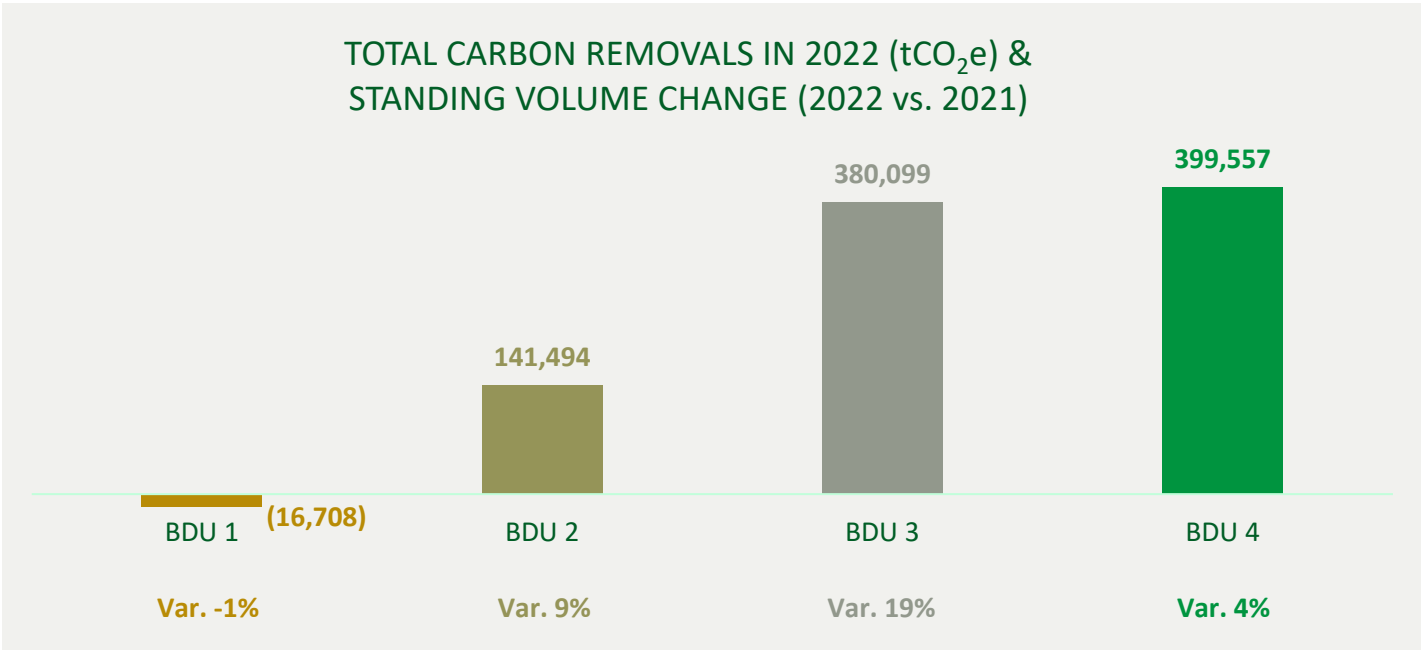
⁹ According to the study conducted by Agronomist Carlos Brussa in March 2013.

5. CARBON FOOTPRINT

Carbon removals

Forests play a crucial role in climate change mitigation, as they reduce net Greenhouse Gases (GHG) emissions by removing CO₂. The funds AF manages contribute to carbon sequestration and storage.

Carbon removals refer to the carbon transferred into the biomass carbon pools during the reporting period. The following graph shows the carbon sequestration values for the reporting period. These values are calculated based on the standing volume data (m³) of the BDUs funds, obtained from the annual forest inventories, and is converted to tons of carbon dioxide equivalent (tCO₂e) based on different variables, according to the methodology of *IPCC Good Practice Guidance for Land Use, Land-Use Change and Forestry*¹⁰. The values reported do not include the projects’ emissions from land-based carbon pools from land use change, disturbance, decomposition. It only includes removals stored in aboveground biomass carbon pools due to growth.



¹⁰ According to IPCC guidelines, Good Practice Guidance for LULUCF: BEF 1.15 (table 3^a.1.10); Carbon fraction in dry biomass 0.5; Carbon dioxide to carbon dioxide ratio 3.67. Conservatively, the calculations do not take into account carbon sequestration in below-ground biomass or soil.

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Carbon credits

There are different types of carbon certification standards for forestry projects, which issue carbon credits. Among these, the most renowned are: i) CDM (Clean Development Mechanism) of the United Nations (Kyoto Protocol), ii) VCS (Verified Carbon Standard) and CCB (Climate, Community & Biodiversity) of Verra, iii) GS4GG (Gold Standard for the Global Goals), and iv) Plan Vivo.

