

# Fair News

FROM COLOMBIA

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**DAABON**

From the soil to the market



# MESSAGE FROM THE PRESIDENT

After two years of battling against a global pandemic, the world has entered a new normal. In the last 12 months, we saw how commodity and energy prices soared to new heights. This triggered global inflation which the whole world has been forced to accept and embrace. Some of these commodity prices have declined but remain relatively high compared to pre-pandemic levels. Governments have been trying to introduce measures to ease the pinch in our pockets, but nevertheless, we all feel it.

For the first time in a while, we farmers have seen an economic benefit from this situation. For far too long, agricultural prices have been under pressure, making it rough for people that work the land to feed the world. All of these benefits are shared with our employees, as they deserve to be rewarded for their efforts over many years of work. Our people make things happen; without them, this organization would not be what it is today. I'm very proud of how well our teams have been working through adversity in the fields, tackling the bud rut disease, onboarding new farms, teaching our new colleagues the art of organic farming, taking our harvesting and processing practices to the next level, ensuring minimal contamination from hydrocarbons in our products and innovating in our sustainability practices.

Numerous projects to upgrade and increase our capabilities have also been taking place. We have installed solar panels on the roofing at our industrial park, reaching almost 2MWh. We commissioned our high-speed bottling line which now serves many retailers in Colombia. Our animal feed and biomass fuel pelletizing facility began construction and will soon be commissioned, and the new double fractionation facility will be finished by mid-2023. In our overseas operations, we have established a new office in Brazil, Soapworks in the UK has upgraded its soap extruder line, and in Australia our refinery is now at full capacity and seeking expansion.

One thing has become more evident today; sustainability is no longer a



Manuel Julián Dávila, CEO DAABON Group

niche or a nice-to-have, but a must-do. These two years have made many of us rethink the impact of our supply chains. Reinventing supply chains is not an easy feat-- the necessary alignment between supply and demand for initiatives to thrive must balance precisely for the efforts not to be in vain. Consumers have started to speak up as this new generation demands more action on this front. Governments, NGOs, and companies have listened, and breakthroughs are being reached. Conversations for making it illegal to import commodities that cannot prove deforestation-free might be coming soon. This would radically change our global agricultural system. We are starting to realize that we need to focus on planetary health in addition to our human needs and desires. We can no longer continue ignoring the consequences of our purchases and consumptions. Therefore, we will be strongly focusing on this space, on sustainable specialty oils and fats.

Our proposition to the customer is a guarantee of clean premium oils. Free from contaminants, free from deforestation, free from human rights issues, free from brokers and middlemen, delivered as requested and specially formulated to perform exactly as expected. That is the Daabon promise, a promise that we keep.



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Manuel Julián Dávila Abondano

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# “Organic World”

Interview with Manuel Julián Dávila - CEO DAABON Group

**When did the organic food movement start? What was the landscape like in the 1990s? Please share some of your personal experiences of what Fairs were like at that time?**

**A.** Our organic story began in Paris in 1991 with a man named Diego García, who told me over dinner one night that a new law was being drafted in Europe, which meant that products grown without any agrochemicals could be certified organic. I told Diego that we, under my father's leadership, did not agree with the use of agrochemicals, therefore, we thought we could certify ourselves. It was at that time that we identified a growing market demand for certified organic food and began to transform our farming methods and crops. We invited European inspectors to our farms in Santa Marta, Colombia, to inspect and certify our palm oil, banana and coffee plantations to ensure agrochemicals were not being applied. This is when we



became part of a small market, which over the next 20 years grew exponentially. Today organics are at the heart of our mission, to maintain our growth within the market, develop new opportunities around organic palm oil, bananas, coffee and sugar.



CEO Manuel J. Dávila

**Who were the main actors in the organic movement?**

**A.** One of the main actors was Rapunzel Naturkost, a large German company that had been a pioneer in the organic food world for years. I also remember a dear friend from Trading Organic, his name is Wim Rabbie. There was also Pope Braam, from DOIT, and of course Diego García, whom I mentioned before. We were a small group; we all knew each other and we all looked for business opportunities together.

**What was the main trending topic when the organic movement began?**

**A.** At that time there was a trade-off between the high demand for organic products and the difficulty in obtaining the input for its agricultural production.

The main challenge was to achieve organic agricultural productivity without using chemical fertilizers. It was a steep learning curve and we began to develop the necessary know-how to improve our oils, water and composting, and to integrate our processes to replace chemical fertilizers.

**Which were the most important fairs that resulted in good business?**

**A.** The most important fair within the organic world has always been Biofach, which has been running over 30 years[MOU1] . We also attend other fairs, such as Expo East and Expo West in the U.S.A. After some time, Biofach began expanding and opened fairs in China, Japan, Brazil, and other places with significant opportunity in the organic market, so





Dávila Abondano Family & colleague Theresa Marquez

these fairs became the main meeting points for producers and buyers.

### Tell us an anecdote from your travels around the world...

**A.** I remember that in 2004 I was in Kuala Lumpur, Malaysia, getting a foot massage in a very special place where blind people gave massages. There was a lady sitting next to me and we started talking. She gave me her name, Anita. I did not know who she was, but she told me that she owned several stores and had been in La Guajira, Colombia, with some Wayuu children learning about creams that were applied on their faces to protect them from the sun. We talked for an hour, and it was not until we said goodbye that I realized the lady was Anita Roddick, the owner of The Body Shop. That new friendship was the beginning of a new business. We began selling soap flakes to her company for a few years. After she passed away and when The Body Shop was sold to L'Oréal, we decided to buy Soapworks from L'Oréal. Soapworks was the soap factory she had built in Glasgow.

### What is your opinion on the future of organic agriculture and food?

**A.** What I see in the future is more conscientious consumerism, beyond just organic agriculture and food. I see a better understanding of sustainability and planetary health, an understanding that what will disappear is not

the planet, but our species. We all need to do our best to offset global warming and the threats that trigger natural disasters, that is exactly what nations are working on. Organic agriculture is one of the pillars that has contributed to reducing the use of products that have severe greenhouse gas effects. I firmly believe we must continue building on what we have learned and that humanity needs to reduce all pollutant processes. I think it is a matter of having greater awareness of what is happening and of what needs to be done to avoid the extinction of humanity.



BIOFACH 2001

# Inflation | the new normal

By: Manuel A. Dávila, Managing Director DAABON UK

News headlines have highlighted growing concerns about the economy every day for the past year. Inflation alters economic sentiment and has the potential to redefine the course of global and national economies for years to come.

Inflation far exceeded expectations in 2022. Real interest rates doubled in many countries. European countries are particularly affected. Inflation in Lithuania, for example, is almost five times higher than expected at 15.5% per year. Poland was at 11% and the UK was at 9%, both well above

expectations. Switzerland was an outlier at 3%. Asia is experiencing a less drastic change: India's inflation rate is around 7%, only slightly higher than expected; South Korea's is at 5%. Inflation remains subdued in China and Japan.

Central banks around the world are raising their core bank lending rates in response to a worrying rise in inflation. However, interest rate hikes in most countries have so far not kept pace with inflation.

