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# INVERBOSQUES IN FIGURES

InverBosques' purpose is to develop Nature-based Solutions (NBS) to contribute towards the planet's sustainability by accelerating  $CO_2$  capture by planting forest species that carry out this process efficiently.

Years contributing to Sustainable Development

**700** Direct and indirect jobs created

340 Employees \*At the end of the reporting period

Areas with high conservation value protected

45,000 Hectares of native forests and buffer zones protected

448 Observations of wildlife and plant species recorded on the INaturalist platform

Wildlife and plant species recorded in the project's area of influence

19,000,000

Seedlings can be produced per year

Hectares of nurseries

Native tree species involved in research and development processes

R&D work fronts:
-Genetic
improvement
-Forest nutrition
-Plant health

2,000,000+

Tons of CO<sub>2</sub> equivalent captured



Gold Standard®



Certifications received



# A MESSAGE FROM THE CEO

On our road towards consolidation as the best company implementing Nature-based Solutions (NBS) and within the framework of an emerging, dynamic and challenging carbon credit market, InverBosques stands out as a regional leader in the management and implementation of forestry projects dedicated to degraded soil recovery, plantation establishment, forest conservation, and voluntary greenhouse gas emission reductions (VERs).

Acknowledging that our work goes beyond producing carbon credits and planting trees, we aim to have a positive, long-lasting impact on the social and economic context of our area of influence.

As the company that creates the most jobs in the region, we work together with local communities to promote self-management and develop capacities that will allow them to flourish alongside us. This inclusive approach is a fundamental pillar of our social and environmental policy, which promotes mutual growth and shared prosperity.

Our community interactions are based on an ongoing, transparent dialog. We believe that collaboration is fundamental to build trust-based relationships and to make sure our initiatives respond to local aspirations and needs.

Sustainability is at the core of our mission. At InverBosques, we understand that business success cannot be evaluated simply in financial terms, but that it must include our social and environmental impact. We have therefore embedded responsible practices into every aspect of our operations. Our projects promote biodiversity, restore degraded areas, and contribute to the planet's wellbeing.



#### Natalia Quevedo CEO InverBosques

We believe that open communication both strengthens our engagement with our stakeholders and promotes accountability, which is essential for sustainable development. We provide data and metrics that allow our partners, employees and communities to evaluate our performance and progress towards our goals.

In this sustainability report, we commit to providing clear, accessible information, reflecting the transparency that we consider vital to building stakeholder trust. Through responsible, decisive actions, InverBosques is moving towards a future where the recovery of degraded plains, biodiversity improvement and restoration, social development, and economic growth can coexist in harmony.

Sustainability is at the core of our mission

"



# ABOUT THIS REPORT

InverBosques presents its first Sustainability Report to its stakeholders, corresponding to the period between **July 1, 2023, and June 30, 2024**. The results presented reflect the organization's commitment to communicate its environmental, social, economic, and governance actions through open, transparent, and responsible communications to those it engages with.

This report was developed according to the 2021 Global Reporting Initiative standards, and presents information concerning InverBosques S.A. As this is the organization's first Sustainability Report, its target period does not match its financial reporting period, which have been consolidated, audited, and filed with public records. These reports are presented annually for the period between January 1 and December 31, which means that InverBosques will aim to align its report publication periods for 2025. As this is our first report, there is no updated information.

MAS Capacitación y Asesoría was hired as a third-party independent vendor to perform the third-party verification service. This verification was performed without participation from the highest governing body; however, upper management and different professionals participated in its review. Click here to find verification results.

This Sustainability Report is published in April 2025.

#### Contact Person

Contact for any queries related to the sustainability report:

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Álvaro Trujillo Chief Sustainability Officer

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# **INVERBOSQUES**

# Details of the Organization

InverBosques S.A. is a private stock corporation founded in 2007 that specializes in the development and management of economically, socially, and environmentally viable forestry projects.

It aims to implement Nature-based Solutions (NBS)<sup>a</sup> that promote the planet's sustainability, by facilitating accelerated  $CO_2^b$  sequestration by planting forest species that are highly efficient for this purpose.

The organization has facilities in **Envigado**, **Antioquia** and the department of **Vichada** municipality of **Puerto Carreño**. It performs organization activities at all its locations that are implemented at all levels. Forestry plantation and nursery operations are located in Vichada.

InverBosques as a company is committed to minimizing its negative environmental impact and empowering its positive social and economic contributions. It thus ensures environmentally responsible, socially beneficial and economically viable practices.



Location of InverBosques' facilities



Nursery rooting sheds



# Employees

InverBosques has a multidisciplinary team that carries out the organization's activities in the departments of Antioquia and Vichada.

340\*

**Employees** 

\*At the end of the reporting period

100%

Full time

36.8%

Employees with permanent employment contracts at the end of the reporting period

63.2%

Employees with work-forhire or fixed term contracts at the end of the reporting period



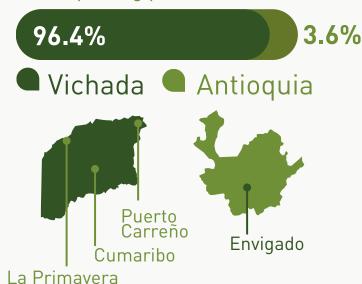
79 More employees than at the start of the reporting period

**78.1%** 

21.9%

Colombian employees Foreign employees

Percentage of employees per department of operations during the reporting period

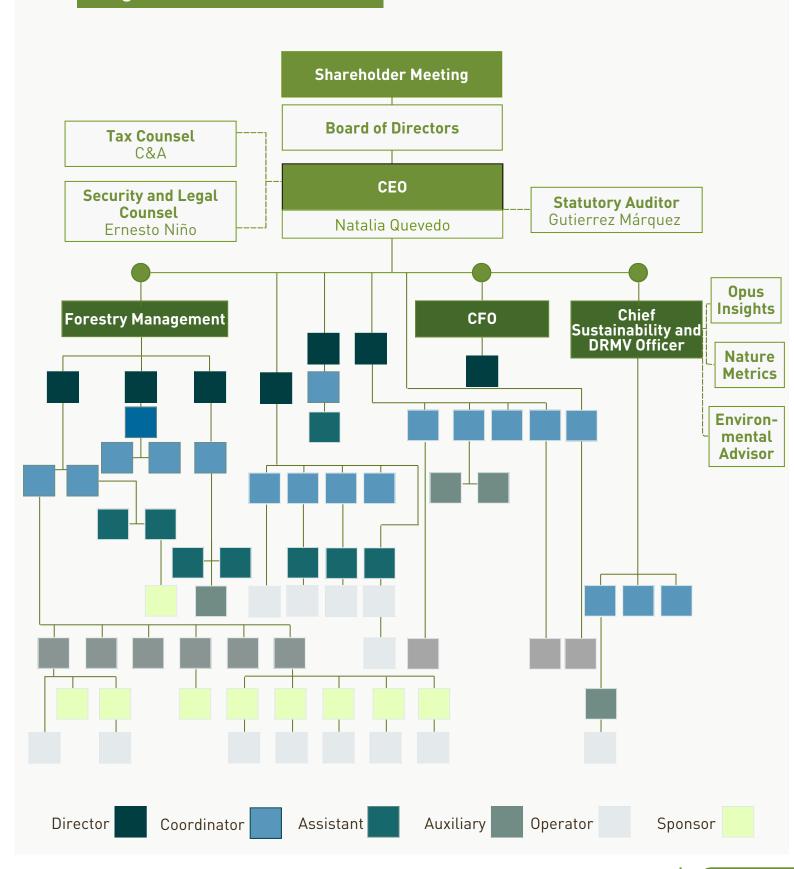


101 239
Women Men

The data presented on this report are taken from the human resources database and corresponding to staffing for the reporting period. Within this framework, InverBosques, which is currently undergoing an expansion process driven by the performance of a large project, reported an 82.5% turnover rate. This is due to cultural factors inherent to the region, where labor practices are defined by seasonal and time-related structures. The company also underwent a restructuring process as part of this growth, which resulted in organizational changes to its upper management.



# Organizational Chart





# **CORPORATE GOVERNANCE**

At the head of InverBosques' governance structure is the Shareholders' Meeting, which is the organization's highest governing body. Some members of the Meeting also sit on the Board of Directors, which ensures strategic alignment between the shareholders' vision and its executive management.

Two board members also hold executive positions in the organization, namely the CFO and the Chair. The latter participates and assists upper management with business decisions and in engagement with important company partners and clients.

The Shareholder's Meeting is responsible for defining and approving the company's purpose, mission and values, making sure that they reflect a firm commitment to sustainability. It also approves the company's long-term strategy and policies that promote sustainable practices.

Thus, while the Shareholders' Meeting defines the company's direction and standards, the executives manage its operations to make sure the organization can achieve its goals efficiently. These leaders are also responsible for monitoring and communicating the organization's progress towards its goals.

InverBosques has no compensation policy for the members of its highest governing body. However, the upper executives that are also shareholders receive a fixed salary according to wage standards for the Colombian market.

The Board of Directors is configured by members with a wide range of key competencies. Its selection and appoint-

included different ment process suitability criteria, including experience other boards, education professional experience. Key skills considered include financial management, administration, strategy and management skills. This diversity of knowledge guarantees that the Board of Directors will effectively address all aspects of the business, from financial optimization to innovative strategies.

Both the Shareholders' Meeting, which meets once a year, and the Board of Directors, which meets 4 to 6 times a year, frequently discuss the organization's economic, social and environmental impacts, without participation from underrepresented social groups or stakeholders.

The highest governing body is not involved in stakeholder engagement or impact management oversight. These activities are the direct responsibility of the Chief Sustainability Officer, who reports to the CEO.

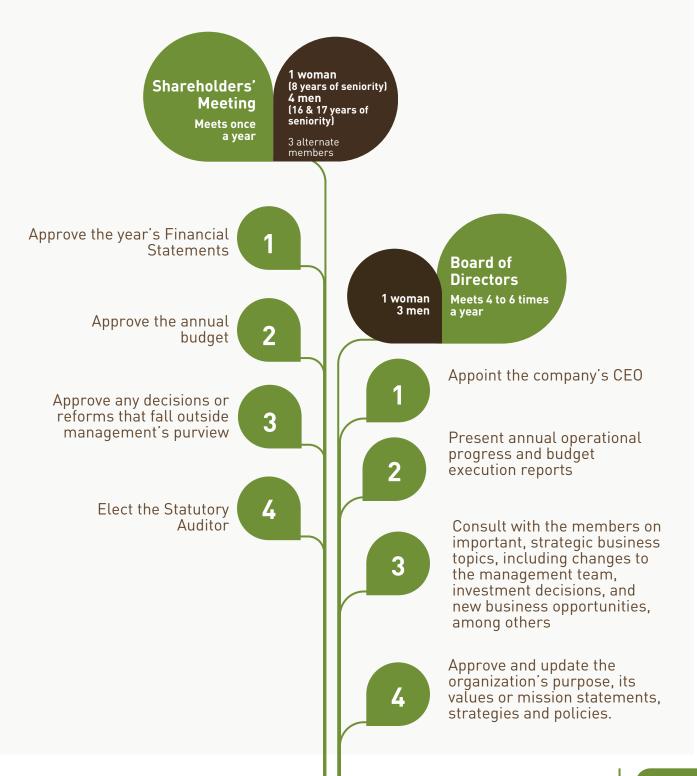
Impact management advances are presented frequently by the CEO to the Shareholders' Meeting and Board of Directors, so that any decisions made will ensure sustainable operations.



There were no sanctions due to breaches of legislation or regulations resulting in fines during the reporting period.



# Functions of the Shareholders' Meeting and the Board of Directors







# OPERATIONS IN THE DEPARTMENT OF VICHADA - COLOMBIA

# ¿Why Vichada?



- Vichada has an enormous water supply.
- Vichada es the second largest department in Colombia landwise.
- It is **mostly flat**, which provides it with a comparative advantage for developing large scale production activities.
- It is part of the 6.3 million hectares with agricultural and forestry potential in the Eastern Plains.
- It is the second department with the lowest population density in the country. This has allowed InverBosques to establish excellent relations with communities in the area and to work hand-in-hand with local inhabitants to develop a new forest culture to drive the region's development.

InverBosques' operates in the department of Vichada, Colombia.

Region: Orinoco - Eastern Plains Municipalities: Puerto Carreño, Cumaribo and La Primavera.



Plantación forestal



# VALUE CHAIN

# Value Chain

InverBosques has productive activities involve the that sustainable management of forestry and agroindustrial projects, and it specializes in projects conservation-driven accelerated CO<sub>2</sub> sequestration, an effective climate change mitigation measure. The CO<sub>2</sub> sequestered at plantations is quantified and certified by Gold Standard and traded as carbon credits on the voluntary market.

InverBosques' value chain has been analyzed using Michael Porter's [1985] approach. This approach shows value generation through the company's main and support activities. This model has also been adapted to reflect elements related to sustainability, to represent both the economic value indicated by Porter, and the stakeholder value made evident by ESGc (Environment, Social and Governance) criteria.

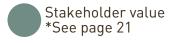






Cross-cutting activities







# Description of Value Chain Activities

#### Main Activities:



#### **Planning:**

Planning activities include consulting and assistance for agile and secure land acquisition. This activity also structures Forestry Management Plans, defines budgets and operating schedules, develops and and consolidates technology packages with silvicultural InverBosques structures financial investment models that maximize value project and formulates sustainability policies that focus on social and environmental management and biodiversity protection.



#### Research & Development (R&D):

The company innovates in seedling production with a comprehensive approach that includes a solid forest nutrition program and an advanced genetic improvement program. It also implements a forest health program that promotes healthy, sustainable plantations. Simultaneously, it develops and researches native species and new clones, using mother trees and progenies specifically adapted to the conditions of the project and the area.



#### **Operations management:**

Operations management includes activities related to forest plantation establishment and management, including the production of plant material (nursery) for eucalyptus and native species clones.

It is also responsible for contracting and auditing plantation establishment and maintenance activities, ensuring strict compliance with the parameters defined in the Forestry Management Plans. This area also implements ongoing social and environmental sustainability policies, ensuring responsible operations. In parallel, logistics operation management coordinates transportation, food. camps, inputs, equipment and labor to make sure the project operates efficiently.



#### Monitoring and control:

This area is responsible for forest development and plantation management (DMRV - digital monitoring, reporting, and verification). It also closely oversees budget and operating schedule execution, ensuring fulfillment of the company's goals.

Monitoring also involves use and administration of the Geographic Information System (GIS) and auditing and monitoring of contractors and field operations. It also implements strict controls for preventing forest fires and managing risks associated with the operation.





### Description of value chain activities

#### Support Activities:

# Selection and definition of areas for establishing plantations

Consists of identifying areas and farms where plantations could be established. of the most important requirements is to prioritize areas known as "savannah banks", which are not susceptible to flooding and have a geomorphology that facilitates soil preparation activities. This activity also carefully evaluates the lots' social, environmental. and legal characteristics to mitigate risks or legal contingencies.

### N

#### Nursery seedling production

InverBosques has the largest forest nursery in Colombia, with the capacity to produce 19,000,000 seedlings per year. It is responsible for producing all the plant material used to establish plantations. The nursery is certified by the Colombian Agricultural Institute (Instituto Colombiano Agropecuario - ICA) for forest, native, and fruit-bearing species.

#### Forest species produced at the nursery: Eucalyptus pellita, Eucalyptus urophilla, Eucalyptus grandis.

In Eucalyptus production, individual trees are selected for planting according to certain characteristics. This means that each clone comes from a "mother tree" with the desired qualities, including pest and disease resistance, and good growth and development. These mother trees are then replicated so all trees will share these advantages. This nursery has four different varieties of clones, each one

specially adapted to conditions in the planting area, including the soil type, the weather, and other environmental factors. To create these clones, we take small cuttings or shoots from the mother plants. These cuttings are then planted and developed into new trees, ready to grow with the same characteristics as the original tree.

Eucalyptus, as a species, is well suited to restore and recover historically degraded savannah land. It is highly efficient for  $\mathrm{CO}_2$  sequestration and for transforming degraded ecosystems into future succession forests.

This species regulates excessive water saturation during Vichada's rainy season (3000 mm/year in just 8 months), generating the balance required for the growth and development of other native species.

# Hybrid Eucalyptus clones produced by the nursery:





#### Native species produced at the nursery

Besides the *Eucalyptus pellita* clones, the nursery also produces 10 species of native trees using seeds, which are prepared and germinated in controlled conditions within the nursery. They are provided with an environment with the ideal humidity and lighting conditions so they can grow. Once the seeds germinate, the little seedlings are cared for until they reach the proper size to be planted in the field, where they will continue their development as strong native trees that are well-adapted to the region.





Congrio

Acosmium nitens





Saladillo blanco Vochisia lemanii





Simaruba Simarouba amara





Yopo Anadenanthera peregrina





Guarupayo -Quince días *Tapirira quianensis* 





Pavito - Chingale Jacaranda copaia (Aubl.) D.Don





Aceite
Copaifera officinalis





Cañafistola -Llanera *Cassia moschata* 





Spanish cedar Cedrela odorata

10



Genip or jagua Genipa americana

# Plantation establishment and maintenance

These activities are managed by an outsourcing company called Refocosta, who ensures compliance with high technical standards. The planting process can be manual or mechanical, depending on terrain characteristics. Once the plantation has been established, maintenance activities are performed three times a year for the first three years, as this is a critical period for ensuring healthy tree growth.