In AF, we use Verra, since it is the world's leading standard in the carbon offset market and a pioneer in projects related to natural and productive ecosystems (forestry, agriculture and livestock), commonly known as AFOLU (Agriculture, Forestry, and Other Land Use).

Verra's role is to certify the concentration of carbon in the biomass and to ensure that the carbon reductions or removals claimed by projects actually happen. Forest inventories measure this biomass volume. For the carbon certification process, biomass volume is measured, both when setting the baseline and during the development of the project, as well as each time an increase in carbon sequestration is verified in order for a carbon credit to be issued. The baseline scenario represents the activities and GHG emissions that would occur in the absence of the project activity. Changes to baseline carbon stock are estimated according to the current carbon stock and the projected biomass growth.

Projects must be constantly monitored, not only to control carbon content, but also due to other indicators, such as biodiversity, soil protection and water quality. In the reported period, a total of 20,163 hectares of the BDUs funds have been VCS certified and a total of 18,576 hectares have been VCS and CCB certified. Therefore, according to the relevant methodology, carbon credits are issued only after the percentage of carbon sequestration is verified.

To assess the viability of the projects and estimate the volume of carbon credits, we hired **Prosustentia**, a company with more than 10 years of experience in the certification of carbon and climate mitigation projects.

	BDU I	BDU II	BDU III	BDU IV
ID Standard ¹¹	VCS & CCB 1543	VCS 2411	VCS 962	VCS & CCB 959
VCS Methodology ¹²	AR-ACM0003	AR-ACM0003	AR-ACM0001	AR-ACM0001
Certified Area (% Planted Area)	54%	12%	60%	50%
Carbon Credits Issued (tCO ₂ e)	-	15,296	216,500	-

¹¹ For more information on the projects visit: <https://registry.verra.org/app/search/CCB/All%20Projects>

¹² Methodology AR-ACM001 was removed and replaced by AR-ACM0003, https://cdm.unfccc.int/methodologies/documentation/meth_booklet.pdf#AR_ACM0003

In 2022, we began the certification process for the BDU 1, 2 and 3 funds carbon projects under the CCB standard (Climate, Community & Biodiversity)¹³, which we expect to obtain during 2023. Projects that simultaneously address climate change, support local communities and smallholders, and conserve biodiversity are recognized by the CCB.

GHG emissions

In 2022, we prepared the second inventory of GHG emissions or Carbon Footprint (CF), during the corporate activities developed by AF, in Uruguay and Chile, in 2021. This study was carried out in accordance with the guidelines set out in the GHG Protocol Corporate Accounting and Reporting Standard. The first inventory was prepared in 2021, but given that activities in that year were restricted due to the COVID-19 pandemic, we decided to take as a baseline those recorded in 2022, as they provide more representative information of our daily operations. In 2023, carbon credits will be purchased to net the GHG emissions generated in 2021 and 2022, which amount to 850 tCO₂e.

Baseline 2022	Scope 1*	Scope 2**	Scope 3***	Total
GHG emissions AF Uruguay (tCO ₂ e)	283	2	96	381
GHG emissions AF Chile (tCO ₂ e)	58	1	12	71
GHG emissions AF per million of AUM (tCO ₂ e/million USD)	0.389	0.003	0.123	0.515

**Direct emissions that occur from sources that are owned or controlled by the company (from vehicles, air-conditioners, heating, etc.).*

***Indirect emissions that occur from energy generation(purchased and consumed).*

****Other indirect emissions that occur in sources that are not owned or controlled by the company (business trips, life cycle of inputs, outsourced services, etc.).*

In 2023, we will calculate Scope 1, 2 and 3 GHG emissions for the BDUs funds. It is worth noting that the GHG Protocol is now developing a new methodology-*GHG Protocol Land Sector and Removals Guidance*, which will provide a framework for how organizations should account for GHG emissions and removals from land management and land use change, bioenergy, CO₂ removal technologies, and other related land use change activities, building on the Corporate Standard and Scope 3 Standard. It is estimated that this methodology will be available in 2023.

¹³ <https://registry.terra.org/app/search/CCB/All%20Projects>



6. COMMUNITIES

Forestry projects are characterized by lasting decades throughout their life cycle. They have an impact on the lives of the people living in the nearby or the new communities, emerging as a result of such activity. Therefore, the health, welfare, safety, security, livelihood, future and environment of these people may be affected. Consequently, we believe that proactive, inclusive, accountable and transparent participation is key to generating optimal results, both for the communities and for us.