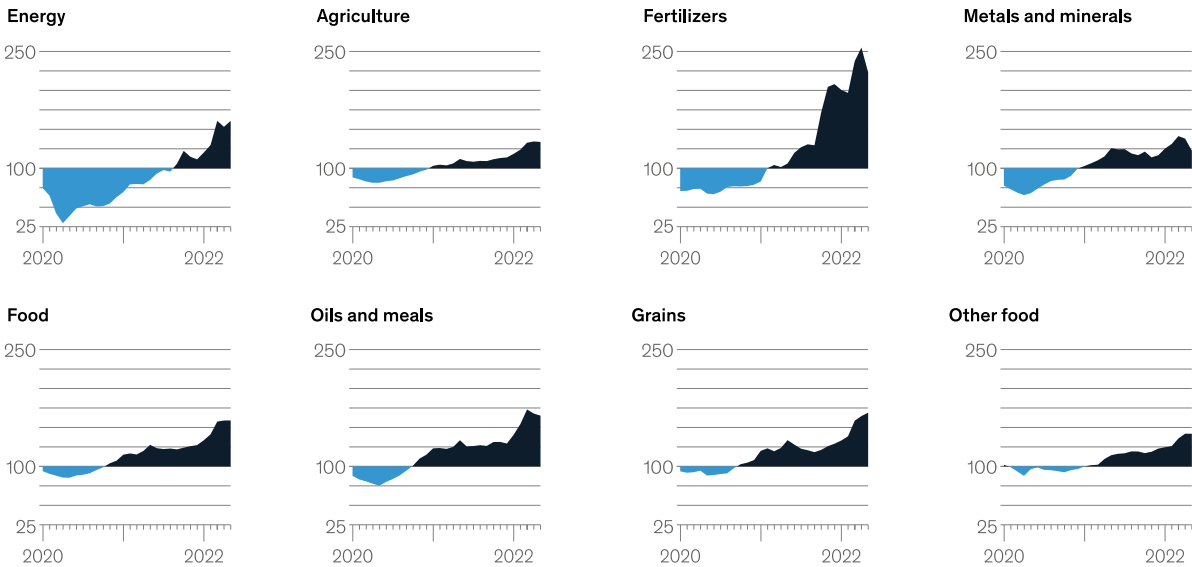
1	Canada	1.50	9	Czech Republic	3.25	17	Nigeria	1.50	25	Canada	0.75
2	US	1.25	10	Poland	4.25	18	Uganda	1.00	26	US	1.50
3	Brazil	4.00	11	Hungary	5.35	19	Kenya	0.50	27	Brazil	0.50
4	Argentina	14.00	12	Romania	2.00	20	Mozambique	2.00	28	Argentina	0.25
5	Chile	5.00	13	Russia	1.00	21	Mauritius	0.40	29	Chile	0.44
6	UK	1.00	14	Saudi Arabia	2.00	22	Botswana	0.90	30	UK	1.31
7	Norway	0.75	15	UAE	2.25	23	South Africa	1.00	31	Norway	1.25
8	Sweden	0.50	16	Ghana	6.16	24	India	0.90			

Lending rates at central banks around the world by the end of 2022

It is a common belief among investors that commodities are the best investments during inflationary times. Naturally, this is because commodity prices reflect the demand for essential raw materials for economic expansion. Prices shot up as economic stimuli restored the global economy that had been damaged by the COVID-19 pandemic. The invasion by Russia then drove prices even higher. Fertilizers saw the greatest increase, with prices skyrocketing as a result of rising farmer demand and shortages of natural gas, an essential ingredient in its production.

## Prices for commodities are higher across the board.

World Bank commodity price data, index (100 = 2010 average) (as of May 2022)



Source: Jongrim Ha et al., One-stop source: A global database of inflation, World Bank Group, policy research working paper 9737, July 2022

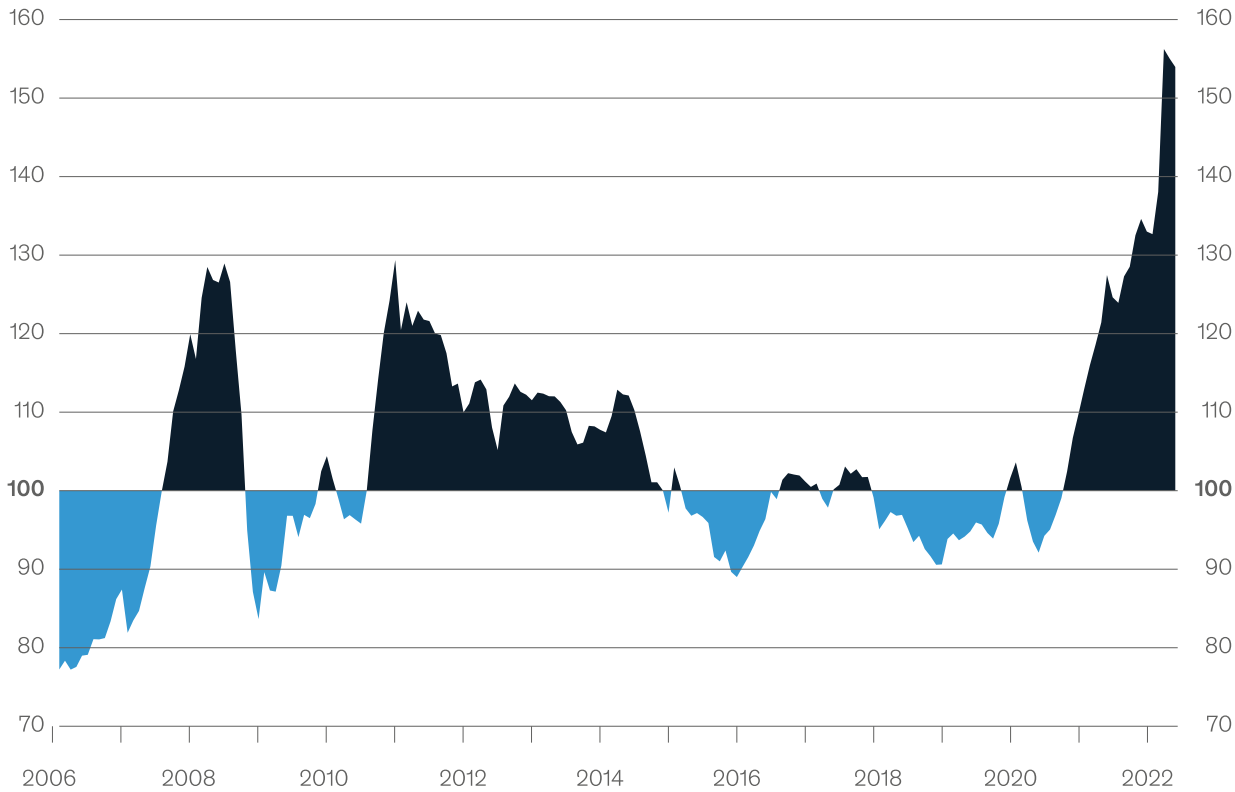
## Food prices have reached record highs. McKinsey & Company

Real food price index, index (100 = 2014–16 average) (as of Apr 4, 2022)

The take-off in fertilizer costs, alongside other factors from the conflict in Ukraine, has pushed costs for essential food items a lot higher. Food prices have reached their highest level since the Food & Agriculture Office of the United Nations launched its index in 2001. Today's prices are significantly higher than they were during previous price increases in 2008 and 2011, which were sparked by the global financial crisis. Prices have significantly decreased over the past ten years. However, supply chain issues, drought, and other factors caused a sharp rise in 2021.