# Management of carbon credit certifications

InverBosques has three entities in its value chain and a stakeholder group responsible for carbon credit audits and certification.

- Carbon check: Audits the calculation of the carbon sequestered by InverBosques plantations.
- Aenor: Audits carbon amounts calculated by Forliance in InverBosques plantations.
- Gold Standard: Certifies the CO<sub>2</sub> captured by InverBosques plantations and good practices throughout the supply chain.
- Clients: Investors in forestry projects and holders of carbon credits.

These have a commercial relationship where the first three entities provide services and the latter acts as investor.



#### **Nursery stages:**

#### Cell filling:

Preparation of the cells and substrate where <u>cuttings</u> harvested from the mother plants will be planted.

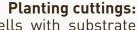


# **- (** 2

# Harvesting cuttings from mother plants:

These provide the cuttings that are harvested every day.

160,000 mother trees 7,500 m



In cells with substrate in them.





#### **Rooting sheds:**

The planted seedlings move into a growth and rooting process in a temperature- and humidity-controlled environment.

16 rooting sheds

46,800 m2 Rustification and growing area

#### **Rustification:**

Period where plants acclimatize to environmental conditions and are prepared to have success once planted.







#### Shipping:

The plants are packed to be taken to the field for planting.



### Description of value chain activities

#### Cross-cutting Activities



#### Social and environmental management

applies sustainability activity policies in social and environmental management and biodiversity protection. InverBosques ensures comprehensive sustainability practices in the forestry projects it manages, making sure they are economically viable, have proper environmental and social management, and promote a positive impact upon the communities where they are implemented and upon local biodiversity.



#### **Asset protection**

This area implements activities aimed at managing risks associated with the companies operations, paying special attention to forest fire control and prevention, which is key to plantation continuity. This area also coordinates road maintenance and transportation for consumables, materials, and staff at work locations. It also manages camp facility maintenance activities and the logistics support required for establishing plantations.



# Administration, communications and human resources

This area operates throughout the value chain. It coordinates procurement and vendor management to ensure the timely availability of the resources required for the organization's activities. Ιt also manages administrative and accounting aspects, ensuring appropriate financial controls and compliance with budget processes. On the topics of staff management and coexistence, it manages the company's human resources and, given the nature of its operations, it promotes a healthy, harmonious environment in work and work-related spaces. communications area is responsible for managing the company's networks and facilitates a clear and effective flow of information for both employees and external stakeholder groups.



Fire control



#### Sustainable value creation

InverBosques defines sustainable value creation as an added value to financial benefits it derives from its operation. This value has a positive effect on communities and ecosystems, with long-term results.

In this report, this value is framed within ESG (environmental, social and governance) criteria, and integrates the value chain model proposed by Porter (1985) and presented on page 19.

The following is the additional value created under each criteria:

### E

#### **Environmental:**

- Fire prevention and control for the protection of natural ecosystems and forest plantations from fires arising from natural causes or resulting from human activities.
- CO<sub>2</sub> sequestration through the establishment of forest plantations as part of the implementation of Nature-based Solutions (NBS).
- Physical and chemical soil conditioning for future production activities or for enabling the development of vegetative succession to establish native forests.

#### S

#### Social:

- Free and efficient digital connectivity for the La Esmeralda (Vichada) community.
- Drinking water access for students and teachers and the La Esmeralda (Vichada) education center.
- Strengthening social and job-related skills for members of the La Esmeralda (Vichada) community interested in working with InverBosques.
- Capacity building in project development for community leaders in La Esmeralda (Vichada).
- Contributions to social knowledge by disseminating a sociographic description created by InverBosques for the La Esmeralda (Vichada) community.

#### G

#### **Governance:**

Generation of new scientific knowledge to drive the forest sector and contribute to business decisions.



#### Supply Chain

As part of its supply chain InverBosques management, transparency implements а assurance program, led by a compliance officer responsible for money laundering and terrorist financing risk management system (SARLAFTd, Since 2022, the Spanish). organization has voluntarily implemented a vendor verification ensuring compliance process, with requirements defined by the Colombian Superintendent Corporations as regards money laundering and terrorist financing risks (SAGRILAFTe, in Spanish).

approach makes InverBosques is aligned with the provisions. Superintendent's which are, in turn, consistent with standards international that pursue common objectives when managing these risks. With this in InverBosques mind, specific parameters that measure the risk of the individuals corporations with which interacts.

As part of its internal supply chain management process, the organization has also adopted a Corporate Ethics and Transparency Program (PTEEf, in Spanish), to identify, detect, prevent, manage and mitigate transnational corruption or bribery risks at the organization (Supersociedades, 2022).



# 1 0 Vendors with the highest interactions

d. SARLAFT: Spanish acronym for Money Laundering and Terrorist Financing Risk Management System.

e. SAGRILAFT: Spanish acronym for the Self-Control and Management System for the Comprehensive Risk of Money Laundering, Terrorist Financing, and Funding for the Proliferation of Weapons of Mass Destruction.

f. PTTE: Spanish acronym for the Transparency and Corporate Ethics Program





Process auditors during the reporting period



### International Certifications

InverBosques has two international certifications that support its commitment to sustainability, positioning it as a reliable benchmark for responsible forest management and high integrity carbon credit generation. These certifications reinforce the trust of clients and investors, consolidating the organización as a leader in a market that values transparency.



#### FSC®: Forest Stewardship Council®

The FSC® is a global not-for-profit organization that promotes responsible forest management around the world. InverBosques' One of achievements was receiving FSC® certification in 2019, under code GFA-FM/COC-004132 and under umbrella certification approach, thanks to support from FORLIANCE and in partnership with another two forestry companies in the region.

This certification attests that forests InverBosques managed by rigorous standards that ensure an biodiversity equilibrium between conservation, respect for local communities, and economic viability. Besides protecting natural resources and protecting the population's rights, certified forest management promotes sustainable forest use. A key aspect is a focus on carbon sequestration, which strengthens actions against climate

As a result, InverBosques' operations are planned and supervised carefully, preserving ecosystems, protecting environmental services, maintaining positive relations with local and indigenous communities. Thus, FSC® certification reinforces the commitment to company's sustainability.



#### **Gold Standard® Certification**

Standard InverBosques has Gold accreditation since 2016. This is an internationally prestigious certification validates the veracity transparency of the amount of carbon captured by forest plantations. This certification makes sure that these activities both contribute significantly to climate change mitigation, and also have a positive impact aligned with the Sustainable Development Goals (SDGs). As with FSC® ceritification, the Gold Standard accreditation is granted under an umbrella project developed Forliance.

Gold Standard certification plays a crucial role in an organization's business model, as it reinforces the integrity of its carbon capture projects, converting captured tons of  $\mathrm{CO}_2$  into certified carbon credits that can be traded on voluntary exchanges. The Gold Standard seal adds value to these projects, as it provides guarantees to carbon credit buyers that they are investing in real initiatives that make a significant impact in the **struggle against climate change.** 



Gold Standard



# Domestic Certification



#### Certification from the Colombian Agricultural Institute (ICA, in Spanish)

Besides international certifications, InverBosques has been certified by the Colombian Agricultural Institute (ICA, in Spanish), Colombia's most important agricultural authority. The ICA is a public entity that designs and implements strategies to prevent, control and reduce health, biological and chemical risks in wildlife and vegetation, ensuring quality and legality in the country's agricultural, forest, and aquatic production.

This certification quarantees that InverBosques' nursery meets highest standards for the production of forest species, both native and fruitbearing, ensuring the genetic and health-related quality of the plant material used in its plantations. ICA certification is fundamental to our business model, as it ensures traceability and quality control for all the plan material produced and used by accelerated carbon capture forestation projects.

ICA certification reinforces InverBosques' commitment to sustainable practices and positions it as a company that complies with domestic and international regulations. This increases client and investor confidence and contributes to the sustainable development of Colombia's forestry sector.

# Forest nursery certified in the production of:

- Forest Species
- Native Species
- Fruit Trees









### Sustainability for InverBosques

InverBosques specializes in sustainable forestry project management, and integrates economic, social and environmental dimensions. The organization considers investment in the planet as an essential part for performing its activities and generating long term positive impacts.

Sustainability constitutes a fundamental pillar of InverBosques' operations, focusing on balance via responsible management. The organization highlights the urgency of this transformation and emphasizes that significant, long-lasting changes are only possible via collaborative work.

InverBosques' actions have a multidimensional impact, focusing primarily on the wellbeing of stakeholders and conservation of the planet. The company's commitment to sustainability is supported by domestic and international certifications that define and quide its actions.

Highlights of these certificates include the FSC's Corporate Transparency and Ethics standard, that defines strict rules for responsible forestry management and fosters forest protection. The company has also adopted Gold Standard guidelines, which ensures carbon capture transparency and traceability, contributing verifiably to climate change verification and generating tangible benefits for society.

InverBosques also participates actively in unions and associations like Asocarbono, the Vichada Association of Beekeepers and Honey Farmers (AAMVI, in Spanish), Bita River Basin Council and Fedemaderas. These alliances strengthen organization's commitment promote sustainability, collaborations, facilitate access technical and regulatory knowledge, and support the development of projects that communities. local participations contribute to sustainable resource and planning and management, influence public policy, and position InverBosques benchmark for as а sustainaiblity and socio-environmental responsibility.





# PROCESS FOR DEFINING MATERIAL TOPICS

The following is the process for defining Material Topics, which allows InverBosques to identify and prioritize the operation's most significant impacts. This analysis includes stakeholder participation, to make

sure its perspectives are considered when evaluating the importance of the company's impact, which facilitates identifying key issues that the organization needs to manage responsibly.

Understand the context of InverBosques and identify real and potential preliminary impacts

Understand InverBosques' value chain and any applicable sectoral or topical standards

Consult preliminary impacts with stakeholders

Materiality matrix analysis

Prioritization of the most significant impacts



Stakeholder identification and prioritization

Evaluation of impact importance

Analysis of impacts by stakeholders and InverBosques.

Material topics of the organization

# InverBosques Gerencia de Proyectos Forestales



# Understanding the context of InverBosques and identifying real and potential preliminary impacts

The process to define the organization's Topics Material began acknowledging the its current context. This was done by analyzing its value chain and exploring each activity performed as part of the operation. This integrated knowledge exercise progress made in different areas, through conversations with employees in Antioquia and Vichada. We also held conversation with stakeholders to to understand their perceptions about InverBosques' operations.

This exercise allowed the company to gather key information, resulting in the identification of preliminary impacts, which were shared with the general manager and represented the foundation for the stakeholder consultations.



# Consultations with stakeholders

Consultations with stakeholder groups involved semi-structured interviews designed based upon the impacts that had been identified previously. These interviews allowed gathering the interviewees' impressions regarding these impacts, look at important topics in greater depth, and identify emerging impacts.

Fieldwork also included participant observation, to validate previously identified real and potential impacts, and understand the organization's context. These consultations will be carried out in two phases: the first, during July 2024 at the Las Bonitas Camp and La Esmeralda (Vichada), aimed at employees, local communities and vendors; and the second in August in Puerto Carreño and Medellín, that included collaborators, government entities, training centers, NGOs. external advisors. and service providers.



# Stakeholder identification and prioritization

classifies InverBosques stakeholders, acknowledging that this classification is dynamic and may evolve according to changing conditions in the organization and its context. During stakeholder identification prioritization, the company considered their influence upon the organization's activities, and the impact these activities could have upon them. Based on this analysis, we prioritized stakeholders, suppliers, employees, outsourcina services, clients, external consultants, non-governmental organizations (NGOs), government organizations, service providers, training centers, territorial alliances, and local and indigenous communities.



Departments where stakeholder consultations were held.

# 2 Data collection methods

Semi-structured interviews

Participant observation



For data collection, we applied 37 semistructured interviews to 42 participants.

Although all the organization's stakeholders are important actors, the following were consulted for this version of the sustainability report: Employees, local communities, government bodies, training centers, NGOs, external consultants, suppliers, and service providers.

Now, indigenous communities are one of InverBosques' vitally important stakeholders, and the company began a prior consultation processwith them in 2021, under resolution ST- 1186 from 27 AUG 2021, as a voluntary action to recognize the fundamental right of these communities to be consulted on projects that could affect their territories and traditional practices.

Considering this, in July 2024, a different conversation was held with indigenous authorities to understand their perspective on the positive impact derived from the projects developed under the prior consultation. The results of these conversations can be found in the *chapter on indigenous communities*.



### InverBosques' Stakeholders







#### Evaluation of impact importance

The organization's impacts indicate their contribution, whether positive or negative, to sustainable development. They may be real or potential, short or long term, and direct or indirect. The company classified its environmental socio-economic impacts adapting the methodology developed by Conesa (Fernández Vitora, 2009)<sup>2</sup>, which uses specific ranges to determine the

importance of each impact.

Based on the information supplied by InverBosques and stakeholder participation in semi-structured interviews between July and August 2024, the company identified the most relevant impacts for its stakeholders. It then graded those impacts according to the criteria and scale defined by the methodology.

In this same sense, InverBosques CEO Chief Sustainability Officer and particiapted actively in impact classification, committed to ensuring that the results of this analysis highlight the needs and concerns of those directly and indirectly affected by the organizations operations.



#### Prioritization of the most significant impacts

After defining their importance, the company then ranked its impacts from a higher to lower priority for the organization and for its stakeholders, with 6 (low impact) the lowest number and 16 (severe impact) the highest. This rank was then used to define a threshold or cutoff point at a value of 9 to exclude impacts with a low ranking from the prioritization of material impacts, considering technical criteria and key sustainability topics that can be managed over the long term, with an impact on all stakeholders.

#### Materiality matrix

By building a materiality matrix to present its impacts and their relevance the organization and stakeholders, InverBosques prioritized most relevant impacts group according to the following Material Topics:

- Team care
- Prosperous community
- Operational management
- Knowledge management and research and development
- Environmental management, biodiversity, and ecosystem services

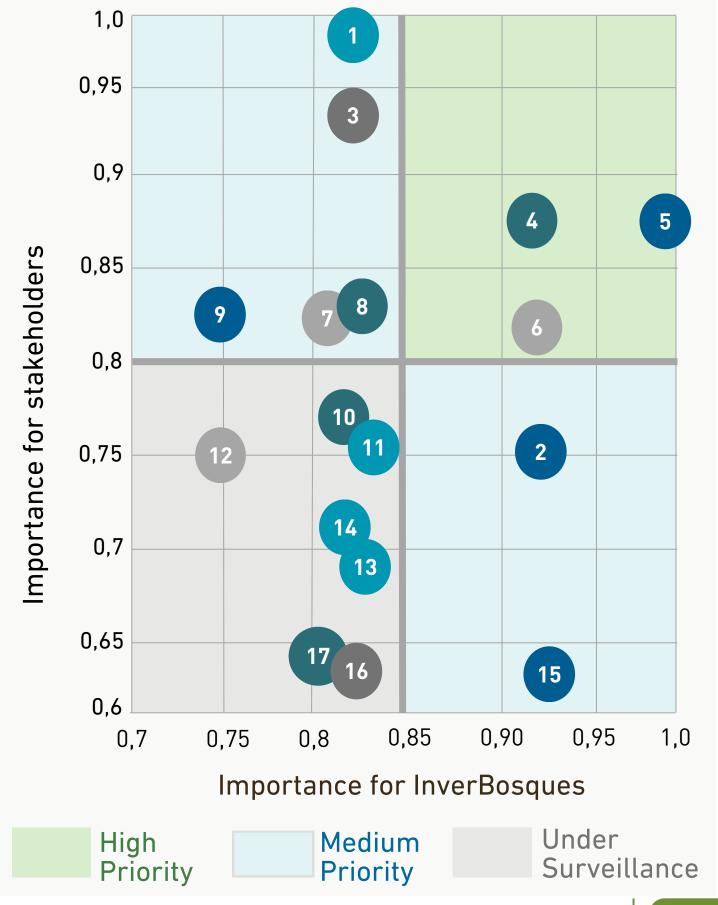
This process influences decisionmaking by focusing on those aspects that have the greatest impact on the operations company's and stakeholder relations.



Stakeholder consultations



# InverBosques' Materiality Matrix





### List of material topics and associated impacts

#### Team care

- Management of psychosocial workplace risk factors amongst employees.
- Manage coexistence and communications between directors and teams to generate a good workplace climate.
- Planning, implementation and adoption of OHS policies subject to legal regulations.
- Implementation of wellbeing strategies for employee recreation and integration.

#### Prosperous community

- Increase demand for public healthcare services by the La Esmeralda community due to population growth to cover project operations.
- Improved sanitation and access to water in the boarding facilities in the La Esmeralda community.
- 9 Improved digital connectivity for the La Esmeralda community.
- Increased supply of formal employment and local work for employees and suppliers.

#### Operational management

- Improvement of installed infrastructure to support activities linked to the project's general operations.
- Deteriorated road conditions during rainy seasons, due to project transportation logistics.
- 12 Improvements to the fire attention and control system.

# Environmental management, biodiversity and ecosystem services

- Increased water consumption for nursery operations.
- 8 Carbon dioxide (CO₂) capture by planting forest plantations.
- Preservation of protected areas with high conservation values and increased native vegetation and wildlife in the region.
- Environmental education and sensitization to promote good environmental practices.