It is essential to build a relationship with the communities that promotes their development, and respects their culture and customs. To this end, we consider crucial:

- To clearly convey a vision in accordance with our principles and values, aligned with sustainable development goals and our certification frameworks to stakeholders and communities.
- To be transparent in the use of all the resources destined to the development of the communities.
- To build a vision of co-responsibility in the development processes, seeking to avoid overlapping and promoting complementarity with pre-existing public and private resources in each of the communities.
- To work cooperatively with other companies with common interests in the sector to optimize resources and maximize the scope of actions.

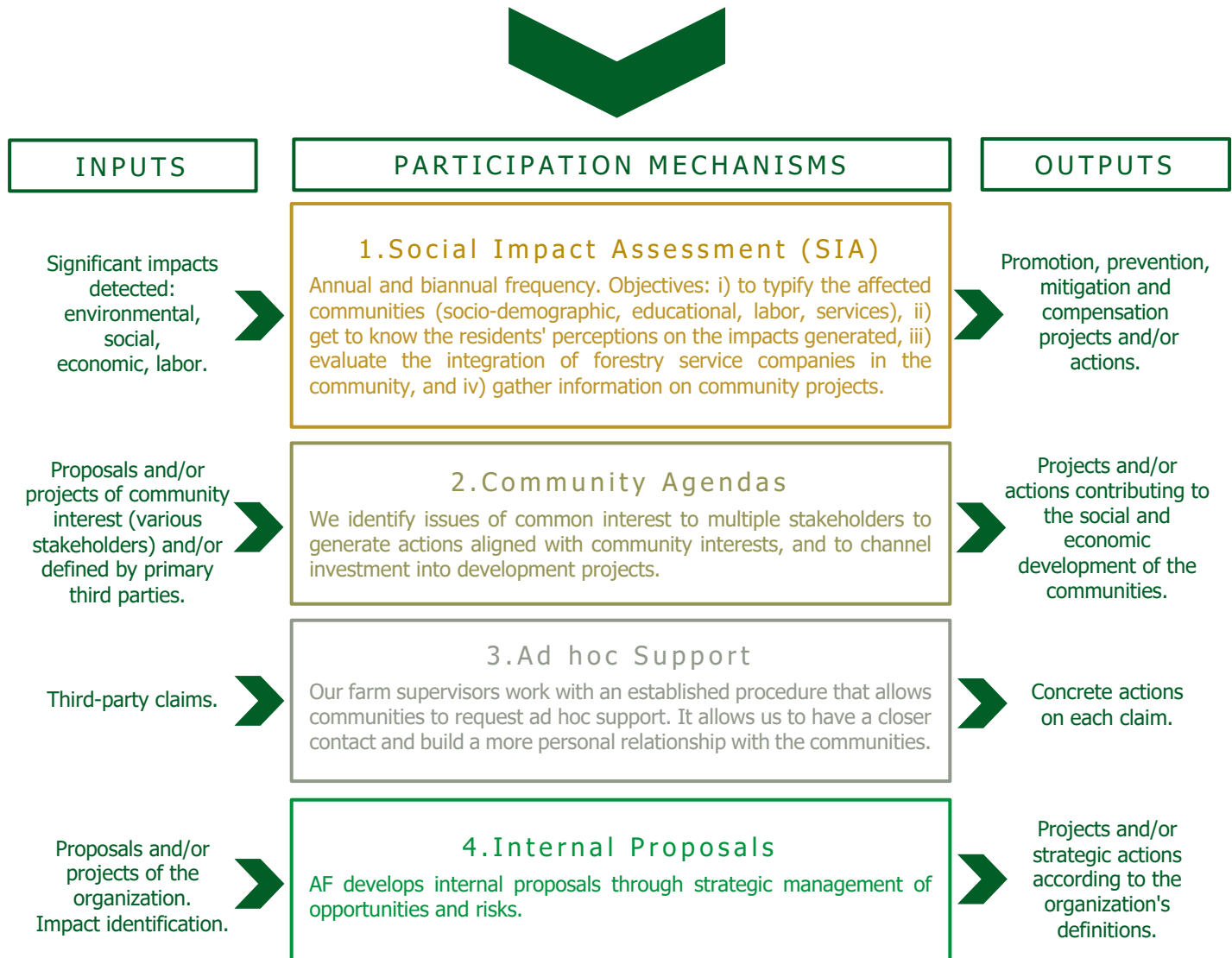
Community Engagement Process

In 2021, we set up a specific area to manage the community engagement process, led by a sociologist and a Corporate Social Responsibility (CSR) Committee, composed by the heads of each management area of the company.