## Food prices have reached record highs.

Real food price index, index (100 = 2014–16 average) (as of Apr 4, 2022)



Note: The FAO Food Price Index (FFPI) is a measure of the monthly change in international prices of a basket of food commodities. It consists of the average of five commodity group price indexes weighted by the average export shares of each of the groups over 2014–16. Figure shows monthly data; latest is May 2022.  
Source: OECD

McKinsey  
& Company

However, the panic over inflation is starting to ease. The supply disruptions caused by the pandemic are lessening and energy prices have stabilized. By themselves, these factors should indicate that Western inflation has slowed from the eye-watering double-digit rates we have been experiencing recently.

The confidence of central banks that they have regained control seems to be growing. The bond and stock markets are collectively exhaling relief. Investors are focusing on the possibility of a settling point for inflation now that it has dropped below double digits. Is it possible that we will return to the inflation rate that has remained so low for the majority of the past two decades? Or will it remain at current levels? Karen Ward, Chief Market Strategist at JPM Asset Management, believes that 3% will replace 2%. This has significant ramifications for financial backers.

A portion of the story involves a higher and more erratic rate of goods price inflation. In the future, commo-

dity price inflation is likely to affect goods prices in much the same way it did this year. The West lost a major supplier of a variety of goods when Russia invaded Ukraine completely.

As we move to new sources, a long period of adjustment will have an impact on costs. There will be periods of shortages and higher prices if we rely on renewable energy sources or smaller producers in volatile regions of the world.

In addition, the lowest cost is no longer the determining factor in goods procurement. It is now of the utmost importance for businesses and governments alike to have control over the supply of important inputs and the entire production chain. Onshoring or reshoring to countries where labour costs more may become more common.

Central banks may be forced to lower service sector inflation if goods inflation continues to rise. Although the theory has merit, the political reality is less clear. Workers in the West's

service sector would have to accept pay increases below the rate at which global goods prices are rising; a complete reversal of the past 30 years. Instead, Mrs. Ward anticipates that the central banks will accept a new, slightly higher inflation rate.

In the end, Mrs. Ward believes this upward shift will be welcomed, as well as accepted. This is because, all other things being equal, a target for inflation of 3% would raise the average nominal interest rate by one percentage point. That would make it less likely that central banks would have to use unconventional policy tools like quantitative easing (QE) if they reached the zero bound, which is the point at which interest rates can no longer be cut to stimulate activity. It can be argued that QE cannot replace conventional monetary policy. It binds the central bank to the government in a way that puts their independence, or at least their ability to be seen as independent, in jeopardy. Inflation is and will be the new normal.





# DAABON Europe

**Colombian Sustainable Palm Oil RSPO With Low Contaminants**

**By: Anna Benda, Quality and Food Safety Manager, DAABON Europe & Sven-Dai Landshöft, Operations Manager, DAABON Europe**

Tequendama Lab

The European markets are, and always have been, challenging markets in which to operate. The demands and requirements for food are growing steadily. In recent years, the European Union has expanded many regulations for the environment and process contaminants, and manifested them in to legislative requirements.

In this context the demand for safe food with dedicated origins, coupled with the requirements for as low as possible contaminants, is growing. This translates to increased responsibility and oversight for manufacturing companies. A continuously more stringent food safety culture has developed and embeded itself among producers, and has been established in many GFSI standards.

In the last few years, the effects of climate change have become increa-

singly apparent. This has led to a different awareness and consumption behaviors of consumers in Europe, but also worldwide. The need for sustainable products keeps growing. The people and the history behind sustainable products become more important. Consumers care about the origin and the people who produce their food. The market is changing and consumers are becoming more and more interested in what is happening around them, but also what is happening worldwide. Ultimately, we all live on the same small planet.

Lipids play an important role in human nutrition. In recent years consumers have become increasingly aware of the role of oils and fats, and especially their relevance in the nutrition of children. At the same time, the demand for healthier, safe and tasty food increases.

DAABON has extensive experience in the organic sector and the achievement of products with low contaminants. We have the opportunity to enter the market in Europe with specified dedicated low MOSH/MOAH values and compliance to (EU) 1881/2006 values for toddler and food applications.



Palm oil fruit



Palm Olein

It is important to have a dedicated stream with active release parameters. The market is interested in sustainable and low contaminant products. With our philosophy and our ethos, "From the soil to the market", the European market is open to us and our team is looking forward to helping you grow here.



# Feed for Organic Dairy Cows: Palm Kernel Expeller

*Combining versatility with high energy*

**By: Rob Daykin**  
Animal feed consultant



Happy Organic Dairy Cows

Organic dairy cow diets within the UK traditionally provide insufficient energy due to the raw material pool available. The main energy sources available to organic dairy diets are maize, low-protein wheat and high-protein soya. All these ingredients present issues as they need balancing in their own right.

Raw material selection for organic diets is limited; those available materials are usually seen as delivering specific nutrients such as starch, energy, fibre, protein etc. All can be viewed as useful in combinations that produce a balanced end feed product, although some of these formulations are complex and expensive.

Early lactation cows often present negative energy balance, even when grazing pasture forms the main component of the diet. This is often difficult to address in organic diets due to the available raw material options. It is much easier in the conventional world, where the situation eases due to widely available rumen-protected fats and calcium soaps. Unfortunately, both protected fats & calcium soaps are prohibited in organic European feeds.

The benefits we see from being able to increase energy intake in early

lactation are multiple. These include reducing body condition score loss, improving fertility, improving milk quality and supporting milk yields. It is here where palm kernel expellers provide distinct advantages to the cows.

Palm kernel expeller is unique in terms of its balance of protein, oils and fibre. This high-energy feed is particularly desirable in ruminant

diets as it delivers the nutrients to the animal in a rumen-friendly way. Its versatility comes from its ability to be fed as a straight feed or as part of a blend or compound feed. Unlike other raw materials, its balance of protein and energy can deliver what the cow needs as a single feed.

Providing high energy to the diet in a rumen-safe way is vital as it not only supports and sustains animal performance but also ensures the rumen can process high levels of forage. Palm kernel expeller is now increasingly being used on farms as a key component in the diet, either as a component in the forage mix or in compound feeds, and impressive on-farm results continue to drive its popularity.

At Daabon we are commissioning a new pelletizing facility at our organic palm plantation to not only pelletize palm kernel expellers but also create new blends with biomass materials from the palm itself. Mesocarp and fibres are added at the right ratios to create new feed solutions to help the rumen better digest forage. If you are looking for an organic feed solution to drive butter fat content and help your cows have a healthy gut, contact our team in the UK for more information.



Organic Animal Feed Pellets



# SOAPWORKS Raising The Bar

By: Paul Stewart - Marketing Manager, Soapworks

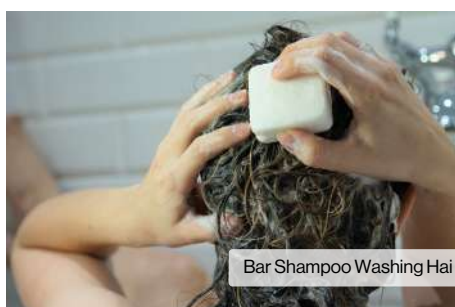


At Soapworks we are passionate supporters of the environmental and sustainability benefits of switching to bar soap and solid-format personal care. We also believe it is critical that we contribute to the fight against the global climate crisis. As a result, we are pleased to announce our intention to achieve net zero carbon emissions across our business by 2040, in line with the DAABON Group's goal. We have already begun a number of projects aimed at improving our carbon footprint. For example, all our products are now manufactured sustainably, using electricity supplied from 100% renewable sources. As a business, we will continue to strive to create a better future for our planet and people.