#### Knowledge management and research and development

- Progress with documentation, information traceability, procedural manual management, and other information management tools across the organization.
- Generation of new scientific knowledge based on research and development.



# Impact management and communication channels

InverBosques has several communication channels available so its stakeholders can effectively submit complaints. suggestions and congratulations. The company also offers mechanisms so people can request assistance with the application of corporate responsibility policies and practices. These channels allow stakeholders to understand how the organization's policies are implemented in different situations and to receive specific quidance.

Strategically placed suggestion boxes, a telephone line, and digital channels, including a website and social networks, have been implemented to ensure timely, two-way communications. Stakeholder opinions and suggestions are integrated into the continuous improvement process for each mechanism to ensure they are effective and respond to user needs and expectations.

- External community service line +57 3214655684
- Ethics line +57 3225339175
- La Madera newspaper and bulletin
- Suggestions boxes
- Instagram, Facebook, LinkedIn, YouTube
- InverBosques.com/contacto/

During the reporting period, the company received 29 questions, complaints and grievances, which were communicated to the CEO's office, which is responsible for managing them. Responses to requests made in the department of Vichada are communicated directly by the office of the chief sustainability officer, while responses to clients and allies are sent by the CEO.

The areas responsible for each challenge are involved in managing impacts on the economy, the environment and persons, to attend requests in a timely manner and implement measures quickly. This is supervised by the CEO, who then reports to the highest governance body to reach a joint decision. If a major event occurs, the company can convene an extemporaneous committee to ensure an agile and effective response to unforeseen situations.

InverBosques is committed to remediating any negative impacts that it acknowledges having caused or contributed to, actively collaborating to implement the actions found in the following chapter on the management of Material Topics, supported by policies that define specific impact prevention and mitigation measures.



Inhabitant of the La Esmeralda community



# STRATEGY, POLICIES AND PRACTICES

# Commitments and policies

InverBosques is aligned with government instruments like the ILO9, OECDh, UNi and the ICRC, incorporating their principles into its policies and operations, promoting dignified working opportunities, conditions, equal workplace safety. InverBosques has also adopted the Sustainable Development Goals. practices fosters related transparency and ethics in governance and respects the human rights and needs of local communities. The organization also operates under international standards provided by the instruments described above, like the Gold Standard and FSC, to sustainable and responsible ensure management of all its activities.

During the reporting period, the company performed all due diligence related to the implementation and strengthening of sustainable practices at its operations. These included internal and external audits for compliance with international standards like the FSC and Gold Standard, and consultations with local communities and key stakeholders. This due diligence aimed to ensure regulatory compliance, evaluate the social and environmental impact of its activities, and strengthen relations with communities and strategic actors.

As part of its corporate commitment, InverBosques has three policies that were approved by the highest government body and communicated throughout the organization via the ADN Socioambiental (Social & Environmental DNA) publication, issued by the Chief Sustainability Officer. This publication communicates the company's commitments and promotes the policy application in the course of the company's operating activities.

Operational Health and Safety (OHS) Policy: The policy aims to ensure a healthy and safe workplace and includes workplace risk prevention, maintains sustainability standards, and promotes gender equity. It forbids child labor and promotes safe working conditions.

Internal Workplace Regulations:
These regulations define clear rules to maintain a safe work environment and ensures compliances with all related policies.
It applies to all employees, and makes sure that rules of behavior and operation are followed by the entire company.

Social and environmental policy: This policy ensures responsible management of forestry projects, promotes ecosystem biodiversity conservation, contributes to the socioeconomic development of local communities. The company is aligned with the principles of the Stewardship Forest Council (FSC) and the Gold Standard, as they relate to labor rights protection and social equality. It forbids activities like hunting and felling native forests, which are considered serious offenses under the internal workplace regulations.





# Management of material topics

This section of the Sustainability Report develops the material topics identified by the materiality analysis. These issues have been configured as categories that group the impacts detected into five key areas for InverBosques:

- Environmental management, biodiversity and ecosystem services
- Prosperous community
- Knowledge management and research and development
- Team care
- Operational management

A table summarizing the most important information appears at the start of each material issue. This tool provides a quick overview of the topics covered and their contribution to the organization's sustainability. The table includes: impact name, description, management measure, associated policy or commitment, the Sustainable Development Goal (SDG), and a target.

Impacts	Description	Management Measure	Related Policy	Relation to the SDGs
Impact Name.	Describes the impact's connotations and the context or stakeholder group that it applies to.	Mentions the management measures adopted by InverBosques to address the impact.	Mentions the company's official policy or commitment that relates to the impact.	In the case of positive impacts, this indicates the Sustainable Development Goals (SDGs) that the impact relates to. For negative impacts that incorporate this aspect, this section presents management measures and commitments assumed by the organization, which are also tied to the SDGs.



### | ENVIRONMENTAL MANAGEMENT, | BIODIVERSITY AND ECOSYSTEM SERVICES

Impacts	Description	Management measures	Related policy	Relation to the SDGs
Increased water consumption for nursery operations.	Real negative environ- mental impact caused by the organization.	<ul> <li>Aquifer water availability studies.</li> <li>Efficient irrigation system.</li> <li>Staff constantly in the rooting sheds to prevent water waste.</li> <li>Frequent inspection looking for leaks and damage.</li> </ul>	Social & Environmental Policy.	SDG 6 Target: 6.4.
Preservation of protected areas with a high conservation value and increased abundance of native vegetation and wildlife in the region.	Real positive environ- mental impact caused by the organization.	<ul> <li>Definition, conservation and monitoring of high conservation value areas.</li> <li>Controls on wildlife hunting.</li> <li>Participatory biodiversity monitoring with the Forest Rangers.</li> <li>Cooperation agreement with a local conservation NGO, other territorial actors and the country's Ministry of the Environment and Sustainable Development.</li> </ul>		SDG 15. Targets: 15.2. 15.5. 15.7. 15.9.
Carbon dioxide (CO₂) capture by planting forestry plantations.		<ul> <li>Clones and native species of progenies adapted to the zone, to ensure optimum growth and maximize CO<sub>2</sub> capture.</li> <li>Quantification of carbon captured by the plantations.</li> </ul>		SDG 15. Target: 15.2.
Environmental education and sensitization to promote good environmental practices.		<ul> <li>Strengthen and sensitize neighboring communities by promoting good environmental practices.</li> <li>Take the environmental management system to the entire organization to promote active participation by all employees.</li> </ul>		SDGs 4 & 12 Targets: 4.7. 12.5. 12.8.



### Increased water consumption for nursery operations



Irrigation in the nursery's rustification zone

This section covers water consumption at the "Las Bonitas" main camp which houses the largest number of workers, the main dining room, sanitation units, and other facilities. It also includes water use for plant material production at the nursery, which demands a lot of water during early growing stages, which can have a significant impact on local water resources.

Ongoing water extraction can affect resource availability for other productive activities, communities and ecosystems in the area. However, according to the World Wild Fund for Nature's (WWF<sup>k</sup>) Water Risk Filter, InverBosques' area of operations is a region with high water availability and no water stress.

In November 2024, the organization carried out a hydrogeological study to evaluated water availability in the aquifers located in the groundwater extraction zone. To manage nursery water consumption, InverBosques has implemented an efficient irrigation system by which plants are only irrigated when necessary, and a specialized operator is responsible for requesting irrigation subject to specific needs.

The organization monitors the effectiveness of these measures via periodic controls of water meters and constant analysis of recorded water use.

Third-party vendors, including Agroriego and ADN Socioambiental, participate actively in managing water use. These actors report and advise InverBosques on best practices for efficient water use, and influence decisions made to optimize irrigation systems and water use at the company's operations.

Water consumption by InverBosques' operations has a direct impact on local water resources. The company is responsible for this impact related to water withdrawal both for plant irrigation in the nursery and for its overall operations.

company has a Social and Environmental policy that reflects its commitment to the prevention, mitigation reduction and environmental impacts. Specifically, it commits to manage water use efficiently, ensuring the sustainability of water resources. commitment is reflected by compliance with regulations imposed by the local environmental authority, and



its for efficient water usage and savings plan, implemented at all operating locations, camps, forest housing, the nursery, and other sites related to the project. This plan proposes sustainable strategies to strengthen water resource management and promote positive change in institutional habits. This program is part of the operational environmental planning defined by the ISO 14001:2015 standard and the strategic environmental purpose for institutional sustainability. It also complies with current Colombian environmental regulations, including Decree 631/2015, Decree 1076/2015, 1090/2018 and Resolution 1257/2018, which define guidelines and parameters for water use discharges. Within this context, the plan's main purpose is to prevent water waste in all operational activities promote responsible environmental performance. strategies adopted include technological, operational and cultural measures aimed at saving and efficiently using water resources. To monitor its efficacy, InverBosques has loss reduction targets, implemented low consumption technologies, and improved distribution systems. The indicators it uses are the daily water flow records documented by forest rangers and operational staff on the "2 AMB - FR -002" form and monthly camp audits using the "ADM-FR016" form.

This information is tabulated by the environmental management area to define baselines and detect significant variations across operating units. Actions implemented, including preventive maintenance, immediate leak repairs, installation of water saver

devices and a review of potential rainwater use, have improved usage controls and reduced losses, although the company acknowledges that it needs to continue fine tuning its efficacy indicators to measure its long term impact more precisely.

part of its commitment to water responsible resource InverBosques management, has participated on inter-institutional roundtables coordinated government authorities to help develop water management plans for the region. In this context, the company submitted an action plan to the regional environmental authority that articulates internal water usage efficiency and savings strategies with the guidelines in the environmental regulations. It also has a public version of its Forestry Management Plan that covers water management topics, ensuring transparency in resource planning and usage. To strengthen communications with the communities in InverBosques' area of influence, it shared part of this information in its Ruta de la Madera bulletin (Edition No. 12, April 2024), which is one of the organization's most important dissemination channels.



Irrigation in nursery greenhouses





#### Water and effluents in operations

InverBosques interacts with water throughout its operations, which are distributed throughout several key locations. The company extracts water from 10 strategically located wells in its areas of operation, mainly at the "Las Bonitas" camp that concentrates most important logistics and operational activities, including the nursery, sanitation units, and the main dining hall. Fresh groundwater taken from these wells comes mostly from the Bita River basin and is mainly used for nursery irrigation at the most critical stages of plant production, and to cover human consumption and facility maintenance requirements.

As regards water discharge, InverBosques has 11 controlled discharge management locations, to ensure quality standard compliance before returning the water to the environment.

This distribution of wells, uptake points and discharge locations enables efficient water management and minimizes InverBosques' impact on local receptors and ecosystems. As part of the process to obtain discharge permits, the company submitted the corresponding application to Corporinoquia, which resulted in a technical verification visit on May 21 to 23, 2024. During this visit, the environmental authority evaluated technical and hygienic-sanitary aspects of the discharge locations, including hydraulic operation blueprints, microbiological conditions. This review was recorded on Form CYC-FOR045, and reported an absence of offensive odors and non-proliferation of pollution vectors, and resulted in a favorable opinion. Wells 3 and 4 do not have an associated discharge location, as these wells do not require them.

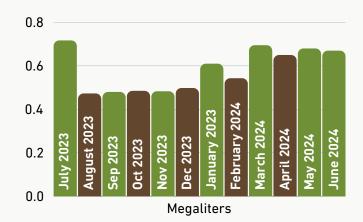




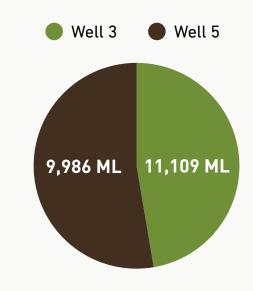
Besides the above mentioned technological operational and measures. InverBosques' Efficient Water Usage and Savings Plan includes actions to strengthen the organization's water conservation culture. include frequent training to improve good water usage and management practices and to prevent water pollution.

As regards minimum water quality standards for the operation's 11 water discharge points, the organization complies with Resolución 0699/2021 by which the Ministry of the Environment and Social Development (MADS, in Spanish) defines parameters and upper allowable limits for domestic wastewater discharge points to ground, Resolution No. 200.41.08-0892 from August 15, 2008, which updates water resource usage rates and fees within the jurisdiction of Corporinoquia. To meet these standards, discharges processed modular by wastewater treatment system that includes a grease trap, septic tang, anaerobic ascending flow filter. inspection box and infiltration field. This system ensures proper treatment of the organization's effluents. During the reporting period, ten maintenance activities were performed on these systems to ensure their proper operation.

During the reporting period, to cover the overall needs of the Las Bonitas camp (excluding the nursery), InverBosques withdrew a total of 6,985 megaliters (ML) of fresh groundwater measured by a flow meter installed at the withdrawal point. Withdrawal was distributed on a monthly basis as can be seen in the following bar chart.



InverBosques began measuring water withdrawal for the wells that supply the nursery's activities at the end of the reporting period. During this period, only wells 1, 3 and 5 were operating to supply water to the nursery. However, there is only measurement data for May and June 2024, and only for wells 3 and 5. Total withdrawl recorded over this period was 21,095 megaliters, distributed proportionally as follows.





# Preservation of protected areas with a high conservation value and increased abundance of native vegetation and wildlife in the region



Voluntary planting of native palms in HVC areas

InverBosques is an organization committed to environmental responsibility, with a positive impact on local biodiverstiy reflected by its initiative for the declaration and protection of High Value Conservation Areas (HVCs), in line with Principle 9 of the Forest Stewardship Council (FSC) and their contribution to increasing local biodiversity.

The company has implemented clear and structured policies to stop and revert biodiversity loss in line with international and domestic commitments. These policies consolidated in its Social Environmental Policy, which promotes the conservation and restoration of ecosystems and key species via sustainable forestry projects, responsible silviculture. collaborative actions with communities and authorities.

This policy applies to all teams, including employees, shareholders, consultants, vendors, contractors, and, in general, all the people involved with the organization in any way.

An essential component of InverBosques' strategy is its alliance with Fundación Omacha, focused on the protection of emblematic and endangered species, like tapirs, jaguars and pumas, and on the preservation of key habitats in the Bita basin, a Ramsar site. collaboration fosters the sustainability of and water ecosystems, directly to contributes biodiversity conservation in the region.

As part of its mitigation strategy, InverBosques has defined different measures to prevent, reduce, and mitigate its impacts, including:

- Enrichment of HVCs with the *Mauritia flexuosa* species, which is of cultural and economic importance.
- Development of sustainable forest management plans in line with established requirements.
- Biodiversity monitoring to make sure that the measures adopted to manage biodiversity impacts minimize negative effects and maximize benefits.

### Monitoring actions include:

- HVC monitoring using trap cameras and satellite technology.
- Soil biodiversity studies using DNA sequencing.
- Participatory monitoring throughout the area of operation, with results reported on the iNaturalist platform.





### Soil biodiversity

Halfway through the reporting period, InverBosques performed a soil study to evaluate soil biodiversity in six habitats within the area of influence of InverBosques' operations: Acacia plantations, old Eucalyptus plantations, high value conservation areas (HVCs), savannah banks, gravel, and young Eucalyptus plantations.

This analysis was performed based on soil samples submitted to a environmental DNA study using molecular biology techniques to identify the biodiversity of fungus and invertebrates present.

Fungus results revealed the presence of 626 morphospecies distributed amongst the evaluated habitats, while 303 invertebrate morphospecies were found.

This study is particularly relevant in the context of sustainable forest plantation management, as, besides contributing to carbon capture, soil in these ecosystems act as significant biodiversity reservoirs that are fundamental for the ecological equilibrium.

A notable finding of the study is that the Acacia and Eucalyptus plantations had a greater diversity of mushrooms compared to the non intervened savannah bank, which suggests that the transformation of degraded flatlands into plantations has created a habitat that plays host to a greater richness of fungal species. This may be related to increased organic matter, protection, and nutrient cycling at the plantations. However, as regards invertebrates, there was less diversity plantations compared savannah bank.

These results highlight the fact that, although forest plantations are a modified environment, they can improve certain aspects of soil biodiversity, like in the case of mushrooms, which reinforces the importance of sustainable management practices that favor carbon capture and soil biodiversity conservation.



DNA sample sequencing

Forest plantation soils have higher mushroom biodiversity than the savannah bank.



Management of Material Topics





### Flora inventory in areas of high value conservation areas

In a land flora inventory, the concepts of dominance, abundance, and frequency are fundamental to understand the structure and composition of vegetation within an ecosystem. These parameters are used to describe plant communities evaluate changes over Abundance refers to the number of individuals of a species within a sampling (square, plot, transect. Frequency presents the number of sampling units were a species is present, as it relates to the total number of sampled units. Dominance is the proportion of the area covered by a species in relation to the total sampled area. This can be measured as coverage (in herbaceous vegetation) or basal area (in timber vegetation). During monitoring, 27 1000 sq. mt. plots were defined with a minimum distance of 100 m between plots.

Plots were established with 50 m x 20 m polygons but depending on the form of coverage. In plots with thinner coverage

at 20 meters, we used 100 m x 10 m polygons, to maintain the sampling area.