This area enables us to: i) standardize procedures, ii) evaluate and monitor activities, and iii) carry out annual strategic planning, involving all areas of the company and taking as its main input the outputs of our Community Feedback System (CFS). The objective of the CFS is to organize the inputs and outputs of the multiple interactions generated between AF and the communities. These interactions are comprised as follows:

Impact Index (II) & Mapping

We identify and analyze the groups and members of the communities affected by our activities in Uruguay. It allows us to order by non-exclusive priority some localities over others. It is based on: i) the forest inventory affecting each locality, ii) the proximity of the farms, iii) the size of the localities, and iv) useful information related to the intensity and risk of each farm.



This system allows us to build an integrated relationship with the communities, where participatory processes are developed. Additionally, it produces tangible and equitable benefits that are aligned with the communities' needs and expectations, and which in the long-term are sustainable.

It is noteworthy that there are no indigenous communities in Uruguay; therefore, it is not necessary to obtain a free and informed consent (*Free, Prior and Informed Consent* - FPIC) where the lands of the BDUs farms are located. In the countries where there are indigenous communities in the vicinity of the land, we will carry out this process for new projects. Currently, we have not signed any formal community development agreements related to the BDUs funds.

Benefits and Negative Impacts

We provide employment opportunities, both directly and indirectly, and support local procurement of goods and services. Currently, grazing and beekeeping activities are promoted in the farms owned by the funds, which are offered to neighbors and local companies, and are formalized by executing contracts. These activities not only integrate the producers of the area into the projects, but also involve them in the fight against fires. At the same time, we promote the communities to source non-timber forest products, such as mushrooms, pinecones and firewood, among others.

Baseline 2022	AF	BDU I	BDU II	BDU III	BDU IV
Jobs Maintained*	62	400	233	816	785
Directly**	-	182	106	371	357
Indirectly***	-	218	127	445	428
Amount spent on community programs (USD/Hectare)	0.120 (% Profit)	0.030	0.003	0.050	0.080
Total community members benefited by the project activities	3,594	3,007	4,087	7,127	3,954
Female	1,825	1,519	2,103	3,539	1,011

* Calculations based on the area and stage of the projects.

**It includes jobs associated with outsourced service companies, such as: nurseries, forestry, forestry operations and transportation.

*** It includes jobs associated with industrial transformation. Estimated according to EXANTE study, Dec. 2020, contributed by the forestry complex to the Uruguayan economy.

We make donations to support the development of the communities through the funds and together with the outsourced service companies. In 2022, 39 initiatives of institutions related to the education, health, sports, public safety and community development sectors were supported for a total amount of USD 180,000.

In 2023, we will work in communities with high Impact Index to develop specific projects based on the public-private articulation and the contribution of other companies in the sector to make a greater impact.

Target 2027	AF	BDU I	BDU II	BDU III	BDU IV
Amount spent on community programs (USD/Hectare)	0.02 (% Profit)	0.250	0.250	0.250	0.250

Building long-term relationships with communities has allowed us to promptly identify and manage risks associated with each stage of the forestry process (harvesting, thinning, etc.), ensuring the long-term viability of our operations. The main negative impacts identified by the communities are the traffic caused by the transport of timber during harvesting periods and the emission of dust from dirt roads. Therefore, we have implemented a grievance mechanism to identify such impacts and take the necessary measures, such as compaction or temporary irrigation during transportation.

Grievance Mechanism and Access to Remedy

In the BDUs funds, we have implemented a process that allows communities and stakeholders to express their views and concerns, so we can consider and respond to them. This operational-level mechanism includes confidential electronic and physical anonymous reporting channels. Also, it enables AF and/or service company staff to provide assistance to women and other individuals from vulnerable or marginalized groups.

Once the grievance has been acknowledged, recorded and filed, the time frame for its investigation and resolution is defined and subsequently notified to the individual who has submitted it. Once the term has expired, this person is asked if he/she is satisfied with the remedy. If so, the grievance procedure is closed, otherwise, this procedure is repeated until the appropriate remedy is provided. It is worth noting that we do not use mechanisms that force any party to the grievance process to waive his or her right to resort to legal action.

In AF we are improving the grievance mechanism to meet the effectiveness criteria, in accordance with Principle 31 of the UN Guiding Principles on Business and Human Rights, which provides that the mechanism should be: i) legitimate, ii) accessible, iii) predictable, iv) equitable, v) transparent, vi) rights-compatible, vii) a source of continuous learning, and viii) based on engagement and dialogue.

Therefore, over the next two years we will work on:

- Co-design additional and trusted reporting channels with stakeholders.
- Increase the dissemination of the current channels among stakeholders, as well as the scope and procedures of the grievance mechanism.
- Report complaints and grievances received and their outcomes to stakeholders.
- Establish scheduled reviews of the mechanism to receive feedback from stakeholders.