## SOLID GROWTH IN HAIRCARE

Solid-format haircare is now one of our fastest growing markets. What was once a niche industry of small producers is now a thriving sector, with major beauty brands launching new, innovative shampoo and conditioner bars, attracting new customers

and driving massive category growth. Soapworks is at the forefront of this sector. In 2022, we produced over 2,000,000 shampoo bars and launched new product lines for some of Europe's most recognisable brands.



## SOAP FOR PEACE

The ongoing crisis in Ukraine has sparked a critical need for humanitarian aid. In March, Soapworks, in partnership with Glasgow the Caring City, donated 50,000 soap bars to help those in need. The soaps were given out as part of hygiene kits to displaced families on the front line. National broadcaster Channel 5 filmed inside our factory as part of their "Ukraine: How you can help"

program, which highlighted incredible stories of giving and donations from people all over the UK.

As part of the DAABON Group, we are proud to provide essential access to basic hygiene to vulnerable communities across the world.



## LOOKING TO THE FUTURE

Under the leadership of our new Managing Director, Brian Cumming, 2023 promises to be the start of an exciting new era for Soapworks. Brian succeeds Jan Wels, who will continue to lead DAABON Europe operations and serve on the Soapworks board.

# DAABON's New Specialized Baking Fat Solutions

By: Esther Meima - DAABON USA, Sales Director



DAABON is pleased to announce the addition of new specialized fat solutions to our extensive product offering for bakery applications.

We are now offering the following items in both sustainable and certified organic formats:

## •Premium Laminated Margarine and Shortening

These products provide superior functionality for all laminated dough applications by offering reliable plasticity over a broad temperature range.

## •Hard Baking Margarine

Ideal for butter creams and the détrempe (dough fat portion) of puff pastries, as well as cookies and cakes. An excellent ingredient for many baking applications.

## •High Ratio Shortening

The high ratio of emulsifiers in this product is designed for filling, icing and whipped topping applications, and enables bakers to cover more volume by weight for cakes and pastries.

These newest items in the DAABON portfolio are designed to complement the wide variety of bakery products that we already offer, and include the same high-quality certified sustainable palm oil that DAABON has been proudly producing for generations.

DAABON is committed to offering food solutions for various applications, including the technical and sophisticated world of baking. By expanding our sustainable bakery offerings we hope to support the baking industry in achieving the finest results with sustainable ingredients they can be proud to use.





# DAABON USA Opens Second Office

By: Esther Meima - DAABON USA, Sales Director



Melina Latridis and Esther Meima in new Boulder office

**DAABON USA** is proud to announce the opening of a second office in the United States.

**D**AABON's North American headquarters are located in Miami, Florida, and an additional location was recently opened in Boulder, Colorado. The city was chosen due to its importance within the natural products community and because of how well it aligns with DAABON's values of responsibly grown agricultural products.

The Boulder Economic Council states: "Considered by many to be

the epicenter of the industry, Boulder is home to the nation's largest concentration of natural and organic products companies and has the highest per capita consumption of organic foods in North America, according to the International Federation of Organic Agriculture Movements."

DAABON USA's Boulder office was opened to further enhance our presence for regional stakeholders in

the natural and organic industry, and to support our focus on comprehensive and high-quality customer service. This new office joins a well-established network of resources, including various warehouse locations, across North America.

We are excited to expand our physical presence in this important market and look forward to continuing to serve our customers to the best of our ability.

# DAABON's Mitigated RBD Coconut Oil (MOSH <10 MOAH <1)

By: Sergio Correa, Director Administrativo Daabon Australia

Over the last decades, DAABON Group has devoted enormous resources (time and capital) to investigating and understanding the source of contaminants in coconut oil. After the source was identified, we learned how to reduce the risk of those contaminants getting into our products at any stage of the process. We have applied our experience in dealing with these contaminants, and now we can offer Mitigated RBD Coconut Oil to the market.

We work with the communities and farmers to support centralized driers for copra (the dried, white flesh of the coconut from which coconut oil is extracted). We monitor the handling (storage and transport) of the copra, which is then pressed without the use of solvents, and the crude coconut oil is refined in our state-of-the-art refinery in Melbourne, Australia.



Coconut Palm

Food companies around the world have identified contaminants such as MOSH and MOAH as potential health risks and have set roadmaps to reduce the levels of these mineral oil hydrocarbons in their products.

**DAABON is strongly committed to supporting current and potential customers with our mitigated RBD Coconut Oil, which we offer to the market with the following characteristics:**

- Coconut Oil with low 3MCPD and Low GE
- Coconut Oil with MOSH <20 mg/kg and MOAH <1 mg/kg
- Coconut Oil with MOSH <10 mg/kg and MOAH <1 mg/kgZ

# Palm Oil from Colombia To Brazil A Great Opportunity

By: Giancarlo Dávila – Commercial Director, DAABON Brazil

With an increasing demand for certified sustainable palm oil and a limited area to expand its production under this standard, coupled with the global trend of nearshoring, be it due to environmental or logistical reasons, Brazil has become a natural market for Colombia.

As net importer of palm oil, the country has traditionally filled its deficit with large vessels sailing half around the world from Asia. As the global need to reduce GHG emissions gains relevance along with the importance of traceability this normality, as many, will start to shift.

Colombia is the leading producer of palm oil in the Americas, with 1.84 million tons of crude palm oil produced in



Crude palm oil

2022, 25% certified RSPO palm oil. If managed well and investments are made correctly into downstream production and a strong focus on contaminant mitigation in oils, Colombia is set to become the supplier for highly specialized oils into Brazil.

Daabon as a leader in sustainable and mitigated palm oil transformation has leveraged this capabilities into opening the Brazilian market from Colombia, now following our motto “from the soil to the market” Daabon Group is proud to announce the establishment of Daabon Do Brasil LTDA, a Brazilian company dedicated to the distribution and commercialization of specialized palm oil for the food and cosmetic industries directly in Brazil.



# “Wild” Hass Organic Avocado Project, Japan 2022

By: David Rincón  
Managing Director,  
DAABON Japan



Focal Group to sample Organic Mountain Hass avocado, Daabon Organic Japan Co. Ltd.

In October 2022, the very first shipment of Colombian organic certified avocados arrived in Japan. Prior to this, approximately 500 MT of Colombian conventional avocado had landed in the country over approximately two years, after Japan and Colombia concluded a 10 year negotiation process, resulting in permission being granted for Colombian Hass to be exported to Japan.

DAABON’s Kyoto and Tolima farms, under Ecobio’s management, had been producing small volumes of avocado for over two years, most of which was exported to Europe.

After a challenging process to get permission to export to Japan, we then had to face adverse shipping conditions due to the pandemic and knock on difficulties in the logistical chain.

The DAABON Group supported the export initiative, even setting up dedicated classification & packing facilities in Colombia and investing in

the process of registering with the ICA and MAFF (Ministry of Fishery and Forestry – Japan), which took three years.

clients and end consumers. Even though Japan has a strict market with high standards, the difference in appearance and taste compared to



Classification and packing facility in Zona Franca Las Américas free trade zone, Santa Marta, Colombia

The experience taught us many lessons and served as valuable training for all involved, including how to scale commercial operations in the future. The import of Colombian organic certified avocado is a long-term project in Japan and starts with this first step and a vision.