1782 individuals were inventoried in total. 1675 of which were identified in High Value Conservation Areas (HVCs) in the Las Campanitas, Los Capachos, Las Bonitas, La Esmeralda and El Porvenir properties. The inventory found a total of ninety-one (91) species or morphospecies belonging to seventy-two (72) genres and thirty-nine (39) taxonomic families. The most abundant species is Caraipa llanorum Cuatrec. (Saladillo rojo), with 182 individuals in total, followed by the Euterpe precatoria Mart. (Maporilla) palm 136 individuals. Protium heptaphyllum (Aubl.) Marchand (Anime blanco) with 113 individuals, Tachigali odoratissima (Spruce ex Benth.) Zarucchi & Herend. (Guatero) with 108 individuals and the Mauritia flexuosa L. f. (Moriche) palm with 102 individuals. These four species represented 38.2% of the overall inventory.



Gallery forests in the eastern plains





#### Location of biodiversity impacts

As can be seen on the map on the following page, the areas with the most significant biodiversity impact are the established plantations, that cover 32,210.53 hectares, and the eleven High Value Conservation Areas (HVCs), with a total area of 392.18 hectares.

These areas make important contributions to HVC preservation and to increasing the vegetation and wildlife in the region.

All the evaluated sites overlap with or are nearby ecologically sensitive areas, which highlight their relevance for biodiversity conservation.

#### These sites are:

A) Internationally important RAMSARI wetlands and, to a lesser degree, the El Tuparro Biosphere Reserve. It is also close to a Key Biodiversity Area (KBA) and civilian reserves recognized by Colombia's National Natural Parks.

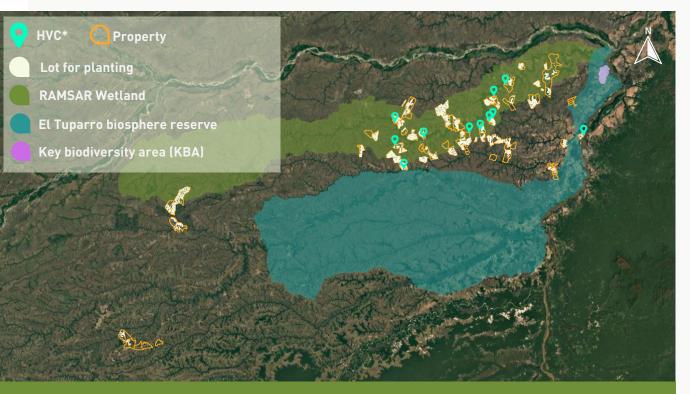
B) According to information published by the Alexander Von Humboldt Biological Resource Research Institute, the area of operation is located within a jaguar conservation unit, considered a key, large-scale ecological connectivity node for this species. Other important areas for obtaining benefits from ecosystem services are also highlighted, especially for the indigenous peoples and local communities that depend on them.



Voluntary native palm tree planting in HVCs



Presence of protected areas or scientifically recognized areas of importance for biodiversity



Internationally protected areas and KBA



Presence of environmental areas that are important for biodiversity

# InverBosques Gerencia de Proyectos Forestales

Number of plant and wildlife species that appear on the IUCN Red List and national conservation lists in the area of operation.



Tapirus terrestris



<u>Priodon</u>tes maximus



Myrmecophaga tridactyla

### The IUCN Red List of Threatened Species Categories



Category	Number of Species (IUCN)	Number of Species (MADS*)
LC	11	1
NT	0	0
VU	6	2
EN	2	3
CR	1	4

As part of the participatory monitoring program with employees and trap cameras, we have recorded 448 observations and 112 species on iNaturalist.





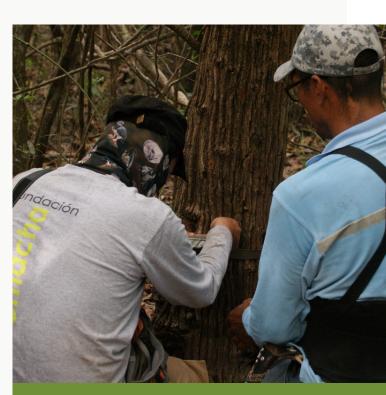
#### **Ecosystem services**

InverBosques, through its sustainable forest operations, generates a series of key ecosystem services that both contribute to the environment and benefit local communities and the region's ecological equilibrium. **HVC protection** guarantees the conservation of essential ecosystems, favoring the natural regeneration and increased native species. This effort has a direct impact on the provision of the following ecosystem services:

- Air quality and weather regulation:
   Protected areas contribute to the absorption of contaminants and local cooling, improving air quality and reducing climate change effects.
- Water cycle regulation:
   Conservation of these areas enables maintaining quality freshwater flows, which is vital for local communities, wildlife, and surrounding ecosystems.
- Erosion control: Native vegetation at the HVCs protects the soil, reduces erosion, and ensures ecosystem stability.

On the other hand, increased abundance of native vegetation and wildlife in the region benefits the following ecosystem services:

 Pest and disease control: Fostering biological diversity establishes healthy populations of natural predators and beneficial organisms that act as biological control agents, reducing the incidence of pests and disease propagation.  Pollination: As a complementary economic activity to the main forest management project business model, the company also has beehives for honey production. This activity has a significant positive impact on the pollination ecosystem service, which is essential for the and productivity neighboring natural and agricultural ecosystems. Established Acacia mangium plantations provide an abundant source of nectar and pollen, which are fundamental for nutrition and survival of pollinators like *Apis mellifera* and other native species. The following section of the document expands on beekeeping related information.



Training for installing trap cameras



### Beehives: Miel del Bosque



At the end of the 2000s, the company decided to establish experimental Acacia mangium plantations to evaluate their effectiveness and adaptability to the territory. These plantations covered a total area of approximately hectares. However, despite initial expectations, this species did not have a satisfactory performance company's specific purposes.

Despite the unexpected results, the company adopted a perspective of sustainable production and use of natural resources. Acacia mangium, although it did not meet the company's initial expectations, had a notable characteristic: its high levels extrafloral nectar, which attracted a large number of hives of Apis mellifera bees. This situation generated a new risk management challenge related to the massive presence of bees in the area.

In response to this new reality, Apiarios InverBosques S.A.S. was founded in 2020 as a company focused on producing and selling honey, taking advantage of the abundance of bees attracted by the plantations. This initiative both enabled sustainable use of the Acacia plantations and opened up a new source of income for the company.

However, due to organizational and operational changes in 2023, Apiarios InverBosques S.A.S. reduced activities, and the financial information related to this activity was incorporated into the organization's reports. However, the beehives continue performing a maintaining crucial role for pollination ecosystem service, which is fundamental for regulation services, and contributes to environmental equilibrium in the region.



Kilos of honey produced

Kilos of wax produced

Productive hives

Total hives

Average values corresponding to the reporting period



# Carbon dioxide (CO<sub>2</sub>) sequestration by planting forest plantations

Climate change represents one of the greatest global challenges of our time, and reducing atmospheric carbon dioxide (CO<sub>2</sub>) is a priority for its mitigations. InverBosques contributes to this global challenge by developing and establishing forest plantations designed to maximize carbon capture through the following efforts:

Research and Development (R&D): Development of projects to select and adapt highly productive and resilient clones and native species. These species are specifically selected for local conditions to ensure optimum growth and maximize  $CO_2$  capture throughout their lifecycle.

Carbon quantification and external audits: The company hires specialized service providers that carry out rigorous measurements of the carbon captured by its plantations. These evaluations are aligned with the Gold Standard to ensure the transparency and reliability of the data used for issuing carbon credits.

During the reporting period, in March 2024, 1,168,981 carbon credits were issued under the Gold Standard. Of the total number issued, 20% were placed in the reserve buffer, a risk management mechanism used by the certifying entity itself, while the remaining 80% were placed on the voluntary market. It should be stated that no specific emissions goal had been defined at this time, so the amount generated corresponded to the project's operating capacity and to the technical and environmental conditions in effect during the period.

At InverBosques, active stakeholder participation has been key to ensure the pertinence and sustainability of carbon capture activities. From project design to monitoring, InverBosques has involved local communities, employees, nongovernmental organizations, and public Their contributions entities. strengthened the project's technical, social and environmental components. The implemented company has community conversations, bulletins (Ruta de Madera), and spaces for and dissemination conversation external audit findings to share its progress and receive feedback. This approach has reinforced the project's legitimacy and enabled collaborative identification of improvements.

Forest plantations play a fundamental role for providing regulation and upkeep related ecosystem services, and make a climate direct impact on change mitigation. Via photosynthesis, trees absorb carbon dioxide (CO<sub>2</sub>) from the atmosphere and store it in their biomass and in the soil, acting as natural carbon sinks. This CO<sub>2</sub> sequestration process reduces the concentration of greenhouse gases, helping reduce the carbon footprint and to stabilize the climate over the long term. Increased forest coverage strengthens these natural processes and global supports climate change mitigation efforts.

1,168,981

Carbon credits issued in March 2024



# Environmental education and sensitization to promote good environmental practices

InverBosques promotes environmental education and sensitization as a key positive impact of its responsible management of forest projects. Its social and environmental policy contains the following measures that contribute to this purpose.

- Take the environmental management system to the entire organization to foster active participation by all employees and include suggestions for improvement they propose to strengthen, teach and promote good environmental practices.
- Strengthen sensitization of neighboring communities by promoting good environmental practices.

352
Persons sensitiz

Persons sensitized during the reporting period

18
Training courses

Training covered the following topics:

- During new staff onboarding: solid waste management and waste classification under Resolution 2184/2019.
- Ongoing training: Circular and linear economies, difference between waste and trash, and waste classification under Resolución 2184/2019.

No direct activities were performed with local communities in Vichada during the reporting period. However, during the next period the company will reporting implement these by donating ecological station and an anti-spill kit to one of the community's river crossings, together with training on proper waste classification and on use of the anti-spill kit. InverBosques also intends to begin a management project collaboration with the community in the La Esmeralda precinct.





Forest ranger training



### PROSPEROUS COMMUNITY

Impacts	Description	Management measures	Related policy	Relation to the SDGs
Increased demand for public healthcare services in the La Esmeralda community due to population growth to cover project operations.	Real negative impact on the community caused by the organization and its operating partners.	Provision of medical supplies, logistics support for transportation and support for projects designed to improve the post's infrastructure.	Social and Environmental Policy.	Not applicable.
Sanitation improvements and increased access to water at the boarding facilities in the La Esmeralda community.	Real positive impact on the community caused by the organization and its operating partners.	Installation of a drinking water filtration system at the La Esmeralda Precinct boarding facilities.	Social and Environmental Policy.	SDGs 3 & 6. Targets: 3.3. 6.2.
Improved digital connectivity for the La Esmeralda community.	Real positive impact on the community caused by the organization.	Installation of satellite internet antennas at the La Esmeralda Precinct.		SDGs 4 & 9. Target: 9.c.
Increased formal job offerings and local work for employees and vendors.	Real positive impact on the community caused by the organization and its operating partners.	<ul><li>Local hiring.</li><li>Job creation.</li><li>Competitive salaries.</li></ul>	Prioritization of work activities at the forestry proyect in 2024 with the La Esmeralda Community.	SDG 8. Targets: 8.5. 8.8.



### Increased demand for public healthcare services in the La Esmeralda community due to population growth to cover project operations

As a result of the growth of InverBosques' operations and its resulting staffing needs, the population of La Esmeralda has grown over the last year. This growth has an important repercussion on the demand of healthcare services in the area and which the population depends upon exclusively for care. The installed capacity of the healthcare post is overburdened, which is classified as primary healthcare.

In consequence, InverBosques developed a socioeconomic and sociocultural characterization, titled I am La Esmeralda, which includes a preliminary diagnosis of its inhabitants health-related conditions.

This report was developed through surveys and focus groups with representative participation by the community (82 out of 92 homes, equivalent to 89.1% of the population at that time). This report identified challenges related to access to medical services, medication supplies, and emergency care. It also highlighted problems including connectivity for the healthcare post and the limited availability of specialized emergency resources..

challenges increase population that the healthcare center covers grows.

In this situation, InverBosques acknowledged its role as a key actor in the community, and has contributed strategies and implemented actions to overcome healthcare related challenges, including:

#### 1. Implemented strategies:

 Healthcare center connectivity: Installation of a Starlink<sup>m</sup> antenna that has significantly improved the health center's response capacities through remote medicine and immediate connectivity in emergency situations.

> \$3,121,300 COP Starlink operating 800 USD costs

Estimated internet 5 Terabytes consumption by the community and the healthcare center



**Estimated hours of service provision:** 10 hours a day - 300 hours overall Period: April to June 2024

- Logistics support: The company facilitated the urgent transportation of critical patients, ensuring care at specialized centers outside the village.
- Provision of medical supplies: InverBosques has contributed to managing and requesting medication for the healthcare center to ensure basic medical attention for the population, with a donation equivalent to 450 USD.

#### 2. Collaboration agreements:

- coordination: Inter-institutional InverBosques has made approaches to work together with the local administration to optimize the health centers resources and seek support from government entities.
- Community initiatives: Promotion of projects strengthen the health infrastructure and improve its inhabitant's standards of living.

To continue contributing towards the wellbeing of the La Esmeralda community, InverBosques has planned the following actions, which reflect its corporate commitment and are aligned with its 'Good Neighbor" policy.



# Improved sanitation and increased access to water at the boarding facilities in the La Esmeralda community

The La Esmeralda community significant challenges for water sanitation, including drinking water, aqueduct and sewage. This lack of access to an adequate sanitation system could contribute to health difficulties including diarrhea and intoxication, among other. The climate and other environmental changes are some of the main factors impacting vector transmitted diseases (VTDs), which can expand their geographic distribution and extend the transmission season (World Health Organization, 2023)3. This morbidity related to unhealthy water is a defining factor in Chronic Child Malnutrition. where children difficulties to obtain the nutrients they need to survive, and which alters their development and growth cycle.

In response to these challenges and according to its commitment to social development in the communities with which it interacts, since June 13, 2024, and in cooperation with the company AGRORIEGO Y SOLUCIONES S.A.S., InverBosques completed the work and concluded the donation of a drinking water filtration plan to the La Esmeralda (Vichada) Technical Education Boarding Institution. This project was an in kind donation, built with its own staff, and represented a high impact investment by InverBosques for the community.

#### Sampling process and evaluation

To evaluate the water sanitation strategy at the Esmeralda community boarding school, two water samples were taken. The first was taken on May 30, 2024 prior to commissioning the filtration system,

with a high incidence of total coliforms and fecal coliforms that indicated that the water at the school was not suitable for human consumption, and represents a great risk for skin contact, including skin and eye conditions upon contact, as well as gastrointestinal issues.

A second sample was taken on September 9, 2024, after the system was commissioned at the school, where total coliforms were reduced from 6750 colonies to 19, and fecal coliforms were reduced from 1130 colonies to 0.

Reduction in total coliforms

99.71%

Reduction in fecal coliforms

100%



Construction of the drinking water filtration system



As regards turbidity and color, the first test returned high parameters, with an apparent color of 7UPC, as a result of dissolved solids and suspended solids that could contain organic matter from decomposing sediment like plant material and algae that indicates water eutrophication, which provides the conditions for coliform survival as can be seen in the results of the first sample. The apparent color went down to 5UPC.

Reduction in apparent color

28.57%

This intervention included the installation of closing and check valves to not purge the system and changing the ultraviolet lightbulb.

This initiative provides protection for the health of the school population (configured by the teaching staff and students from La Esmeralda and surrounding hamlets) as it reduces their exposure to pathogens linked to tropical diseases which are, in turn, linked to malnutrition. This initiative also impacts student school attendance rates.

This measure is consistent with the organization's statements in its Social and Environmental Policy, which promotes the social development of its internal and external stakeholders. Additionally, this initiative interacts with the dimensions of education, health, and community development found in the conclussions, recommendations and proposals section of the socio-economic and socio-cultural characterization of the La Esmeralda community for 2023.

InverBosques invested \$78.221.461 COP in the La Esmeralda boarding house drinking water filtration plant between March and June 2024.

The delivery certificate of the water sanitation system given to the educational institution reiterated InverBosques' commitment to improving the quality of life of the La Esmeralda community.

\$78,221,461 COP

Investment in the drinking water filtration plant at the La Esmeralda boarding school





Construction of the drinking water filtration system



# Digital connectivity improvement for the La Esmeralda community

In La Esmeralda (Vichada), a community where access to technology and the internet is limited and unequal, InverBosques implemented important initiatives to improve digital connectivity, a fundamental tool to access information, services, and education and job opportunities. This initiative focuses not only on reducing the service supply gap, but also the demand gap, which is a key factor to manage unequal internet access by different population groups and reduce existing digital illiteracy barriers (Katz et al., 2024).4

Development of this type of project has been fundamental to create opportunities tied to access to virtual education programs and leadership programs for the community. This initiative also seeks to drive the local economy and the community's comprehensive development. All of this ratifies the organization's social commitment in line with its social and environmental policy.

Connectivity for Significant Learning at the La Esmeralda Educational Institution: The main purpose of this project was the installation of an internet antenna at the La Esmeralda Technical Education Boarding Institution, which allowed students and teachers to have access to updated information and digital tools that are essential for their learning.

This initiative also ties into SDG 4, as digital connectivity access can be a vehicle to strengthen curricular research processes and updated content within the institution, develop digital skills for the future, and promote the democratization of knowledge as digital connectivity provides the means to study content in depth using sources other than those provided by the teacher in the classroom.

It also allows students that attend the boarding school to communicate more constantly with their families and attend to emergencies more quickly.