Community Development Workshops and Programs

Annually, we develop activities in the schools near the farms, which bring together the whole community. One of the most important activities is to give training talks on different topics related to forestry activities and their impact on the community. These talks also encourage community integration among parents, children, teachers and neighbors.

Our goal for the next 5 years is to increase community development programs in cooperation with state entities, including training and capacity building workshops. These workshops would be free of charge, and about topics related to business development and entrepreneurship, diversity and inclusion, the environment, carbon credits, health and wellness, road safety, among others.

In 2023, we will implement a project in Uruguay, in cooperation with another company in the sector, aimed at increasing employment opportunities in the rural areas of Vergara, Rincón and Placido Rosas, located in the departments of Treinta y Tres and Cerro Largo. Accordingly, 30 people will be trained in opportunities to add value to forestry by-products. The training is composed of 4 modules, covering circular economy business models, Design Thinking and entrepreneurship management. We have estimated that this project will have a significant impact on the population of these areas, which have a total of 4,900 inhabitants and where there are few employment opportunities.

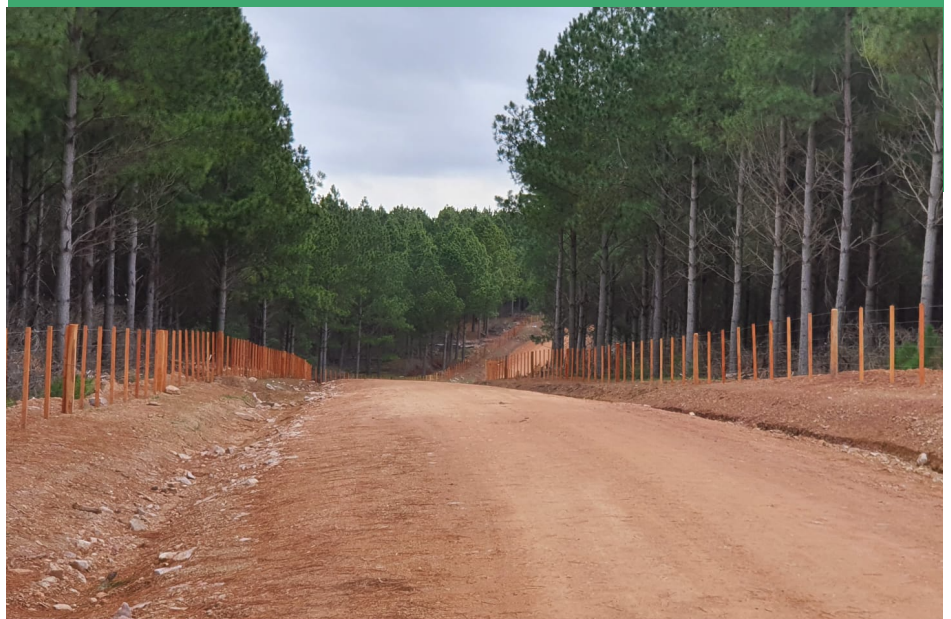
Case Study

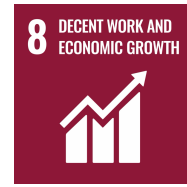
Community Benefits: Santa Hildara Road

In September 2022, we opened a 5-km road, which is the result of a cooperative effort between AF, the BDU 2 fund and the City Council of Cerro Largo (IMCL, for its acronym in Spanish) to improve rural roads.

As a result, a road connection is provided for people and cargo transport coming from the Quebracho area and heading to the Tarariras or Arévalo streams. This road significantly shortens the distance these people have to travel, creating a very positive social, economic and environmental impact. The number of people and local producers benefited is around 200.

This road is part of an IMCL plan to improve circulation in that area. This plan also includes the construction of a bridge over the Tarariras stream with the cooperation of the forestry companies.





7. HUMAN CAPITAL

AF is in charge of forest management, executing and supervising all necessary operations. Most of the forestry operational activities are outsourced and performed by local service companies.

62

AF EMPLOYEES

211

SERVICE COMPANIES

1,126

SERVICE COMPANIES'
EMPLOYEES

Our human capital policies are aligned with the United Nations International Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, which provides, among others: i) freedom of association and the effective recognition of the right to collective bargaining, ii) the elimination of all forms of forced or compulsory labour, iii) the effective abolition of child labour, iv) the elimination of discrimination in respect of employment and occupation, and v) a safe and healthy working environment.

As we outsource most of our forestry operations, it is essential to have control mechanisms to ensure the quality of employment and working conditions. In AF, we use systems to identify outsourced workers and prevent any deviations.