Colombian organic avocados caused a lot of intrigue among Japanese

those of other origins, such as Mexico and Peru, along with the unique and eco-friendly method of transporting the avocado (using mules) created a compelling story and generated positive feedback.

**One regular customer of DAABON Organic Japan, said with concern:**

**This does not look like Mexican avocado, does not taste like Mexican avocado!”... “off course”, we replied, “it’s Colombian “Wild” Hass !”**



# Global Branding, Oils and Fats Solution Portfolio

By: Balachandar Selvamohan - Global Innovation Director



Chocolate cake

Palm oil is possibly the only oil crop that can provide a range of solutions for Bakery, Confectionery, Dairy and Human nutrition without needing much in the way of chemical processes, like hydrogenation or interesterification, to be able to provide a clean label.

Having a key source of this versatile crop, we at DAABON are continuously innovating and providing new solutions for the growing



Chocolate

specialty margarines with the option of having them certified organic. Ensuring sustainability and reducing carbon footprint in mind, one of the new segments that is growing rapidly is plant-based meat solutions. Other than specialty fats for meat analogue, our innovation team focuses on new plant-based solutions for a wide range of products including cheese, whipped toppings, beverages and ice-creams.

On a special note, our team can share more innovation concepts for clients in need of heat and texture stability, nutrition, aeration and/or indulgence on those applications to serve a new generation of customers.



Cake frosting

demands of our customers. The recent installation of our state-of-the-art facilities in Colombia and Australia has provided us with unique capabilities to produce specialty oils and fats that are organic certified and contaminants mitigated. With new R&D resources in place, DAABON has entered an elite list of suppliers providing specialty solutions for confectionery customers, including cocoa butter alternatives, specialty filling fats and spread fats. We have also expanded our bakery portfolio with a new range of icing shortenings, creaming fats and



Cheese





Daabon Team - Summit May 2022

# SUMMITS 2022

By: Juliana Dávila  
and Reneta Uribe  
Marketing Team, DAABON

During 2022 DAABON held two strategic meetings with key team members from the company's headquarters and our international offices. The first meeting was held

on-site in Colombia in June 2022, after the pandemic period was over. It was a very productive week with several R&D discussions covering topics such as quality controls regarding Mosh Moah and 3MCPD, High Oleic Palm Oil, and a review of our biomass projects, among others. In addition, we held an interactive workshop with Inalde Business University about digital transformation. Meetings were also held with our production, commercial, quality, and export teams, during which we discussed the progress on the Group's various projects.



Carlos Correa, Ex Minister of Environment, presenting at Summit November 2022

The second meeting was held in November 2022, where international offices connected virtually, and the staff from DAABON's headquarters attended the Summit on-site in Santa Marta. Three main topics were covered during this meeting: first we had a very enriching talk about climate change, led by the former Minister of the Environment, Carlos Correa. The second topic was about Bioeconomy: energy transition and innovation



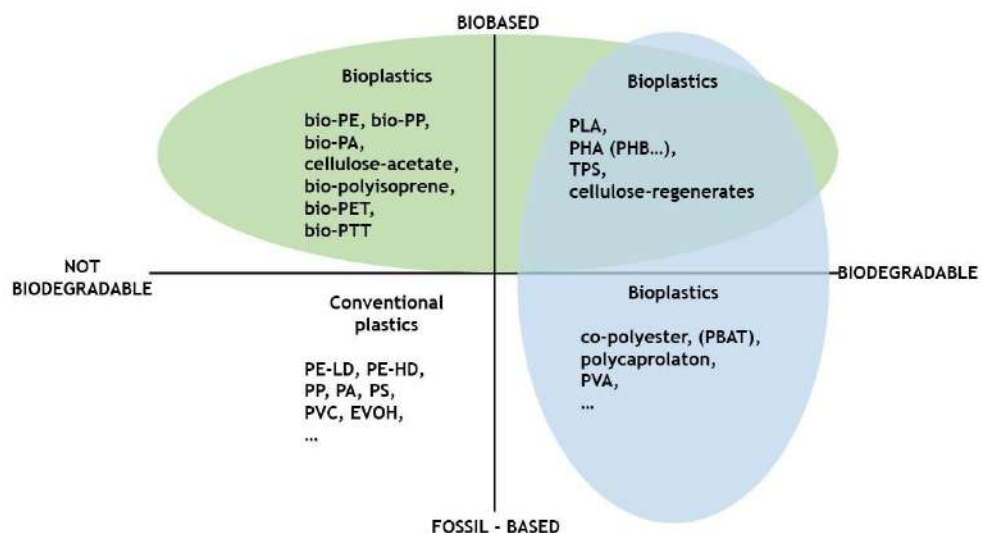
policies addressed by Mr. Jorge Alonso Cano, who is currently working as Consultant to the Ministry of Science, Technology, and Innovation. Lastly, we had a strategic session about our yearly goals, as well as the goals to be achieved for the next five years. Finally, an effective teamwork session took place to discuss topics such as strategic planning for the next 5 years.

# CIRCULAR ECONOMY AND SUSTAINABLE AGRIPACKAGING

By María del Pilar Noriega E., PhD – R&D and Innovation Director

Biomass and bioplastics are valuable raw materials for agri-packaging applications. In 2020, CI Tequendama, part of DAABON Group, launched an R&D and Innovation project known as "Development of sustainable biomass for energy recovery, animal feed and agri-packaging" for STI (Science Technology and Innovation) tax benefits to the Colombian Ministry of STI. The project was approved to be developed between 2021 and 2023.

It is important to review basic definitions of different types of bioplastics regarding sustainability. The following figure presents the diverse



types of bioplastics in three categories: biobased and biodegradable, biobased and non-biodegradable, and fossil based and biodegradable.

A biobased plastic is material that originates from biomass, that is, from renewable resources, such as plants, microorganisms and algae, among others.

A compostable plastic is a material

that can biodegrade under controlled composting conditions, producing A biodegradable plastic degrades under the action of microorganisms to produce water, carbon dioxide and biomass, but for this process to take place, the material needs appropriate environmental conditions. In the case of compostable plastics, if the degradation exceeds more than 180 days it cannot be categorized as composta-

ble, but it is still biodegradable. water, carbon dioxide and a compost that should be free of visible or toxic residues that affect the environment. The biodegradation process should not last more than 180 days, a period in which at least 60% (or 90% depending on the selected international standard) of the initial mass of the material should be transformed into carbon dioxide and organic matter.

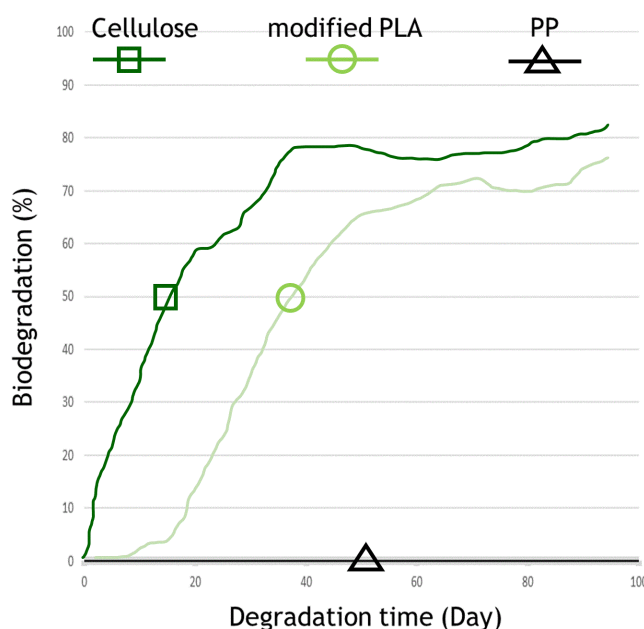


Figure 2: Biodegradation test of three plastics: PP, modified PLA and cellulose (PP: Polypropylene, PLA: Poly (lactic acid))

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# By Investing in People, We Are Preparing for Future Generations

By: Felipe Guerrero - Executive Vice President



Elogia Team

The training of our human talent is one of the most important pillars of the business strategy for all DAABON Group companies. During this past year, we have invested significant efforts not only in the pursuit of excellence around the performance of our workers, but also in the training of those people holding leadership positions.