This project was developed jointly by InverBosques, which donated the internet antenna, and the Educational Institution, which was responsible for supplying the electricity required for its operation and whose teachers are responsible for making monthly payments for the internet plan. Installation and commissioning of the antenna took place on June 12, 2024, and, to ensure its effectiveness, the company implemented a quarterly monitoring process.

### 2 Starlink Antennas

7.1 Terabytes

Estimated total number of terabytes transmitted

\$3,000,000 COP 700 USD

Starlink cost of operation

Number of hours per day of service provision at the boarding school and the community: 10 hours a day - 300 hours in total

Period: April to June 2024



Project delivery to the community



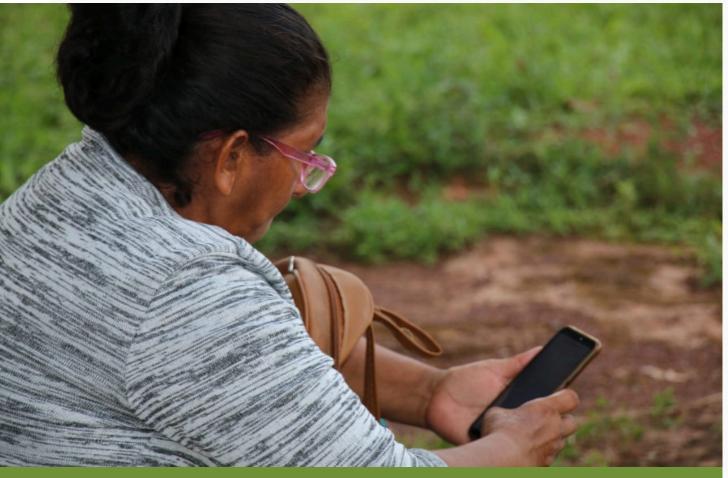
### My Connected Community, Redefining our Community's Digital Future:

To respond to the connectivity challenges of the La Esmeralda village, where a large part of the population lacked stable internet access and mobile phone signal, InverBosques installed a Starlink antenna in the community park, with the following objectives:

- 1. Reappropriation of public spaces that drive social life and reinforce La Esmeralda's cultural dynamics.
- 2. Promotion of products and services using ICTs<sup>n</sup> to drive the local economy and generate new commercial opportunities.

3. Promote the use of technology as a tool for empowerment and social transformation via training for the inhabitants in ICT use.

A key aspect of project implementation was the relocation of a beehive located in the place where the antenna was installed. This process was performed following strict safety protocols by the expert InverBosques Beekeeping team. Antenna installation and commissioning concluded on May 26, 2024. As a monitoring measure, the company will apply a yearly satisfaction survey to evaluate the project's impact and effectiveness within the community.



Resident of the La Esmeralda community

n. ICT: Information and Communication Technologies

<sup>&</sup>lt;sup>5</sup> DNP. (2014). *Definición de Categorías de Ruralidad (Informe temático para la Misión para la Transformación del Campo)* (p. 32). Dirección de Desarrollo Rural Sostenible (DDRS)-Deparamento Nacional de Planeación (DNP).

<sup>&</sup>lt;sup>6</sup> Ojeda Pérez, F., García Bueno, M. C., & González Franco, R. A. (2019). Desarrollo sostenible del trabajador a través del trabajo decente. *Sociedad y Economía*, *38*, 89-104. https://doi.org/10.25100/sye.v0i38.8026



# Increased formal jobs and local work for employees and vendors

Considering that the nursery, which concentrates most of InverBosques work-related efforts, is located in the La Esmeralda precinct, which is immersed in the dynamics of Colombian dispersed rurality (DNP, 2014),<sup>5</sup> and, coherently with the commitment taken on through its Social and Environmental policy, the organization prioritized hiring local labor, working together with local community action board representatives for issuing invitations.

The agreement to prioritize job opportunities at the forest project is a document signed by the community represented by the Community Action Board (JAC, in Spanish) and the company InverBosques S.A. to express its will to prioritize local labor based on the following motivations:

Make a positive impact on the economy, society and the environment.

- -Source labor from neighboring communities.
- -Contribute to social progress and strengthen relationships of trust and solidarity between them

This hiring policy advocates for the potential of safe and dignified work as a central axis for the workers' sustainable development, as a path for a safe workplace, with no risks, with access to social protection for families, and personal growth and social inclusion opportunities for all genders (Ojeda Pérez et al., 2019).6

Over the last three years, nursery operations have grown and led to increased hiring, prioritizing the population in and near La Esmeralda, which has made an impact on its life, the lives of its families, and the economic dynamics of this Precinct.

Between July 2022 and June 2023, the company's workforce grew considerably, from 103 to 271 employees. This represents 163% growth in the course of a year, and is a reflection of the company's expansion.

163% growth in the number of employees brought great challenges for the company. Its rapid expansion brought challenges in almost all areas, from human talent management, structural adaptations to the Las Bonitas farm infrastructure, operating processes, and organizational culture.

#### Hiring challenges

1. Human resources faced one of its most important challenges during this growth period. The La Esmeralda village did not have enough people necessary to cover all available positions, and so hiring local inhabitants was prioritized. Job offerings were also posted in Puerto Carreño, which attracted a lot of people, including Venezuelan citizens that, in many cases, did not have up-to-date documentation.

The term "Local" in this report refers to people that live in the department of Vichada, including people that have settled there for work-related and socio-political reasons, among others, and who come from other departments or countries.

2. One of the greatest logistical challenges was performing the medical entrance exams. Puerto Carreño only has one medical center enabled for this purpose, and it could not attend to the high demand generated by the number of applicants sent there.



- 3. Staff clothing was also a significant difficulty. Puerto Carreño did not have enough boots available nor the required sizes, which necessitated ordering them from other cities, with considerable delays in delivery.
- 4. The transportation infrastructure was another limiting factor. The city did not have vehicles with the capacity to mobilize more than 20 people simultaneously, and so existing means of transportation had to be adapted to transfer people from Puerto Carreño to the Las Bonitas Farm in La Esmeralda.
- 5. One of the main challenges for the nursery was the high turnover rate (82.5 %). The work patterns of the people hired, mostly from rural areas, had work patterns influenced by their culture: they worked for a month, received a basic income, and then left their jobs voluntarily. This dynamic, which is common to field workers, generated constant instability in nursery operations, making ongoing operations difficult, and affecting the area's productivity. In consequence, there were high costs involved with ongoing new hirings, including medical entrance exams, transportation, uniforms, onboarding processes, training, and operational time for each replacement.

Of the 340 employees at the end of the reporting period, 19 were hired in Medellin and 321 in Puerto Carreño.

InverBosques prioritized 300 goods and services vendors located in Puerto Carreño for its operations, with an investment of \$7,446,698,710 COP during the reporting period.

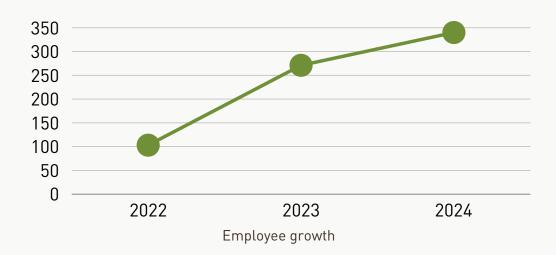
\$7,446,698,710 COP

Investment in local vendors during the reporting period

300 Local vendors

1.15x Compensation above minimum wage

Jobs created during the reporting period



**261** Employees at the start of the reporting period

**340** Employees at the end of the reporting period



# KNOWLEDGE MANAGEMENT AND RESEARCH AND DEVELOPMENT

Impacts	Description	Management Measures	Related Policy	Relation to the SDGs
Advances in documentation processes, information traceability, management of procedural manuals and other information management tools across the organization.	Real positive impact for the organization as a result of its operations.	<ul> <li>Document         Management         System.</li> <li>Comprehensive         platform that         keeps.         information up to         date.</li> <li>Project         management         tools.</li> <li>Cloud         information         storage.</li> </ul>	Not applicable.	SDG 8. Target: 8.2.
Generation of new scientific knowledge from research and development.	Real positive impact for the organization and for society caused by its operations.	<ul> <li>SACHI.</li> <li>Visits to other companies in the forestry sector.</li> <li>Joint work with institutions of higher education and advisories with national and international experts.</li> </ul>		SDG 9. Targets: 9.5. 9.b.



# Advances in documentation processes, information traceability, management of procedural manuals and other information management tools across the organization

During the reporting period, InverBosques its internal management reinforced mechanisms with a series of initiatives to optimize information management, document traceability improve standardize operating procedures across the organization. The company's growth in recent years has challenged it to update its document management InverBosques has prioritized this topic to ensure more efficient management in line with the its new operating demands. These actions include the adoption of a new document management system that centralizes and organizes files, document management guide, comprehensive platform that information consistent and up to date, and the incorporation of advanced project management tools to facilitate data sharing between different areas. To ensure coordination and compliance with these measures, the company created the Project Control Director position, which is responsible for managing this material issue. Before this position was created, this was the responsibility of the Deputy Manager for Sustainability and Control.

This actions have resulted in greater operational efficiency, less time invested in search for information, and improved data management transparency. However, although there are indicators that reflect progress at an operational level and results from internal audits, the company does not yet have a comprehensive set of

metrics to provide global evidence of the impact of these initiatives during the reporting period.

To perfect the effectiveness of these measures, InverBosques defined monitoring actions to evaluate the impact of these initiatives in an ongoing manner. These initiatives are:

**Procedure compliance monitoring:** The company follows up compliance with its procedures via internal audits and periodic reviews.

Project management efficiency indicators: The Project Control Director oversees project progress via project target fulfillment indicators.

**Collaboration tool use analysis:** The company monitors use of the Box platform for storing information.

Throughout its advances in the management of documentation processes, information traceability and cross-cutting management tools, InverBosques has been supported by Forliance, the vendor responsible for supporting the company's carbon project. As part of its technical work, Forliance has carried out audits focused on document traceability and the coherence of the project's information. These results have been documented in specific reports, that have been used as inputs to strengthen internal processes related to this material issue.



### Generation of new scientific knowledge from research and development.

The generation of new scientific knowledge from research and development is a fundamental pillar for InverBosques' long-term competitiveness. Because of its strategic importance, this activity is at the core of its value chain. The projects develop strengthen the company's business model by incorporating innovations to optimize its practices and make a significant impact on sustainability.

The implementation technology of packages has been a key part of this process, and the company has integrated advanced tools and approaches, including the development of improved clones and efficient forestry management practices. These advances have increased nursery's productivity, improved survival rates at plantations, maximized tree growth, and optimized resource use. They also contribute to operational cost savings and increased carbon capture, creating value for the organization, the sector, and society.

During the reporting period, the company worked on important projects and processes that have driven the generation of scientific knowledge, with direct benefits for its operations and the territory's sustainable development.

InverBosques implemented the following measures during this period to contribute to the generation of new knowledge:

**SACHI:** This project installed a sound system (in the nursery) specifically designed to influence seedling growth and development with melodies, motivational messages, musical frequencies, and stories.

It aims to take advantage of the potential effects of certain sounds upon the plants to stimulate rooting and proper development.

The project measures and monitors rooting processes in greenhouses, the production of mother plants, and the development of native species during the rustification process. Rooting success is normally measured by the visible formation of functional roots, evaluated after a certain period, and can be expressed as the percentage of the total planted cuttings that developed roots.

In mother plants, the project measures the number of cuttings produced in blocks with and without sound. The results of both treatments are compared in the greenhouse, using the classification of the material undergoing rustification as an indicator. During the rustification process, the project also analyzes the germination of different native species. After completing the measurements, the project will then perform statistical and trend evaluations.

Since it started in January 2024 and until the end of the reporting period in July 2024, this test advanced:

58%

corresponding to half of the annual cycle planned for evaluation under all the regions weather conditions (rainy season and dry season). Evaluations will continue until April 2025.



#### with Knowledge sharing other companies in the forestry sector:

The company aims to visit different organizations once per half year to share experiences and understand their challenges. It aims to visit different companies in the Colombian forestry sector and travel to departments.

Between July 2023 and June 2024, the company carried out:

### Company visits

The company surpassed its target for the reporting period. It visited the following companies:

- Smurfit Kappa.
- Dexco.
- REFO TIGRE in Restrepo, Meta.
- REFOCOSTA, in Villanueva, Casanare.
- GENLYPTUS in Monterrey, Casanare.
- El Manantial in Puerto López, Meta.
- Reforestadora Campo Capital in San Martín, Meta.



Shipping plant material produced at the nursery

#### Joint work with institutions of higher education:

company's partnership The Universidade Federal de Viçosa aims to implement and adjust propagation techniques to optimize all the areas of the nursery, from the potting process to the shipping area. This requires both improving plant propagation techniques, reviewing and optimizing each stage within the nursery. This comprehensive approach aims to improve plant productivity and health, which will, in turn, have a positive impact on end product quality and on the nursery's efficient operation. Highlights of the reporting period can be seen below:

On average,

1,862,267

cuttings were produced per month. representing considerable progress with the optimization of mother plant production.

average 85% greenhouse seedling survival

Increased seedling root and leaf quality in the rustification area.

fulfillment rates 100% in plant material shipping



# TEAM CARE

Impacts	Description	Management measures	Related Policy	Relation to SDGs
Management of psychosocial workplace risk factors amongst employees.	Real positive impact for employees caused by the company's operations.	<ul> <li>Application of a battery of tests and psychosocial risk epidemiological oversigh plan.</li> <li>Psychological support for employees.</li> <li>Flexible work shifts.</li> <li>Monitoring compliance indicators.</li> </ul>	Comprehen-sive OHS-MS Policy.	
Management of coexistence and communications between team directors to generate a good working environment.	Real positive impact for the organization and its employees caused by its operations.	<ul> <li>Coexistence diagnostic tools.</li> <li>Training spaces.     Application of conflict mediation roadmaps.</li> <li>Adaptation of spaces at the Las Bonitas camp.</li> </ul>	Not applicable.	SDG 8. Target: 8.8.
Planning, implementation and adoption of OHS policies according to legal guidelines.	Real positive impact for the organization and its employees caused by its operations.	<ul> <li>Safety inspections, routes, and reports.</li> <li>Activation and monitoring of support committees.</li> <li>OHS training and eduction.</li> <li>Socialization of lessons learned.</li> <li>Implementation of a risk identification and evaluation system.</li> <li>Epidemiological oversight programs.</li> </ul>	1.Comprehensive OHS-MS policy.	
Implementation of wellbeing strategies for employee recreation and integration.	Real negative impact on employees arising from its operations.	<ul> <li>Embracing Change Project: library, gym, and soccer field adaptation.</li> </ul>	Social and Environmental policy.	Not applicable.



### Management of psychosocial workplace risk factors amongst employees

Management of psychosocial risks at the Las Bonitas camp (Vichada), where our employees share a large part of their work and personal time, has had notable positive results. The initiatives implemented have improved communications and relationships, which are essential elements for a balanced coexistence.

However, during the reporting period, InverBosques identified activities inherent to the work model that could indirectly contribute to an unfavorable psychosocial environment, including:

- Long work shifts.
- Long distances between homes and the workplace.
- Extended transportation times.

These conditions, together with the cultural differences inherent to the surrounding communities, have required ongoing attention by InverBosques to mitigate their impact.

Although the organization does not have specific policies to manage psychosocial risks, the comprehensive Operational Health and Safety (OHS) policy acts as a framework to address this issues according to current legal requirements. The interventions and strategies implemented in this regard were communicated to the employees through operational meetings and other regular spaces, to ensure an ongoing flow of information on the tools and options available to them.

Highlights of the actions implemented during the reporting period include:

• The application of the psychosocial risk tests, which, according to Resolution 2404/2008, is configured by a series of instruments to establish the presence or absence of workplace and external psychosocial risk factors, as well as health

effects upon workers. The company has a psychosocial risk Epidemiological Oversight System (SVE, in Spanish), which is measured using process indicators with a target of 80% and obtaining 100% as a result, the coverage indicator has a target of 50%, with a result of 63% (in test application) and reduced absenteeism related to psychosocial factors with a target of 25% and a result of 0% with no suspicious cases.

- Development of an epidemiological oversight plan focused on psychosocial risk.
- Focus group interventions through training and education on stress management, introspection and empathy.
- Launch of The Leader's Path training program, aimed at supervisors and project leaders.
- Individual psychological care available to all personnel.
- Soft skill strengthening via coaching sessions guided by a professional.
- Work shift reassessment and flexibilization together with rest periods and quality family time.

The employees have played a fundamental role for identifying and prioritizing psychosocial risks through their support committees, COPASST°, the Workplace including the Coexistence Committee and the emergency brigade. These groups participated actively in creating and updating the risk matrix, which allowed the company to manage the needs of its teams in a more inclusive and representative manner. Employee feedback was collected using different channels, including suggestion direct communications. boxes. interventions by human resources. These inputs were fundamental for the company to actions and for improvement of its management strategies.



### Management of coexistence and communication between directors and teams to generate a good work climate

The company's organizational structure and the challenges created by its population of employees, growing impacts its communication mechanisms and workplace dynamics, creating tension between the different levels of employees, which affects perceived wellbeing, reduces process efficiency, and hinders consolidation of a healthy environment. This mainly occurs at the Las Bonitas (Vichada) camp, where most of InverBosques' employees work together and coexist. has implemented company different strategies to meet these workplace coexistence communication challenges.