At the national level, the forestry industry is characterized by a low participation of women in the workforce. In AF, we are committed to improving diversity and inclusion, mainly in operational activities, both in our company and in the service companies we outsource.

48%

FEMALE EMPLOYEES
IN AF

2%

FEMALE EMPLOYEES IN
SERVICE COMPANIES

42

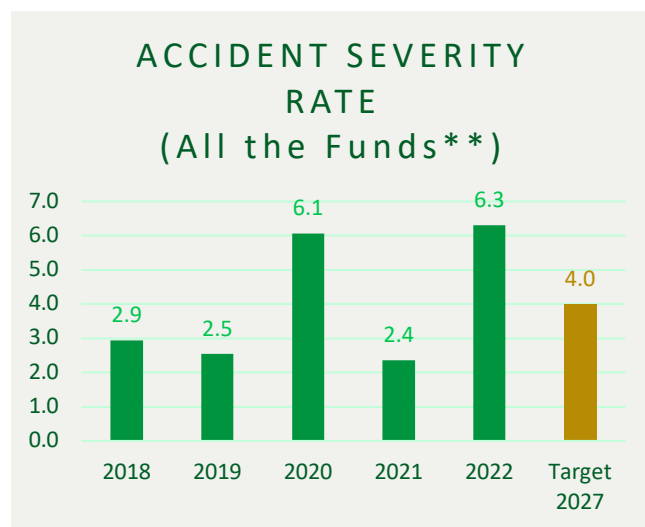
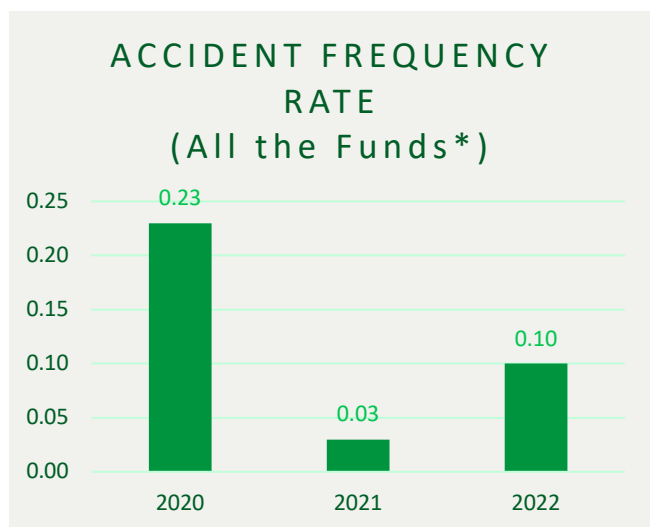
DIRECT AND INDIRECT
FEMALE EMPLOYEES

Occupational Safety and Health

In AF, we promote a safe working environment that minimizes risks for all workers. For the direct employees, we have procedures in place to prevent occupational hazards, identify, avoid or mitigate accidents, human losses, injuries, and maintain a work environment that protects their health and working capacity. In the case of service companies, they are responsible for submitting the safety plan. In AF, we are in charge of monitoring compliance with audits, inspections and a monthly evaluation.

Harvesting and transportation are the riskiest forestry activities and, therefore, the ones that cause the highest number of accidents. For this purpose, we have implemented a plan to take care of the safety conditions for the employees in charge of the following tasks, including: i) the mechanization of operations, ii) the trainings, iii) the supervision and controls on each work shift, iv) the procedures and work design to prevent accidents, among others.

Regarding pruning, although the incidence of accidents is lower, we have incorporated machines that significantly reduce the rate of accidents and injuries.



*Accidents per million hours worked.

**Annual Average. Days lost per thousand working hours.

Human Capital Development

In AF, we believe that our people are our most important asset. Creating a good working environment that offers opportunities and development to our employees is key. We focus on developing a value proposition that is attractive in the long-term to recruit and retain talent, as well as to develop the competencies of our current employees.

2%

AF EMPLOYEE
TURNOVER

2%

AF VOLUNTARY
EMPLOYEE TURNOVER

0%

AF INVOLUNTARY
EMPLOYEE TURNOVER

Some of the measures we have implemented in AF at the corporate level are:

- Remuneration based on objective market data without distinction of gender.
- Wellness support for employees to access services and to sustain their physical and mental health.
- Annual training per employee equivalent to 7% of the total hours worked.
- Flexible and remote working in all locations to support work-life balance.

For more than 11 years, AF has been recognized as one of the best places to work in Uruguay by Great Place to Work®. In 2020, it was recognized as one of the best places to work in Latin America and in 2021 as one of the best places to work for women.