By doing so, different programs, such as Coaching for Leaders, were put in place where relevant qualities were encouraged in those who are in charge of various teams: strategic thinking and management, risk management, change and transformation, innovation and improvement in project management, team structuring, joint vision, effective communication, influence and management of high-performance teams, and emotional intelligence.

The companies of DAABON Group continue on the path of innovation; this time, within the human scope, not within the technological one, through the application of methods and tools of cognitive psychology. With this



Elogia truck driver

approach, a coaching process has been established for employees holding positions that require a high development of soft skills, given that it's necessary for the company to support the growth of the people who comprise it, aiming to discourage habits based more on a corporate vision exclusively devoted to the performance of functions and the achievement of productive goals.

Although people have always been a priority in the development of our business strategy, we have no doubt that we are witnessing a special moment in our development: we are preparing ourselves to incorporate new generations into the company, and to cultivate and take advantage of their talent and skills. Hence the need to strengthen our leaders who will be supporting the development of the large number of young people who join our companies, coming from the country's public and private universities, looking for a work environment that fosters their growth and responds to their genuine desire for change.

For employees working in our agricultural sectors, our goal is to standardize training processes through a methodology that brings out the highest potential of each one of the workers on our teams. The ultimate goal is to create training centers in which the personnel in charge of each team, given that they are experienced supervisors, can teach each task thoroughly, and ensure that each person is properly positioned within the team based on their skills, abilities, and preferences.

At the same time, the DAABON Group supports individual initiatives through an educational aid program, which covers formal training at the technical, technological, college undergraduate and graduate levels.





# Welcome to our team

By: Juliana Dávila & Manuel A. Dávila

## Balachandra Salvemohan



He joined the team as our new Global Innovation Director. 'Bala[MOU1]' has extensive experience in technical sales, new product development, product development and application particularly for the Confectionery, Bakery and Dairy Industry. He has more than three decades of experience in the food industry, including providing ingredient solutions and end application innovation in the confectionery, bakery and culinary space. He is now based in Melbourne, Australia.

## Bernd Brinkman



He joined the team as our new Product Application Manager in Pulheim, Germany. Bernd spent three decades as the head of all product development at Walter RAU. He brings a world of knowledge in frying applications to the team.

## Transitions & Promotions

### Brian Cummings

He has been promoted to the role of Managing Director of Soapworks. Brian takes over from Jan Wels, who will remain on the Soapworks board of directors while continuing his role as Managing Director of DAABON Europe. Brian is a familiar face at Soapworks, having worked in the business for over 28 years in various roles, most recently as Operations and Supply Director, where he was responsible for delivering operational strategy.

### Manuel Alberto Dávila

He has been promoted to the role of Managing Director for DAABON UK. Manuel takes over from Astrid Duque who has decided to step down after 14 years of excellent service. Manuel was previously Financial Director at DAABON Organic Australia.

We wish our new team members and those recently promoted great success in their new roles!

### Gratitude & Farewell

We would like to thank Astrid Duque for her 14 years of service. Astrid was a pivotal figure in the development of the UK market for the DAABON Group. She battled and triumphed through many challenges with NGOs, shipping lines and anti-palm campaigns, and her work is reflected in how successful DAABON UK has become. We will miss having Astrid on our team and wish her the best for the future.

# Solar as a Clean Source of Energy for our Industrial Cluster

**By: Hernan Rodríguez – Manager of Voltaje Empresarial S.A.S. E.S.P.**

The DAABON Group has always focused on sustainability in all its processes and, as result of this, it put in place Solar Energy projects in the San Francisco Industrial Cluster

in 2022, with a phase one installation of 3.065 panels generating 1.400kWh, using a roof area of 7.700M2.

## ROOFTOP SOLAR PANELS BY CARIBBEAN ECOSOAPS S.A.S

Prior to the San Francisco project, in 2020, VOLTAJE EMPRESARIAL, also part of the DAABON Group, became the first energy company in Magdalena to meet the Group's industrial energy demand. We estimate that with the photovoltaic generation in this first stage 2.2 million kWh per year of direct grid consumption will be replaced. [MOU2] This will result in an estimated reduction of 1.437 tons of CO2 per year, contributing to a decrease in greenhouse gas emissions resulting from the use of non-renewable energy sources.



Solar Panels project

## SOLAR PANELS IN THE FREE TRADE ZONE LAS AMERICAS OF SANTA MARTA

Given the infrastructure of the industrial cluster and warehouse facilities of the Las Americas Free Trade Zone, it is possible to forecast a growth of additional 7.000 M2 of panels, which could double both generation and estimated reduction of CO2 during the first stage. [MOU3]

This is how the DAABON Group is committed to the country's energy transition, contributing its grain of sand to the environment and the sustainability of the industries in the department of Magdalena, offering its users goods and services that employ clean energy.



Solar Panels at Las Americas Free Trade Zone in Santa Marta





# Circular Economy and the Sustainable Palm Biorefinery Tequendama

By: María del Pilar Noriega E., PhD – R&D and Innovation Director

In 2020, CI Tequendama, part of DAABON Group, formulated the R&D and Innovation project: "Development of sustainable biomass for energy recovery, animal feed and agripackaging" with the aim of converting oil palm by-products into products with high added value. The project was eligible and approved for STI (Science Technology and Innovation) tax benefits by the Colombian Ministry of STI. It began on January 1st, 2021 and will end on December 31st, 2023. The project is part of a sustainable biorefinery scheme as it is a biomass processing line where palm fibers, such as palm kernel shells (PKS), palm kernel expeller (PKE),

mesocarp (MC) and empty fruit bunch (EFB), are treated and converted through different unit operations of bulk solids into high value-added products. The plant which will handle an estimated of [MOU1] 25,000 tons per year begins production in February 2023. The use of solid biomass

further the diversification of domestic and export markets, by generating new goods and services that involve sustainable biomass for feed through functional formulations. Furthermore, the use of biomass to solid fuel (BTS) helps gradually replace the use of fossil fuels for steam generation, using

enhanced heat transfer. The development of densified biomass products has a positive impact on logistics; reducing costs associated with the transportation and distribution of feed and solid fuel, improving carbon footprint and reducing CO2 emissions.

Due to the nature of the agribusiness and the vulnerability to climate change of the palm oil agro-industrial chain, CI TEQUENDAMA manages its impacts and seeks to adapt to this challenge by maintaining and promoting its most innovative, competitive and sustainable development and production model, namely SUSTAINABLE PALM BIOREFINERY.



Figure 2: Oil Palm Fibers



Figure 4: Principle of Biomass Pelletizing

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# Regenerative Organic Certified® Palm Oil

**By: Carlos Guillermo Reyes**  
Certifications Director

Palm Oil crops

Exactly 30 years ago, DAABON revolutionized its production system by venturing into certified organic production, when the world barely found out that there was an organic regulation in Europe that formalized the commercialization of organically produced products.