Potential causes for workplace stress include cultural differences between operational staff and the coordination Bonitas at Las (Vichada) camp, which can give rise to gaps in communication and affect

processes.

The strategies designed to deal with these tensions include:

Coexistence diagnostic: Use qualitative tools like focal groups and complaint, grievance and suggestion boxes to identify specific issues.

**Training and education:** Training plans developed to strengthen skills including assertive communication, conflict resolution and a culture of good treatment.

Mediation and conciliation: Application conciliation and mediation mechanisms led by the COCOLA (Workplace Coexistence Committee, in Spanish).

Rule dissemination: Dissemination of the coexistence manual and protocols. including the management of conflicts of interest and the prevention of workplace and sexual harassment.

Adaptation of spaces at the camp: Conditioning of the laundry area, clothing area, lockers and installation of drinking fountains to reduce conflicts related to their use

Sensitization spaces: Implementation of spaces like film forums and workshops that address behaviors that could result in conflicts and to prevent situations involving harassment and conflicts of interest.



InverBosques employees



InverBosques is also committed to qualifying its coexistence manual, and constantly identifies challenges to healthy coexistence and aligns the tool with suitable behaviors according to the company's organizational policies. InverBosques acknowledges importance of promoting a healthy environment and has invested in capacity building and improving wellbeing areas employees, for reaffirming commitment to development and standards of living.

The invested resources include:

Financial resources: Investments in specific activities of the "Embracing Change" program and commissioning of areas for wellbeing such as the physical conditioning zone.

Human resources: Participation from the coexistence team, the Human Resources Coordination, and the COCOLA in activity planning and execution.

Materials and spaces: Assignment of physical spaces and teaching materials for workshops, talks and recreational activities.

The actions planned to ensure continuity of the commitment to promote healthy coexistence and communication within the organization include expanding the coexistence managers team in 2025, and strengthening wellbeing and organizational culture training activities.



InverBosques Employees



# Implementation of wellbeing strategies for employee recreation and integration

The organization, consistent with its Social and Environmental policy that focuses on its stakeholders social development, acknowledges that the motivation and satisfaction of its workers needs direct their workplace behavior and are tied to the achievement of the organization's objectives (Robbins, 2004).<sup>7</sup>

Workplace motivation initiates, directs, and maintains the worker's behavior focused on achieving incentives that will allow them to satisfy their needs, based on a process driven by internal forces that act upon them, while simultaneously trying to achieve the organization's goals (Gibson et al., 1996).8

Considering the above, InverBosques has implemented a process to identify levels of wellbeing amongst its employees, which intends to acknowledge its challenges in this area. This identification includes:

- Initial diagnosis of perceived wellbeing by employees using qualitative tools like focus groups and complaint, grievance and suggestion boxes.
- Psychosocial analysis by implementing a battery of psychosocial tests to evaluate risk factors and workplace wellbeing. The company has also implemented other identification strategies including internal surveys and qualitative coexistence diagnostics that use participatory approaches.

 Action plans to determine priority areas for attention by categorizing information using Vester matrices.

#### Planned actions:

The findings of the wellbeing level identification process represent task for priority InverBosques, consistent with its commitment to propose suitable spaces for recreation and motivation, in cline with its purpose facilitate its employees' comprehensive human development. Stakeholder participation in process was materialized via employee involvement in formulating Embracing Change project that includes the following initiatives:

- Conditioning the open air gym to promote physical activity and employee wellbeing.
- Construction of a beach volleyball court to promote sports and recreation.
- Investments to consolidate employee-led initiatives to build and equip a library in InverBosques' main camp.

These activities are currently being drafted and are expected to be implemented during the next reporting period. This project is complemented by a program to promote facility use and care by the company's employees.

<sup>&</sup>lt;sup>7</sup> Robbins, S. P. (2004). *Comportamiento organizacional*. Pearson



# Planning, implementation and adoption of OHS policies according to legal guidelines



Extinguisher training for the emergency brigade

InverBosques took a significant step twoards operational health and safety management (OHS-MS) by updating and commissioning its system according to defined under quidelines Decree 1072/2015 and Resolution 0312/2019 from the Ministry of Labor. This change reinforced the organization's culture of safety and self-care. The policies implemented both benefit the company's employees' physical safety and have made a positive impact on their overall wellbeing, helping to reduce accident rates, absenteeism and workplace illnesses, and improving the organizations capacity to measure the results of its management system and plan continuous improvement activities. This also helps strengthen policies and standards, making sure the company respects its workers safetyrelated rights.

Although significant progress has been made, the organization is facing certain operational challenges that hinder full implementation of OHS policies. One of main challenges decentralization, with 30% of employees working in remote areas, which represents road safety risks during transportation. This risk is exacerbated by a lack of regulatory entities in these areas. To mitigate these risks, the company has implemented a monthly visit by the person responsible for the OHS-MS to the most remote areas, to ensure policies and standards are current and effective at all worksites.

The organization also highlights the commitment shared with its contractors, who are also responsible for complying with OHS policies, to make sure that all stakeholders operate under the same safety regulations and standards.

Besides the comprehensive OHS-MS policy, the company has developed other key policies that address additional workplace safety aspects, including workplace organization and cleanliness. These policies complement the organization's commitment to its employees' wellbeing.

The organization applies a hierarchy of control and has adopted specific measures to identify, evaluate and mitigate workplace risks, including:

 Ongoing safety inspections, both internal and external, to validate operational risk conditions.



- Safety walkthroughs to identify critical areas and make sure protection standards are complied with.
- Periodic support committee meetings, including the COPASST Workplace Coexistence Committee, to discuss risks and evaluate adopted policies and measures.
- Ongoing OHS training, promoting lessons learned from prior incidents to prevent accidents in the future.
- Implementation of a risk identification and evaluation system, using the hazards and risks matrix as a reference according to the GTC-45<sup>p</sup> approach, adapted to the company's specific needs.
- Implementation of epidemiological oversight programs, that cover health related aspects like musculoskeletal, noise and psychosocial risks to protect employees from physical risks and other risks that affect their mental health.

Employee participation has been fundamental pillar for OHS Management System planning and evaluation. The support committees (COPASST, Workplace Coexistence Committees) notify or report or risks that could affect hazards employees, ensuring their right to refuse to do any task identified as unsafe or unhealthy, and giving them peace of mind that they will never suffer reprisals for doing so.

Feedback is provided through suggestion boxes, direct communication, and human resources interventions. The workers have become directly involved in identifying and managing workplace risks and have adjusted these policies constantly to ensure their effectiveness.

InverBosques has procedures to define reporting mechanisms and investigate workplace incidents and accidents. The most important of these is the event report to the immediate superior or the OHS head, who will provide first aid with members together emergency brigade according to the severity of the injury. They will also notify the ARL and transfer the worker to a medical center. OHS will then investigate the event, identifying corrective and preventive measures to mitigate the occurrence of similar events and follow up the implementation of the measures in place.

The company has also implemented key indicators to monitor the OHS system's effectiveness. These include indicators for accident rates, mortality, severity, absenteeism, and workplace illnesses, which are used to evaluate the results of the policies adopted.

Minor workplace

accidents

Absent days due to Fatal events workplace

### **Proportion of Accidents**



855,312 Man hours worked

Per 100 workers in 1 year, there are 6.54 accidents

\*\*Rate calculated per 200,000 hours worked



The priority risks included in the hazard and risk identification matrix include the safety conditions risk (location and mechanical risks), which materialized in 75% of the minor workplace accidents recorded.

The priority risks also identify chemical risks (contact with particulate material), which was prevalent in 3.5% of the minor accident events that took place during the period.

Concordantly with the identified risks, biomechanical risk is described as a potential factor that could give rise to workplace pain and illness. Although no workplace illness has been detected and qualified to date, the company promotes prevention activities for this risk factor.

Events qualified or ongoing as workplace illnesses

Considering that, to date, there have been no workplace illnesses or pains, no workers have been excluded. If an event of this type should arise, it will be reported and investigated according to Decree 1477/2014, issued by the Colombian government, that describes the table of workplace illnesses, and Resolution 156/2005 from the Ministry of Social Protection, by which workplace accident and workplace illness reporting forms are adopted.

As measures to prevent priority risks or serious injuries, the company has established OHS programs including the environmental management system, chemical fertilizer and pesticide usage and handling procedures, use of

personal protection items, promotion of a training and education program for specific risks, and machine, tool, and facility maintenance programs.

InverBosques' efforts have led to positive changes in the organization's culture, with workers being more aware of safety and self-care. These advances have been acknowledged by the industry, and other companies have highlighted the order and operation of the organization's OHS system.





OHS activities





### Comprehensive management of road safety risks, legal compliance and occupational health

During the reporting period, InverBosques has managed different aspects related to road safety, compliance with legal requirements by its transportation providers, and the prevention of workplace accidents involving its providers in its area of operation. These actions seek to mitigate identified risks and strengthen the company's relationship with communities and vendors.

Increased community risk levels due to non-compliance with the strategic road safety plan: At the start of 2024, there was a high number of Complaints, Grievances, and Suggestions related to the speed and behavior of vehicles in La Esmeralda Precinct. This scenario implied a significant risk for the community, associated to noncompliance with the strategic road safety plan adopted by InverBosques. The company implemented a series of comprehensive actions to deal with this situation, including strengthening internal communications with drivers via direct messaging groups, regular training and talks about traffic rules, and personal reviews and monitoring to preventive and corrective ensure maintenance for each vehicle. These measures have substantially reduced complaints, grievances suggestions related to speed and road behavior at the end of the reporting period, which results in a safer environment and more harmonious relations with the local community.

Risks to persons due to hiring transportation providers without the full legal requirements: Transportation operations in territories with limited

infrastructure and an absence of municipal traffic authorities, automotive diagnostic centers (CDA in Spanish), or facilities for issuing and renewing drivers' licenses, creates additional obstacles for verifying and updating legal requirements by third party vendors. However, InverBosques has committed to promote regulatory compliance, establishing internal review processes, advising vendors and assisting them in a search for alternatives that will allow them to comply with the required regulations. Although, given the territories conditions, these actions can complicated, they aim to make sure that the contracted vehicles and personnel meet minimum safety and legality standards to reduce the risk for all the people involved in the operation.

Probability of workplace incidents or accidents amongst outsourcing **providers:** To minimize the probability of workplace incidents or accidents, InverBosques requires that its vendors periodically submit Occupational Health and Safety (OHS) management reports. The company also offers ongoing assistance, guiding and instructing these companies on OHS related topics to improve their practices and reduce exposure to workplace risks. In exceptional cases where incidents have occurred, InverBosques has responded proactively, offering vehicles and logistics support for medical care, together with emergency management assistance. These efforts strengthen a culture of safety and prevention, with positive impacts on the health and wellbeing of the workers that participate in the company's value chain.



## OPERATIONAL MANAGEMENT

Impacts	Description	Management measures	Related policy	Relation to the SDGs	
Improvements to installed infrastructure capacity to support activities related to the project's general operations.	Real positive impact for the organization caused by its operations.	<ul> <li>Solar panel installation.</li> <li>Improved campsite infrastructure.</li> <li>Improved nursery infrastructure.</li> </ul>		SDG 9. Target: 9.1.	
Deteriorated road conditions during the rainy season due to the project's transportation logistics.	Real negative impact on road users, caused by the operations of InverBosques and its allies in the territory.	<ul> <li>Contributions         to repair and         adapt the road         infrastructure.</li> <li>Monitoring         road conditions         via meetings         with the         Community         Action Boards.</li> </ul>	Not applicable.	Not	
Improvements to the fire attention and control system.	Real positive impact for the organization and its employees caused by its operations.	<ul> <li>Identification of risk zones.</li> <li>Training in forest fire management.</li> <li>Improvements to the equipment and tools used to control fires.</li> </ul>	Occupational health and safety policy.	applicable.	



# Improvements to installed infrastructure capacity to support activities related to the project's general operations

Since mid 2023, InverBosques drastically increased its plant material production at the nursery, which resulted in an expansion of its operating capacity to establish plantations. This growth in its operations led to a significant increase in the number of employees, requiring camp infrastructure adaptations to attend to a growing demand for services and accommodation, food, and recreation by its employees.

Infrastructure improvement actions InverBosques. implemented by including dormitory expansions, sanitation units. solar and panel installations, are in line with the contents of the Internal Workplace Regulations, especially as regarding the employer's obligation to ensure appropriate health, safety and wellbeing conditions for workers. These improvements respond to operational needs derived from the project's growth and reinforce compliance with internal provisions that regulate workplace conditions and environments.

Active stakeholder participation, especially from workers, has been key to defining priorities for improving the operation's supporting infrastructure.

Through conversations, internal surveys, and ongoing feedback, the company identified specific needs that guided the decisions it made. As a result it made improvements to dormitories, sanitation units, eating areas, and offices, to increase staff wellbeing and operational efficiency.

The most important measures implemented to improve our facilities' infrastructure include:

- Solar panels installed to replace generators that ran on fossil fuels.
- Implementation of a high tech and high safety fuel storage system.
- Expansion and improvement of camp sanitation units.
- Construction of a new dining hall so employees can eat comfortably.
- New offices at the Las Bonitas camp.
- Dormitory expansion and cabin construction.

The following is a comparative table that shows advances in infrastructure development for the period prior to the reporting period and the reporting period:



Infrastructure built	Prior to the reporting period	After the reporting period
Engineering houses	2	4
Las Bonitas Office	0	1
Dining room and kitchen	0	1
Camp for operational personnel	1	3
Bathrooms	1	3

## Over \$1,500,000,000 COP

Invested in the construction of supporting infrastructure for the operation during the reporting period.

To follow up the measures implemented by the company, it carries out preventive and corrective maintenance on its facilities. It also carries out the following actions:

- Joint inspections by the responsible personnel and the workers, to ensure an ongoing review of the facilities' status.
- Immediate reporting of damage or risks, enabling a timely response to prevent potential problems or incidents.

The company has also projected adaptations to the camps around Las Bonitas to support the operations of the staff that travels between the project's farms, promoting dignified spaces and wellbeing for third party vendors and employees.

150+ Solar panels that cover the nursery's energy requirements

Solar panels that cover the energy demands required for domestic use and secondary operational use at the Las Bonitas camp.

100%\*

Of the camps have solar panel coverage

\*At the end of the reporting period



Infrastructure of the Las Bonitas camp



### Deteriorated road conditions during the rainy season, due to the project's transportation logistics

Part of InverBosques' daily operations requires moving machinery that can, during the rainy season, affect the roads used by the community. Considering this, the company coordinated actions with the Vichada Secretary of Infrastructure to condition these public roads, and committed to jointly monitor the situation and propose mitigation measures including:

- 1. Road monitoring through meetings with the CAB and other key actors in the area to diagnose the magnitude of affectations to the roads and define agreements on responsibilities. These held periodically, meetings are especially during rainy seasons.
- 2. Monitoring of repaired or improved road kilometers in cooperation with the community and the Governor's office.
- Material and logistics contributions: Under previous agreements with the community, the latter provides material like gravel for road maintenance, while InverBosques complements with machinery and logistics. organization also collaborates with the Governor's office to negotiate the use of heavy machinery for repairing the most seriously affected sections.

As a result of this coordination, deeper interventions have been carried out at critical locations, significantly reducing transportation times and improving traffic, especially during rainy seasons, when this impact is more significant.

period, the During the reporting company invested \$560,446,173 COP in infrastructure. intervening approximately 40 kilometers. These interventions mainly responded to the project's operating requirements. However, their impact goes beyond the company as they also directly benefit neighboring communities, improving their connectivity, mobility and access to services.

This investment reflects InverBosques' commitment territory's to the development and to strengthening standards of living in the areas surrounding its operations.

## \$560,446,173 COP

Invested in road improvements during the reporting period

40 Km of roads intervened



Forest plantations



# Improvements to the fire attention and control system

Fire dynamics in Colombia's Eastern Plains is related to the ecological characteristics of neotropical savannahs, defined by a marked water seasonality. During the dry season, the savannah biomass loses its humidity almost entirely, creating suitable conditions for fires, either natural in origin or induced by human activities.

The main source of natural ignitions are lightning strikes during dry storms. At the start or end of the dry season, electrical storms can generate discharges in areas with a large amount of dry material, causing fires without the presence of significant rainfall to mitigate them. This, together with a combination of high temperatures, low relative humidity, and strong winds contribute to the fire's propagation after ignition, creating an ideal environment for its expansion.

Fires started by human activities are related to the use of fire as a tool for agriculture, cattle farming and land conversion activities.

This recurring fire dynamic in the region represents a latent risk for the durability of the plantations established by InverBosques and requires a strategy to minimize its associated risks. This challenge is approached via a procedure for controlling forest fires and the acquisition of forest insurance. The procedure provides guidelines for the organization to deploy fire fighting operations.

The procedure is as follows: When a fire warning goes out, the crew commander

mobilizes with at least seven people with portable equipment and personal protection items. Strict traffic rules are applied along the roads to prevent accidents and, when they arrive, they report on the location, conditions, actions, requirements and safety.

This information is used to define an action plan and the fire is then controlled, and the crew remains in constant communication with the people responsible for assisting fire control activities.

After extinguishing the fire, the brigade leaves the area and enters lessons learned in a field activity log.

Fire control contributes to compliance with the company's social and environmental policy by preserving the biomass that supports its carbon credits and preventing affectations to biodiversity.