**According to the Great Place to Work® survey results based on the overall average satisfaction rate.*

8. CORPORATE GOVERNANCE

AF recognises that good governance leads to better financial and non-financial performance. Best practices in corporate governance provide: i) a management system defining the roles and responsibilities of AF's management board members, and ii) a control system that ensures compliance with current laws and regulations. The Board of Directors is responsible for managing the company and is composed of 4 members.

25%

FEMALE
DIRECTORS

40%
TARGET 2027

25%

INDEPENDENT
DIRECTORS¹⁴

MIN. 25%
TARGET 2027

5

NUMBER OF
BOARD
MEETINGS HELD

29%

WOMEN INVOLVED
IN INVESTMENT
COMMITTEES

MIN. 25%
TARGET 2027

AF Board of Directors	Corporate Committees
- Francisco Bonino* (Chair) - Aldo Lema (Independent) - Cecilia Bonino - Gerardo Díaz Beltrán *Executive Director	Board Committees: - Internal Audit Committee - Compliance Committee - Risk Committee Project & Fund Committees: - Investment Committee

¹⁴ Criteria defined according to ICGN Global Governance Principles.

To AF, the committees are systems that oversee the fulfillment of the Board's responsibilities and, currently, we are in a process of continuous improvement to reach the highest international standards. In 2022, the Risk Committee was created. Its main objective is to set up and implement the Risk Management System (RMS) in compliance with the Risk Management Policy set out in 2021.

With regard to climate-related risk, we plan to incorporate the guidelines of the Task force for Climate-related Financial Disclosures (TCFD) in the next 2 years, in order to identify, assess and mitigate material risks in current and new projects.

In 2022, we have worked to strengthen the Compliance Committee performance by the appointment of a Compliance Advisor. This will allow us to improve control procedures to avoid conflicts of interest that may have an impact on stakeholders, such as transactions with related companies, and any other issues associated with corruption, fraud, money laundering and financing of terrorism, among others.

Internal Audit Committee Members	Compliance Committee Members	Risk Committee Members
- Francisco Bonino* (Chair) - Gonzalo Taborda (Independent) - Maria Victoria Santo* - Ramiro Comas (Independent)	- Aldo Lema (Independent Director) - Viviana Fontanini (Independent) - Fernanda Romero (Independent) - Marcela De Ritis (Independent)	- Maria Stella* - Sebastián Noseda* - Miguel Oñate* *AF Executives

In AF, we are currently working to ensure that the ESG business and financial objectives set at Management and Board-level are robust, measurable and consistent throughout the company. We are also developing policies and procedures to evaluate the progress made toward these objectives. With regards to the Board of Directors, we are drafting the document containing the internal rules and regulations, providing for: i) vacancies, ii) the criteria for nominating members, iii) the evaluation system, iv) the standards of conduct, and v) the annual agenda aligned with ESG objectives.

Ethics & Conduct

AF has implemented a number of policies and procedures to support its commitment to conducting the company's business ethically and in a way that is transparent and accountable. The policies and procedures that ensure this commitment and involve stakeholders are outlined in the Code of Ethics and Conduct.

Shareholder Engagement and Voting Rights

At the BDU-fund level, the Surveillance Committee oversees the interests of shareholders and encourages their active participation. Currently, there is one Committee per fund, and the members (a maximum of 3) are independent forestry experts appointed by the investors. The Committee's functions are as follows: i) overseeing and recommending land acquisitions, ii) approving the annual budget and monitoring variances, iii) supervising purchases and contracts with related companies, iv) monitoring harvests and commercializing timber, v) monitoring the forest mean annual increment, vi) monitoring planting practices and survival rates.

Annual general meetings are held for the BDUs funds. At such meetings, shareholders have the right to vote (requiring at least a majority of 75%) on the following items: i) modify the terms and conditions of the issue of securities, ii) establish the manner to dispose of the Trust property, iii) appoint the person who will be in charge of the disposal of the Trust property, as a unit of the assets comprising it, iv) terminate the Trust in the event the Trust property is insufficient, v) approve the early sale of part or all of the assets, as proposed by the Manager or a special majority of shareholders, vi) approve any changes on the Business Plan, as proposed by the Manager, vii) approve the extension of the sale of the assets at the end of the forestry project described in the Business Plan, for up to a 3-year term, and viii) replace the Registered Agent.

Additionally, BDUs funds' extraordinary general meetings may be held at the Trustee, Registered Agent or 20% of the shareholders' request. In this case, resolutions may be approved by an absolute majority of the shareholders.