Today, after overcoming endless obstacles to sustain its certified agro-industrial process, based on the sustainability of its 6 organic plantations; C.I. Tequendama SAS through Control Union Certifications was successfully audited last November, according to the Regenerative Organic Alliance certification standards and under the Regenerative Organic Certified® seal criteria. The audit result has been of zero non-conformities and we are currently in the decision-making process and in the receipt of the corresponding certificate.

“Regenerative organic agriculture is the guiding path that connects the dots of our now fragmented agricultural system. It highlights the importance of honoring the earth, the soil, the people, and the animals living on this planet, in harmony and in fullness” - Raquel Dreskin, Regenerative Organic Alliance Board Member.

We have transformed our land into healthy, fertile, and diverse soils because of the implementation of the organic system. This has been accomplished with by-products resulting from the production of Palm Oil (CPO), which after a composting process, become fertilizers. These fertilizers are then reincorporated into the system and complemented with the use of cover crops, in such a way that each farm is designed and maintained as a sustainable productive system.

“We are thrilled to work with DAABON and commend them for their initiative in showing that regenerative organic palm production is possible and can meet the aspirational standards expressed in the Regenerative Organic Certified® program” said Elizabeth Whitlow, Executive Director, Regenerative Organic Alliance (ROA)

“DAABON is investing in supply chains to support farms that implement practices to increase soil health and assure fairness to farm workers. This is completely in alignment with our mission: to heal a broken system, repair a damaged planet, and empower farmers and eaters to create a better future through regenerative organic agriculture.”

**-Elizabeth Whitlow, Executive Director ROA**





# FLO Certified banana



## C.I. La Samaria S.A.S.'s FLO Fairtrade Program Is Back!

By: Felipe Guerrero - Executive Vice President

**H**aving set goals in collaboration with its workers, C.I. La Samaria S.A.S. has reached the necessary levels of compliance with social and labor practices to meet the FLO Fairtrade certification standard.

The Executive President of the DAABON Group, Mr. Manuel Julian Dávila, was very pleased with this milestone, aligned with the RISA principles of the DAABON Group (Respect, Integration, Sustainability and Love), and commented that it is a "great opportunity to invest in the living conditions of our workers, their families and everyone who is a part of this company."

The certification was granted by FLO-CERT, which is a subsidiary of Fairtrade International FLO, responsible for ensu-

ring the quality and credibility of the Fairtrade system. The five pillars of the program were audited, as well as the policies and procedures of the corporate departments directly responsible for the relationship with the workers and the Fundación de Trabajadores de las Bananeras – FLOTRABAN (Foundation of Banana Workers); the organization that will be in charge of receiving and independently managing the Fairtrade premium. Without a doubt, the Fairtrade seal endorsing our fruit is a recognition of La Samaria's efforts to produce bananas based on social responsibility criteria, benefiting its workers and neighboring communities, and always being respectful of the characteristics and cycles of the natural environment that sustains us. Today our fruit is organic and socially responsible.

# Agricultural Progress in High Oleic Palm

**By: Juan Carlos Lara González -  
Palm Managerial and Operational Director**

The hybrid or high oleic palm business, as is now commonly known in other regions, provides significant possibilities for oil palm producers due to the many benefits that can be obtained from these materials. If best agricultural practices are used, hybrid or high oleic palm has the potential of producing more than 30 tons of fruit per hectare and an oil extraction rate of around 30%, which if compared to traditional materials is a significant difference. Furthermore, for palm oil growers who have been affected by diseases such as Bud Rot,

hybrids are the only alternative. They also offer another advantage because they are labor intensive, creating more jobs in the regions they are planted. Specific tasks such as pollination have been performed by female workers who have had great success executing the job. This has resulted in a great opportunity to include women in the agronomic system and integrate them in the oil palm sector.

Hybrid materials have created much interest among oil palm breeders. They have lower growth in terms of height: an oil of special characteristics which allows a greater production capacity and resilience to climate change.

For some years now the DAABON Group has been working with these materials, initially planting them in Oleoyuma, Cen-



Woman in the pollination process in Palm Oil crops

tral Zone, where we already have almost 3,000 hectares of 3 different hybrids, including Coari x Lame, Manicore and Amazon. More recently, replanting has started in the plantations located in the department of Magdalena, which were affected by phytosanitary problems. The replanting is taking place with the same 3 hybrid palm materials. Currently, the Group has almost 1.500 hectares

renovated under a 5-year plan here, that includes the transition from guineensis materials to hybrids.

The opportunities presented by hybrid or high oleic palm have required DAABON to respond by offering new business alternatives to smallholders, so that they consider hybrid palm materials as a new alternative to remain in business.



Hybrid vs guineensis palm oil



# Strengthening our organic oils production

By: Sadoc Bertel Romero Manager of Oleaginosas del Yuma SAS, Palma y Trabajo SAS



In the central zone of Colombia, in the departments of Santander, Cesar, Bolivar, and Norte de Santander, lies one of the municipalities with the highest palm oil growth rates in Colombia, Puerto Wilches. There are more than 200,000 hectares planted to date, among which are nestled two of DAABON's companies, Oleaginosas del Yuma SAS plantation and the Palma y Trabajo SAS mill.

In 2014, the DAABON Group decided to replant 3050 hectares of agricultural land that had been abandoned in this strate-

gic area. To date, the Group has replanted 2051 hectares with High Oleic American Palm, which counts for more than 25,000 tons of crude palm oil. Due to good agronomic practices, plus the endless task of processing and milling crude palm oil and palm kernel oil with the Group's high-quality standards, DAABON has been able to engage in a new endeavor, Palmas San Alberto SAS. This plantation is located in the southern area of the department of Cesar, with 9.500 hectares under production. This is no small thing given the

size, geographic location and characteristics of the material planted, with which we have set a goal of producing 50,000 tons of crude palm oil and 3500 tons of palm kernel oil. All of has been possible thanks to DAABON's culture, which constantly works towards achieving the best product complying with environmental and social sustainability standards, all the way from seed selection to harvesting and processing, always focused on human capital as an essential factor in this agribusiness.



# We continue growing **ELOGIA, A SUSTAINABLE WAY TO TAKE LOGISTICS INTO THE FUTURE**

By: Victor Cabello - Elogia Manager

Elogia Truck on highway

## 2022- a successful year that reaffirmed our commitment to a different way of doing things responsibly

Since we started our umbrella brand **Elogia Logística Sostenible**, which is based on the corporate pillars of DAABON Group: environmental sustainability, logistical efficiency and high technological development, we have gained

market acceptance, created new opportunities and positioned ourselves as producers of goods for export, import and national industry. In 2022, we were able to transport 1.200.000 tons of cargo through our transport network. We also transpor-

ted over 60.000 tons of imported cargo into Colombia and over 220.000 tons of exported cargo via our liquid bulk terminal, located in the city of Santa Marta. Elogia has led important work with external agents, including generators of

allied cargo, the Port of Santa Marta, SMITCO, cargo agents and shipping companies, the Las Americas and Tayrona Free Trade Zones, railway sections such as La Dorada – Caldas, managers of railway sections and transportation companies, among others. Within Elogia, we have established a Strategic Business Unit, specialized in projects to consolidate the supply of services and the value proposition we offer, using the Group's resources and in support of different functional areas of the company.