At InverBosques, there is a direct and critical relationship between the fire dynamic and its own operational activities. Forest plantations represent important for the very asset company's and clients. investors Implementation and continuous improvement of fire fighting systems not only mitigates risks, but reinforces stakeholder trust in the organization's commitment to protecting its assets and surrounding natural ecosystems.

During the reporting period, InverBosques implemented a series of actions to improve its capacity to respond to forest fires. The main advances are as follows:



### **Employee strengthening and safety:**

- Provision of personal protection elements to ensure the safety of the fire fighting team during emergency situations.
- Specialized training in emergency management and basic forest fire management provided by the Segovia Volunteer Firefighters, to strengthen the employees' technical skills.

This training covered 100% of the forest rangers, which are the employees that most frequently intervene in fire control activities. An additional support group was also trained so it can reinforce fire control operations when necessary.

**73** Employees trained for fire control

### Improvements to infrastructure and tools:

 Acquisition of portable pumps for vehicles (Bakisakis), facilitating access to water in remote locations and improving response capacities.

## 5 Vehicles for fire control

 Firebreak construction. These are strips that are cleared of vegetation and opened up using tractors around the plantation cores. By interrupting the continuity of the vegetation that fuels the fire, they act as physical barriers to stop or divert the fire's progress, which makes them an effective mitigation measure.

### Identification of risk areas:

 Identification of critical fire propagation points, considering areas where the topography or soil types make it difficult to use tractors to build firebreaks.

Employee safety is a fundamental pillar of forest fire fighting operations. During the reporting period, InverBosques identified several risks associated with this activities, including physical, chemical, biomechanical, and safety risks.

It specifically emphasized the risk of traffic accidents when mobilizing to fire sites. This situation required specific preventive measures:

- Training and sensitization: The company strengthened a culture of self-care and early identification of road risks through talks and regular meetings with the forest rangers. These activities underlined the importance of prioritizing safety during each mobilization, to make sure that people arrive at the location in optimum conditions to perform their functions.
- Vehicle selection: Requirements for selecting the vehicles used for operating activities were increased, incorporating stricter standards to improve safety conditions for the response team.

Aware of the importance of a robust and efficient fire fighting system, InverBosques has drafted a preventive action plan founded on lessons learned and recorded in the field action logs.



Fire attention and control





### INDIGENOUS COMMUNITIES

### Prior consultation

Indigenous communities have been identified by InverBosques as an important stakeholder, and it carried out a prior consultation process with them in 2021.

This process identified impacts upon these communities, regarding which InverBosques has generated a plan with measures and commitments that it has implemented from 2023 in a concerted manner with prioritized indigenous communities.

Because InverBosques had already progress with identification and mitigation, it held meetings with indigenous authorities to understand how the prior consultation process had created value within the community.

### Context of the prior consultation:

Within the framework of projects executed by InverBosques, and in line with its commitment to good relations with indigenous communities, it began a prior consultation process in 2021 as stipulated under resolution ST- 1186 FROM 27 AUG 2021.

implemented process was voluntarily in compliance with the fundamental right of communities to be consulted regarding projects that could affect their territories and traditional practices.

### Reservation description. Who belongs to them?

The indigenous communities identified as Stakeholders and that participated in prior consultations are divided into:

Indigenous reservations prioritized for prior consultation activities

- Caño Bachaco
- Caño Hormiga
- Caño Guáripa
- Kanalitojo
- **Guacamayas Maipore**
- Caño mesetas Dagua & Murciélago
- Piaroa de Cachicamo

These **7** indigenous reservations are configured by:

1,892 People

430 Families

923 Women 969 Men



The 7 indigenous reserves are made up of the following ethnicities and indigenous peoples:

Ethnicities Indigenous Peoples

Guahibo

Sáliba

Caño Piaroa

**Amorúa** 

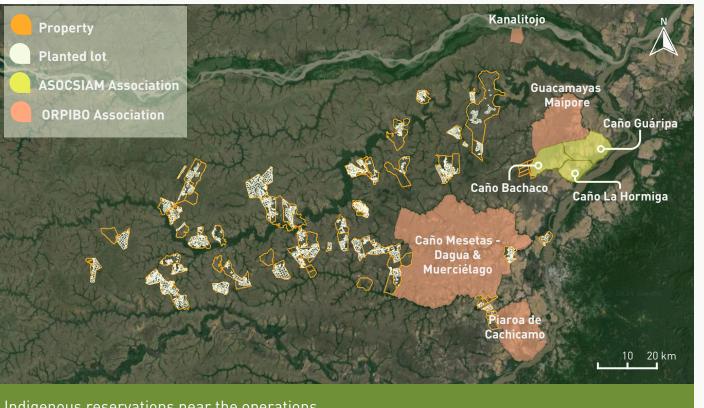
**Amorúa** 

Sikuani

The following map shows the location of the properties managed by InverBosques and its planted lots, as well as the location of the 7 reservations identified by the association they belong to.



Indigenous communities



Indigenous reservations near the operations



### Timeline of prior consultations with indigenous communities 2 3 August 2021 November 2021 December 2021 **January 2022** Start of prior consultation Meetings to agree Pre-consultation and Preparatory workshop processes under Resolution ST-1186 from August 27, 2021. on the methodology to analyze and identify timpacts and draft opening meetings. impacts and approach. management plans. Project socialization meetings. November 2022 October 2022 **July 2022** March 2022 Protocolization Meeting II -Meeting I -Meeting for impact meeting. agreement agreement analysis and identification and formulation. formulation. formulation of management plans. 11 10 April 2023 **December 2023** 2024 Execution of organizational Progress shared with Execution of cultural and strengthening different through local assistance technical

Execution of socio-economic strengthening through assistance and support for productive Conucos\* projects, technical diagnosis of the Conucos and food security at the following reservations: Guacamayas Maipore, Caño mesetas Dagua & Murciélago, Piaroa

de Cachicamo, Kanalitojo.

implementing the Life Plans

of the following reservations:

Bachaco, Hormiga y Caño Guáripa.

Caño

- institutions and the Ministry of the Interior.
- spiritual strengthening with assistance for building Malocas.



Socialization with indigenous communities



## Impacts identified during prior consultation exercises with indigenous communities

During the prior consultation process, the company identified a list of impacts together with the 7 prioritized indigenous reservations and, together with the community, proposed management measures for these impacts.

	Impacts	Measures agreed with and commitments acquired by the company towards the indigenous communities		
Water	Water use for forestry operations.	<ol> <li>Apply for water concession permits before the corresponding environmental authority.</li> <li>Implement monitoring to ensure water quality.</li> <li>Ensure 30% reforestation regarding native species.</li> <li>Avoid irrational resource use.</li> </ol>		
	Water pollution.	Comply with the sanitary license and proper agrochemical management by monitoring water sources.		
	Soil improvement via organic material and nutrient generation.	1.Continue with substrate enrichment.     2.Continue to increase reforestation and compost generation.		
	Waste generation.	1. Comply with the sanitary license and properly manage agrochemicals by monitoring water sources.  2. Implement campaigns to educate communities on recycling.		
Soil	Soil use (national roads) for plantation access.	<ol> <li>Support road maintenance, free circulation, and install signage on main roads.</li> <li>If disputes should arise between InverBosques, allies, and neighboring ethnic communities, roundtables will be set up to resolve any situations that may arise.</li> </ol>		
	Soil alterations due to agrochemical use.	<ol> <li>Comply with the sanitary license and properly manage agrochemicals by monitoring water sources.</li> <li>Continue the use of organic compost within any required operational processes.</li> </ol>		



	Impacts	Measures agreed with and commitments acquired by the company towards the indigenous communities
Air	Oxygen production and air purification.	Continue to generate oxygen via its contribution to improving environmental conditions through reforestation.
Flora	Improvement of plant richness and abundance (diversity).	1. Comply with Regional Autonomous Corporation (CAR, in Spanish) standards regarding good sustainability practices. 2. Promote the planting of native trees and care and protection for gallery forests (Morichales).
Wildlife	Improvement of animal richness and abundance (diversity).	<ol> <li>Manage support for wildlife protection programs with the competent authorities.</li> <li>Maintain reforestation to support wildlife repopulation.</li> <li>Report the appearance of predator species on scientific platforms in a timely manner. Reports are made whenever there is evidence of effects upon or risks to wildlife.</li> </ol>
lture	Education and sensitization for neighboring communities, workers, contractors and vendors.	Implement the annual training and sensitization program with ethnic communities based on the needs identified by them.
Economy and Cul	Generation of social expectations.	Define participation and consultation channels to describe communities and support implementation of the Life Plan.
Есог	Reduction of deforestation rates, hunting and fishing.	Carry out community description and mapping processes.



	Impacts	Measures agreed with and commitments acquired by the company towards the indigenous communities
	Employment and income generation for the population.	Prioritize local labor that must meet the required profiles and prove to have the skills required by the corresponding position.
	Changing landscape.	Provide sensitization training on indiscriminate burning to promote adoption of improved environmental practices.
	Third party relations.	Maintain a communications and conflict resolution mechanism.
re	Indigenous practices affected by prohibitions on hunting and fishing.	Carry out community description and mapping processes.
<b>Economy and Culture</b>	Community organization strengthening.	<ol> <li>Develop community descriptions and social maps.</li> <li>Accompany organizational strengthening from a legal point of view, manage training on own government and indigenous legislation.</li> </ol>
Ec	Restrictions on locations for traditional practices, hunting and fishing of the Kanalitojo Partial Indigenous Community.	Review technical documents drafted between the community and government entities to define their description and social map.
	Internal community conflicts.	Manage spaces for providing training on indigenous government.
	Modifications to cultural behaviors.	Accompany the formulation and development of the Life Plan to describe and identify community needs.



# Capacity-building lines resulting from the consultation:

After the exercise for identifying impacts and agreeing on their management, the company began executing three capacity-building lines with indigenous communities.



### Capacity-building for productive initiatives

According to the agreement reached by the communities and the company, the reservations of Caño mesetas Dagua & Murciélago, Kanalitojo, Guacamayas Maipore and Piaroa de Cachicamo, belonging to the ORPIBO Association, participated in these capacity-building sessions that resulted in the establishment of plots of land for growing crops, known as Conucos.

During the reporting period the company executed 100% of the resources agreed for this capacity-building line, which were used for the following activities, among others:

- 1. Design of a diagnostic for Conucos and Food Security.
- 2. Visits to reservations to assess the Conucos.
- 3. Development of a Conucos diagnostic document.
- 4. Participatory design of productive projects resulting from Conuco harvests.
- 5. Assistance with the implementation of their own activities to manage the productive project.
- 6. Project closing and evaluation.

InverBosques assistance for this capacity-building line aimed to promote the participatory formulation of productive projects by the community and the company, mechanize any required land, and contribute to diversify production in indigenous communities.



## Capacity-building for territorial governance plans

According to the agreement between the communities and the company, the reservations of Caño Bachaco, Caño Guáripa and Caño Hormiga, which belong to the ASOCSIAM Association participated in these capacity-building sessions that resulted in the development of a Life Plan document for each community.

During the reporting period, the company executed 100% of the resources agreed for this capacity-building line, plus some additional capital, according to InverBosques' commitment to provide comprehensive and quality assistance to communities under the projected agreements and plans. These resources were used for:

- 1. Participatory Life Plan methodology design.
- 2. Design of the characterization for Life Plans.
- 3. Socio-cultural and economic diagnostic of the reservations.
- 4. Construction of a Life Plan

  Document for each reservation.

InverBosques assistance for this capacity-building line aimed to encourage direct participation by indigenous populations to configure their Life Plans, install technical capabilities for designing Life Plans, and produce the final Life Plan documents as tools for community management.





### **Cultural and spiritual capacity-building**

According to the agreement between the communities and the company, all the reservations prioritized by the prior consultation participated in this capacity-building line, that aims to adapt or improve the Malocas in each reservation.

During the reporting period, resource management was in the preparation stage and its execution is planned for the remainder of 2024. The activities performed to date include:

- 1. Participatory design of the Maloca Project for each reservation
- 2. Vendor quotes for buying wood and expert labor for building the Malocas.
- 3. Proceedings with territorial entities to formulate environmental and cultural directives for Maloca construction.

InverBosques' assistance for this capacitybuilding line aimed to achieve a participatory formulation of the Maloca project, which must respond to the culture, wisdom and idiosyncrasy of each indigenous peoples.



## Conversations with indigenous communities:

To capture their perspective on the positive aspects of the prior consultation process implemented by the company and to identify the value generated by the communities, the company held conversations with indigenous authorities from the Reservations of Caño Bachaco, Kanalitojo and Guacamayas Maiporé.

These conversations identified several key aspects of the prior consultations, especially related to the above three capacity-building lines. Capacity-building for productive initiatives: The communities highlighted InverBosques' support for driving economic and food security activities within the reservations, and considered that the establishment of cassava and plaintain Conucos to be of great benefit.

Preservation of cultural and spiritual systems: The authorities mentioned InverBosques' cooperation on initiatives to help preserve indigenous cultural and spiritual practices via the construction or improvement of Malocas or "Meeting Houses", which is a significant contribution to these community's identity and social cohesion.

Capacity building for territorial governance plans: Both the communities and the government representatives underlined the importance of InverBosques' support for structuring and improving governance plans for their territories, which is crucial to maintain their autonomy and control over their land.

The conversations with indigenous communities from the Caño Bachaco, Kanalitojo and Guacamayas Maiporé reservations highlighted the fact that the company's initiatives have not only contributed to strengthening the local economy and governance in the territory, but that they have also helped bring visibility to the cultural and spiritual identity of these indigenous peoples.



Conversations with community representatives



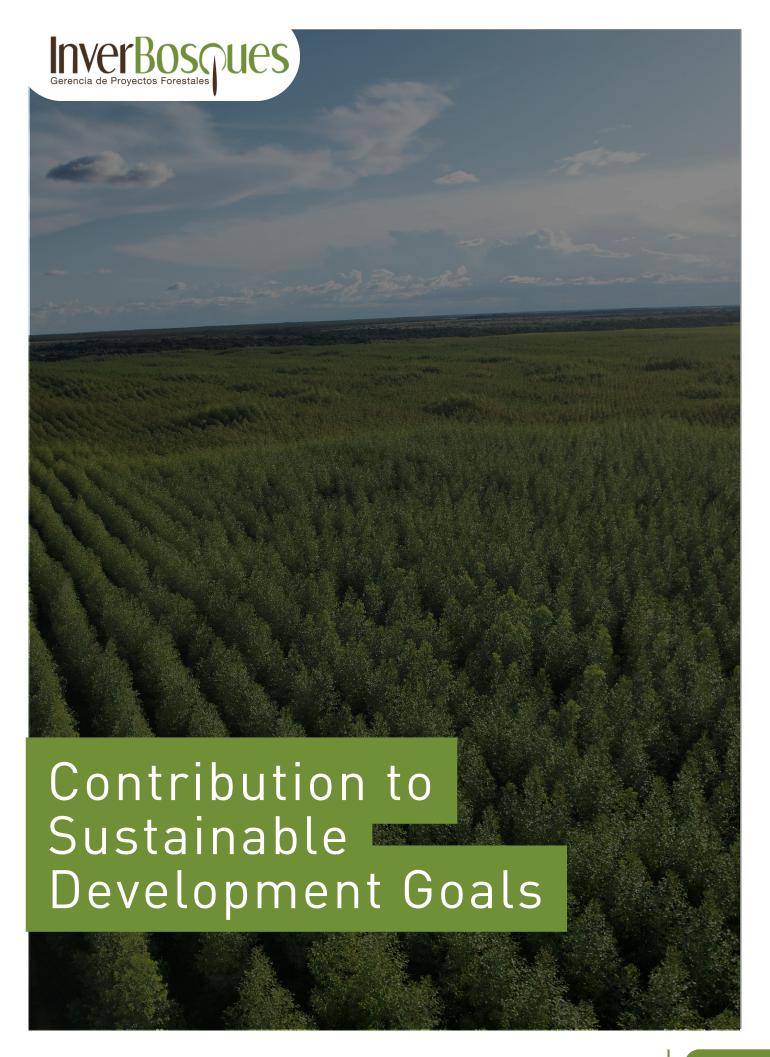
As part of these conversations, the communities also stated that the execution of these capacity-building lines created significant synergies within the ethnic territories, empowering community leadership, which is vital to the continuity of the reservations within the territory.

This prior consultation process, performed with respect and sensitivity towards the communities' own dynamics, generated values that reinforce social cohesion and promote sustainable development at the reservations.

This ratifies the importance of maintaining and enhancing this type of approaches, that acknowledge and respect the fundamental rights of ethnic groups, aligning with best corporate social responsibility practices and strengthening ties between the company and the indigenous communities.



Conversations with community representatives





# SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goal (SDG) implementation provides a roadmap and a common language to address current and future challenges faced by the organization and the planet. The SDGs that InverBosques' makes positive contributions to through its activities are presented below.





SDG 3: Good health and wellbeing







SDG 12: Responsible consumption and production





SDG 6: Clean water and sanitation



SDG 9: Industry, innovation and infrastructure



SDG 8: Decent work and economic growth



# SUSTAINABLE DEVELOPMENT GOALS



 3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases.



 4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and nonviolence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.



- 6.2 By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.
- 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.



- 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.
- 8.5 By 2030, 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.
- 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.