Responsible Investment

In 2022, we have become a signatory to the Principles for Responsible Investment (PRI), in order to reaffirm our commitment to be a responsible investment manager following the best global practices.

Our Impact Investment Policy, aligned with these Principles, sets out the approach adopted and the requirements for ESG risks and opportunities incorporated into all investment, asset management processes and decision making.



SUMMARY OF OUR IMPACT METRICS & TARGETS

Metrics 2022 Targets 2027	AF		BDU I		BDU II		BDU III		BDU IV	
	2022	2027	2022	2027	2022	2027	2022	2027	2022	2027
Land Management and Productivity										
Certified Area (% Total Area)	-	-	100%	100%	72%	100%	55%	100%	84%	100%
Level of Hazardous of Pesticides Used										
Class II (% Total volume used)	-	-	18%	Max. 20%	17%	Max. 20%	11%	Max. 20%	12%	Max. 20%
Class III (% Total volume used)	-	-	82%	-	83%	-	89%	-	88%	-
Hectares Treated with Pesticides (% Total Area)	-	-	6.9%	Max. 20%	10.5 %	Max 20%	12.4 %	Max. 20%	7.7%	Max. 20%
Certified Timber Harvest Volume (% Total)	-	-	100%	100%	93%	100%	87%	100%	66%	100%
Supply Chain & Circular Economy										
Local Micro & SME suppliers (% Total)	-	-	52%	-	57%	-	52%	-	45%	-
Average payment days to suppliers	-	-	18	Max. 30	20	Max. 30	21	Max. 30	24	Max. 30
Biodiversity & Ecosystem conservation										
Conservation zone or protected area (% Total Area)	-	-	15%	15%	11%	11%	7%	7%	5%	7%
Converted area from forestry to agriculture (% Total Area)	-	-	0%	Max. 10%	0%	Max. 10%	0%	Max. 10%	0.2%	Max. 10%
Number of threatened species	-	-	42	-	10	-	19	-	39	-
Cattle load per hectare	-	-	0.13	Max. 0.50	0.19	Max. 0.50	0.15	Max. 0.50	0.12	Max. 0.50
Carbon Footprint										
Carbon removals (000 tCO ₂ e)	-	-	-17	-	142	-	380	-	400	-
GHG emissions AF Uruguay (tCO ₂ e)	381	-	-	-	-	-	-	-	-	-
GHG emissions AF Chile (tCO ₂ e)	71	-	-	-	-	-	-	-	-	-
GHG emissions AF per million AUM (tCO ₂ e/ million USD)	0,52	-	-	-	-	-	-	-	-	-

Metrics 2022 Targets 2027		AF		BDU I		BDU II		BDU III		BDU IV	
		2022	2027	2022	2027	2022	2027	2022	2027	2022	2027
Communities											
Jobs maintained		62	-	400	-	233	-	816	-	785	-
Directly		-	-	182	-	106	-	371	-	357	-
Indirectly		-	-	218	-	127	-	445	-	428	-
Amount spent on community programs (USD/ Hectare)		0.120 (% Profit)	0.020 (% Profit)	0.030	0.250	0.003	0,250	0.050	0.250	0.080	0.250
Total community members benefited by the project activities		3,594	-	3,007	-	4,087	-	7,127	-	3,954	-
Female		1,825		1,519		2,103		3,539		1,011	
Human Capital											
Accident frequency rate (all funds)		-	-	0.1	-	0.1	-	0.1	-	0.1	-
Accident severity rate (all funds)		-	-	6.3	4.0	6.3	4.0	6.3	4.0	6.3	4.0
Female employees (% total employees)		48%	-	-	-	-	-	-	-	-	-
Employee turnover		2%	-	-	-	-	-	-	-	-	-
Voluntary		2%	-	-	-	-	-	-	-	-	-
Involuntary		0%	-	-	-	-	-	-	-	-	-
Employee Satisfaction Index											
Uruguay		82%	Min. 80%	-	-	-	-	-	-	-	-
Chile		91%		-	-	-	-	-	-	-	-
Corporate Governance											
Independent Directors (% Total)		25%	Min. 25%	-	-	-	-	-	-	-	-
Female Directors (% Total)		25%	40%	-	-	-	-	-	-	-	-
Women involved in investment committees (% Total)		29%	Min. 25%	-	-	-	-	-	-	-	-



URUGUAY

Montevideo
+598-2916-2020
Juncal 1437 Of. 501
info@af.com.uy

CHILE

Temuco
+56-45-2464136
Trizano 413
info@af-chile.cl

BRAZIL

Três Lagoas, Mato Grosso do Sul
+67-3524-1057
Rua das Marias 412
adm@af-brasil.com

WWW.AF.COM.UY

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