# SUSTAINABLE DEVELOPMENT GOALS



SDG 9: Industry, innovation and infrastructure

- 9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
- 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.
- 9.b Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities.
- 9.c Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020.



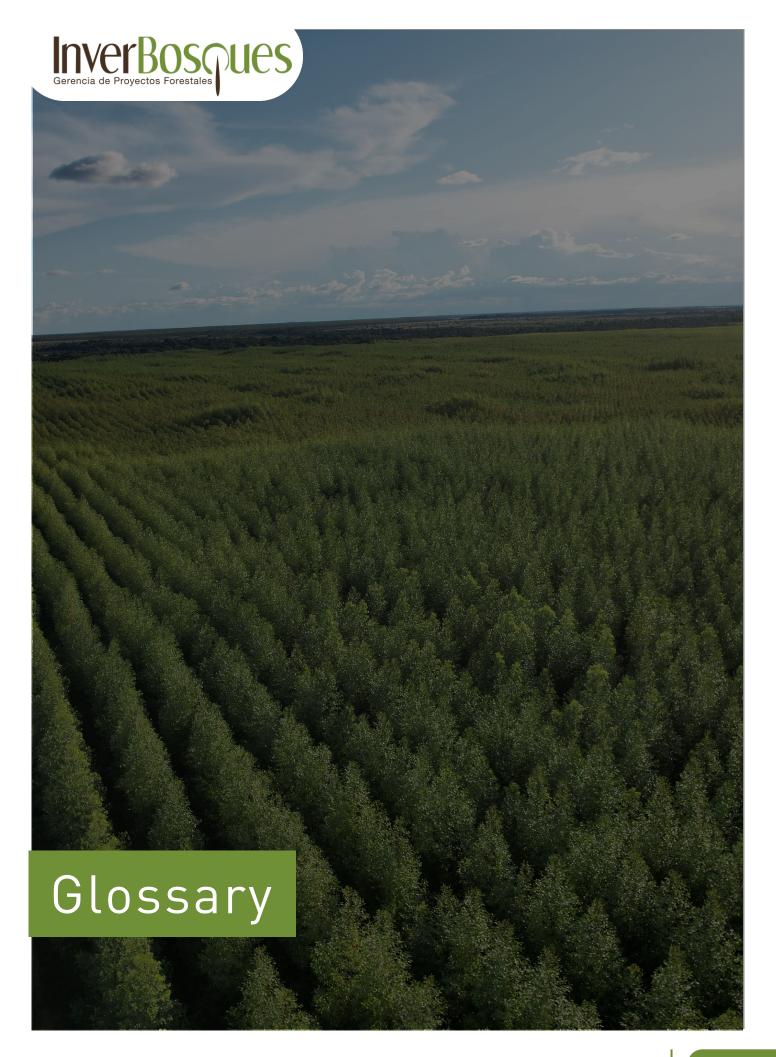
SDG 12: Responsible production and consumption

- 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
- 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.



SDG 15: Life on land

- 15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.
- 15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.
- 15.7 Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products.
- 15.9 By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts.





## OSSARY

Aforestation: Planting trees in areas where there was not forest previously (WWF, 2018)9.

Biodiversity: Indicates the variety of life on earth, achieved through natural processes like natural selection and analyzed in three specific contexts: genes, species and ecosystems (CDB, 1992)<sup>10</sup>.

Carbon credit: Mechanism that allows transferring carbon income from companies to regulatory entities.

Climate change: Climate change refers to long term changes in temperature and climate patterns (ONU, 2024)<sup>11</sup>.

Carbon quantification: A process to measure the amount of carbon captured by plantations for certification.

**Cuttings:** Life piece harvested from a mother plant to be planted and reproduced.

Rooting: Process by which a cutting or plant develops early roots, allowing it to be established as an independent plant.

Responsible forest management: Environmentally appropriate, socially beneficial and financially viable management of the world's forests (FSC, 2024)12.

Underrepresented social groups: Groups of people that have representation within a subset lower than their number in the general population and that, therefore, have less opportunities to express their economic, social or political needs and opinions (GRI,  $2021)^{13}$ .

Materiality matrix: Methodology to prioritize material topics and visualize them graphically.

Carbon exchanges: Trading systems where carbon credits are bought and sold. Companies or persons can use carbon exchanges to offset their greenhouse gas emissions by purchasing carbon credits from entities that eliminate or reduce greenhouse gas emissions (PNUD, 2022)14.

**Regulated markets:** Based on binding emissions reductions regimes that may abide by national, regional or subnational rules (MADS, 2024)<sup>15</sup>.

Business model: Method of executing an organization's process to achieve its objectives.

Forest plantation: Trees planted to create a forest with a design, size, and species required to achieve specific objectives (INAB, 2024)<sup>16</sup>.

- 9. Fondo Mundial para la Naturaleza (2018) Glosario ambiental: ¿Deforestación o degradación? ¿Reforestación o restauración? Resolvamos dudas
- 10. CONVENIO SOBRE LA DIVERSIDAD BIOLÓGICA (1992)
- 11. Naciones Unidas (2024) ¿Qué es el cambio climático?
- 12. Consejo de Administración Forestal (2024) Gestión forestal responsable 13. Global Reporting Initiative (2021) GRI 2: Contenidos Generales
- 14. Programa de las Naciones Unidas para el Desarrollo (2022) ¿Qué son los mercados de carbono y por qué son importantes?
- 15. Ministerio de Ambiente y Desarrollo Sostenible (2024) Contexto Mercados de Carbono
- 16. Instituto nacional de bosques de Guatemala (2024) Plantaciones forestales



## GLOSSARY

Reporting period: Period covered by the information presented (GRI, 2021)14.

**Nature Based Solutions (NBS):** Actions to protect, sustainably manage and restore natural and modified ecosystems to address society's challenges in an effective and adaptative manner, simultaneously benefiting persons and nature (UICN, 2017)<sup>17</sup>.

**Ecosystem services:** Refers to all the benefits provided by nature (WWF)<sup>18</sup>.

**Rustification:** Process by which a plant is moved from a sterile container to a natural environment.

**Material issues:** Topics that represent the organization's most significant impacts upon the economy, the environment and persons, including human rights impacts (GRI, 2021)<sup>14</sup>.

**Trade:** Result of a market transaction.

**Technology package:** Set of integrated practices, tools, methodologies and knowledge designed to optimize forest plantation management. This package includes specific technologies like genetically improved clone development, soil preparation techniques, species selection, fertilization, and pest and disease controls.

**High conservation value (HVC) areas:** Refers to exceptionally significant biological, ecological, social or cultural values or that are critically important to a specific area. Their identification and conservation are fundamental for protecting biodiversity, ecosystems, and the needs of human communities (Proforest, 2013)<sup>19</sup>.

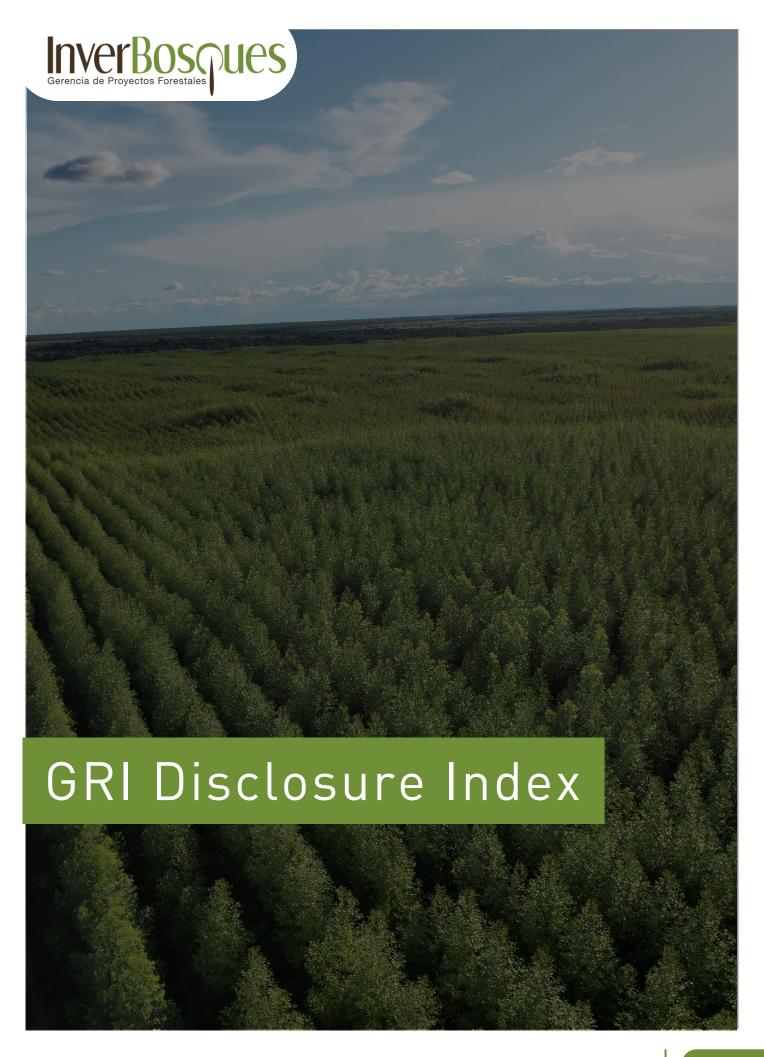
**Conuco:** A conuco is a productive unit of a Sikuani family. It consists of planted land, especially in the mountains, with different species of plants that provide edible fruits. Cassava occupies a central role in this system, as it is the foundational food type and is used to make *casabe* and *mañoco* (Gaitán Quintero, 2019)<sup>20</sup>.

<sup>17.</sup> Unión Internacional para la Conservación de la Naturaleza (2017) ¿Qué son las Soluciones Basadas en la Naturaleza?

<sup>18.</sup> Fondo Mundial para la Naturaleza (2018) Glosario ambiental: Servicios ecosis... ¿qué?

<sup>19.</sup> Proforest (2013), Guía genérica para la identificación de altos valores de conservación

<sup>20.</sup> Gaitán Quintero, H. (2019). Reconfiguración de las dinámicas económicas y socioculturales en el pueblo Sikuani de puerto Gaitán - Meta 1970- 2019. Bogotá : Universidad Externado de Colombia, 2019.





# GRI DISCLOSURE INDEX

Declaration of use	InverBosques SAS has prepared this report according to GRI Standards for a reporting period between July 1, 2023, and June 30, 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sectoral Standards	Not applicable

			Omission			Sectoral
GRI Standard / Other Source	Disclosure	Page Number	Omission requirements	Motive	Explanation	Standard reference number
		GR	l 2: General Content 2	021		
	Disclosure 2-1: Organizational details	7, 13, 105				
	Disclosure 2-2: Entities included in the organization's sustainability reporting	5				
GRI 2: General Disclosures 2021	Disclosure 2-3: Reporting period, frequency and contact point	5				
	Disclosure 2-4: Restatements of information	5				
	Disclosure 2-5: External assurance	5				



				Omissi	on	Sectoral
GRI Standard / Other Source	Disclosure	Page Number	Omission requirement	Motive	Explanation	Standard reference number
	Disclosure 2-6: Activities, value chain and other business relationships	13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24				
	Disclosure 2-7: Employees	8, 9				
	Disclosure 2-8: Workers who are not employees			Not applicable	InverBosques does not have workers who are not employees	
	Disclosure 2-9: Governance structure and composition	9, 10, 11				
GRI 2: General Disclosures 2021	Disclosure 2-10: Nomination and selection of the highest governance body			Not applicable	InverBosques does not currently have a process for nomination and selection of the highest governance body.	
	Disclosure 2-11: Chair of the highest governance body	10				
	Disclosure 2-12: Role of the highest governance body in overseeing the management of impacts	10				
	Disclosure 2-13: Delegation of responsibility for managing impacts	33				
	Disclosure 2-14: Role of the highest governance body in sustainability reporting	30				



				Sectoral		
GRI Standard / Other Source	Disclosure	Page Number	Omission requirement	Motive	Explanation	Standard reference number
	Disclosure 2-15: Conflicts of interest			Information not available	InverBosques does not currently have a process to prevent and mitigate conflicts of interest.	
	Disclosure 2-16: Communication of critical concerns	33				
	Disclosure 2-17: Collective knowledge of the highest governance body			Information not available	Information not documented for the reporting period	
	Disclosure 2-18: Evaluation of the performance of the highest governance body			Information not available	InverBosques does not currently have an evaluation process for the performance of the highest governance body	
	Disclosure 2-19: Remuneration policies	10				
GRI 2: General Disclosures 2021	Disclosure 2-20: Process to determine remuneration			Information not available	InverBosques does not currently have a process to determine remuneration	
	Disclosure 2-21: Annual total compensation ratio			Information not available	InverBosques will present its annual total compensation ratio in the following report	
	Disclosure 2-22: Statement on sustainable development strategy	4				
	Disclosure 2-23: Policy commitments	34				
	Disclosure 2-24: Embedding policy commitments	34				



GRI Standard / Other Source	Disclosure	Page Number	Omission requirement	Motive	Explanation	Sectoral Standard reference number
	Disclosure 2-25: Processes to remediate negative impacts	33				
	Disclosure 2-26: Mechanisms for seeking advice and raising concerns	33				
GRI 2: General Disclosures 2021	Disclosure 2-27: Compliance with laws and regulations					
	Disclosure 2-28: Membership associations	26				
	Disclosure 2-29: Approach to stakeholder engagement	28, 29				
	Disclosure 2-30: Collective bargaining agreements			Not applicable	No trade unions	
			GRI 3: Material Topics			
GRI 3: Material Topics	Disclosure 3-1: Process to determine material topics	27, 30, 31				
	Disclosure 3-2: List of material topics	32				



			Omi	Sectoral		
GRI Standard / Other Source	Disclosure	Page Number	Omission requirement	Motive	Explanation	Standard reference number
	Env	vironmental manage	ment, biodiversity and ecosystem	services		
GRI 3: Material	Disclosure 3-3 Management of material	37, 38, 39, 42, 43,	3-3 a on the impact of Carbon Dioxide (CO₂) capture by planting forest plantations	Information not available	Studies in process	
Topics	topics	44, 45, 50, 51	3-3 e on the impact of Increased water consumption for nursery operations	Information not available	Water saving indicators and targets not available	
	Disclosure 303-1: Interactions with water as a shared resource	40				
Standard 303	Disclosure 303-2: Management of water discharge-related impacts	41				
(2016): Water and effluents	Disclosure 303-3: Water withdrawal	40, 41				
	Disclosure 303-4: Water discharge			Information not available		
	Disclosure 303-5: Water consumption			Information not available		
Standard 304	Disclosure 304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	45, 46				
(2016): Biodiversity	Disclosure 304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations	47				
Standard 201 [2016]: Economic Performance	Disclosure 201–2 Financial implications and other risks and opportunities due to climate change			Information not available		



		_		Omission		
GRI Standard / Other Source	Disclosure	Page Number	Omission requirement	Motive	Explanation	Sectoral Standard reference number
		F	Prosperous communit	у		
GRI 3: Material Topics	3-3 Management of material topics	52, 53, 54, 55, 56, 57, 58, 59				
Standard 401 (2016): Employment	Disclosure 401-1: New employee hires and employee turnover	8, 58, 59	401-1 a & b	Incomplete information	No indicators broken down by age, gender & region	
Standard 203 (2016): Indirect	Disclosure 203-1 Infrastructure investments and services supported	53, 54				
Economic Impacts	Disclosure 203-2: Significant indirect economic impacts	54, 56, 57				
Standard 204 (2016): Procurement Practices	Disclosure 204-1 Proportion of spending on local suppliers	59				
		Knowled	ge management and i	nnovation		
GRI 3: Material Topics	3-3 Management of material topics	60, 61, 62, 63				
InverB-1	Advances with documentation processes, information traceability, procedural manual management and other information management tools across the organization	61				
InverB-2	Generation of new scientific knowledge from research and development	62, 63				



			Omission			
GRI Standard / Other Source	Disclosure	Page Number	Omission requirement	Motive	Explanation	Sectoral Standard reference number
			Cuidada dal aguina			
			Cuidado del equipo			
GRI 3: Material Topics	3-3 Management of Material Topics	64, 65, 66, 67, 68, 69, 70, 71				
	Disclosure 403-2: Hazard identification, risk assessment, and incident investigation	70, 71				
Standard 403 (2018): Occupational Health and Safety	Disclosure 403-9: Work-related injuries	70, 71	403-9 a & b	Incomplete information	Indicators related to contractors	
	Disclosure 403-10: Work-related ill health	71	403-10 a & b	Incomplete information	Indicators related to contractors	
InverB-3	Management of occupational psychosocial risk factors amongst employees	65				
InverB-4	Management of coexistence and communication between directors and teams to generate a good work environment	66, 67				
InverB-5	Implementation of wellbeing strategies for employee recreation and integration	68				



GRI Standard / Other Source	Disclosure	Page Number	Omission			Sectoral Standard				
			Omission requirement	Motive	Explanation	reference number				
Operational management										
GRI 3: Material Topics	3-3 Management of Material Topics	73, 74, 75, 76, 77, 78								
InverB-6	Improvement of installed infrastructure capacities to support activities related to the project's general operations	74, 75								
InverB-7	Deteriorated road conditions during rainy seasons due to the project's transportation logistics	76								
InverB-8	Improvement of the fire attention and control system	77, 78								



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