Las Americas Free Trade Zone is one of the strengths of the logistic chain offered by the Elogia brand. This value proposition enables us to be at the center of the development of industrial activities, such as production and transformation of palm oil, and makes us a leader in the provision of integral logistical operations for



Gas truck Elogia



national and international companies in all sectors. Given its strategic location, Las Americas Free Trade Zone has been established as a hub for the development of projects at the national level, thus consolidating a service that includes transportation, storage, cargo management and distribution, creating a value chain geared towards an increasingly demanding market.

In 2023, Las Americas Free Trade Zone strives to continue promoting the economic reactivation of neighboring countries such as Venezuela. It has entered into international alliances through cooperation agreements with free trade zones located in other countries. We are an ideal company for the placement of national and foreign investment, stressing our commitment to environmental management by being leaders in the use of renewable energy for electricity production, using photovoltaic technology. The Tayrona Free Trade Zone is integrated into our service offering at Elogia, and by 2022 we had aided

region in the oil and gas, automotive and agribusiness sectors, among others. Undoubtedly, the free trade zone has become an appealing business proposal. For 2023, we are planning significant infrastruc-

(CEDI). Consequently, this becomes an innovative and sustainable, environmental logistics project, which adds to the global competitiveness of Latin America as a region and Colombia as a country.

high-efficiency operational conditions in terms of rotation, capacity and length of trains. Today, sending cargo from Santa Marta to La Dorada takes around 24 hours, which backs up our thesis that intermodal



ture projects of great impact at the national and international levels. One of these projects is a railway section, where the logistic platform will serve as a contribution to import and export cargo manage-



the consolidation of clients from different sectors, among which we highlight Nutresa. We have helped leading companies in the

ment operating out of the Port of Santa Marta all the way to the central regions of the country and a great regional distribution center

The intermodal transport model brings great advantages to industry, employment levels and logistics in Colombia. It is an additional and complementary alternative to ground transportation. It also brings greater efficiency in logistical costs, long-term stability of fees, reliability in delivery times, reduction of environmental contaminants, expansion of storage alternatives, reduction of costs, lower accident rates, smoother operational planning processes and stable supply of goods, among others. Relevant figures; cargo, savings in time and displacements, competitive advantages:

To date we have managed 23 railway dispatches. We continue to work on searching for long-term guarantees that will facilitate stable and lasting customer relationships,

transport represents great benefits for the country and its users.

We do face challenges in terms of logistics, which includes ensuring the government will grant the concession of the railroad system by means of a Public Private Partnership – PPP as soon as possible. This concession will enable the use of a highly efficient route, investments for intermodal operators in state-of-the art technology for railway equipment, operational control programs and systems, training of personnel to handle cargo under high quality standards, railway sections equipped with large storage systems, and state-of-the-art equipment to meet cargo demands, among other benefits.

For more information we invite you to visit us on our website [www.elogia.com.co](http://www.elogia.com.co)





**By: Juliana Dávila and Reneta Uribe – Marketing Team, DAABON**

The Organic Mountain brand, born in Japan in 2002, migrated to Australia in 2007 and was redesigned and relaunched in 2017. The brand is aimed at a niche market which seeks organic, chemical-free (herbicides and pesticides), sustainable and healthy products as part of a trend for more eco-friendly consumer goods. The brand launch in Colombia in early 2022 was an invitation to our consumers and business partners to contribute to the sustainability of the planet, live organically and be aware of what they consume in their homes. The brand focuses on five concepts: to live organic, support organic, think organic, eat organic and choose organic. These concepts reflect our intention to promote good environmental practices, social responsibility, the need to take care of one's health through conscious eating and, finally, identifying where you can find these products.

Our challenge during 2022 focused on positioning our first final product, cooking oil, in the market and expanding our product portfolio, maximizing DAABON's capabilities through the Group's raw materials, such as bananas and organic palm oil oil, in order to offer Colombians a greater variety of organic and sustainable products.

## Organic Mountain Oil:

Organic Mountain oil is made up of a blend of soybean oil and palm olein. It is a cooking and dressing oil, 100% organic, without any genetic modification. We currently sell it in a 900 ml bottle, with RSPO and European Organic certifications, confirming our good sustainability practices.

**ACEITE**  
**Organic**  
**Mountain**

Respect for what our planet earth provides, with a chemical-free product, to nurture a sustainable future

**LIVE Organic**

FIRST COLOMBIAN OIL 100% ORGANIC, TO COOK AND FRY

2022 was the first year Organic Mountain Oil was sold in the Colombian market to consumers, initially at Olimpica grocery stores and specialized organic shops. The market penetration with a new commodity-type product, as is the case with cooking oil, is quite challenging. This was reflected in the sales performance during 2022. Nevertheless, we have

seen some acceptance and a slow increase in sales. We have relied on trade marketing strategies, which have become an important way to understand the product's behavior in the market. One of the most complex and challenging areas, which we must focus on in 2023, is the benefit-cost ratio, getting the support of trade marketing strategies, digital marketing and influencers that can help us position the brand, educating consumers about all of the benefits of an organic and sustainable

product. In addition, we're pleased to have the support of Grupo Exito, one of the biggest retailers in Colombia, with its Exito and Carulla supermarkets around the country, to help position the brand and capture a higher market share percentage of the Colombian market.

## Introducing "Banachips" by Organic Mountain:

Palm Oil + Bananas = Banachips. Fried organic green banana chips are our latest offering; sustainable and organic snacks produced with 100% raw material from DAABON. In 2022 we focused on exploring new market opportunities to expand our Organic Mountain portfolio, and the idea originated from using the Groups' organic palm oil and green bananas to create a new product. Healthy snacks have been well received in the local market and their consumption has increased in recent years due to consumers' awareness of a healthy and balanced diet. Banana chips, also known as "platanitos," have been part of Colombian culture for years. The country currently does not sell 100% organic and sustainable banana chips, which offers us a competitive advantage in the market. The bonus: they are delicious!

Both products, Banachips and our cooking oil, will be for sale in nationally recognized supermarkets, ensuring easy access for consumers across the country.

We invite you to visit our website where you can learn more and help us take care of our planet: [www.organicmountain.com.co](http://www.organicmountain.com.co)



# Preparing the Future Leaders of DAABON Group

By: Maria del Carmen Campo  
Family Office Director

In order to understand the future of a family business, it's important to know about the history and trajectory of both the company and the family. It is of great importance to clearly identify their values, long-term goals, successes, and learnings, to then understand the opportunities for growth and train the new generation of leaders to succeed.



DAABON Group is currently in the process of a generational transition from the second to the third generation. The company is engaged in a program with the active participation of all family members to carry out this process gradually. Through this program, future leaders are empowered, knowledge is shared with them, and they are prepared in both business and family scenarios.

One of the most important aspects of this process is that the members of the third generation must identify and reflect on their leadership styles, capabilities, and motivations to maximize their development. By doing so, they can achieve their own professional growth, attain continuity, and at the same time, support significant business growth and family unity. This has been an important pillar for the company, to be able to continue at its top level. The Group and the whole family are committed to this process, which is undoubtedly the basis of our future success.



# DAABON “A heart for soccer” local support

By: Sven-Dai Landshöft - Operations Manager DAABON Europe

"Football is a simple game: 22 men chase a ball for 90 minutes, and in the end the Germans always win" quote: In 1990, England football legend Gary Lineker penned one of the most famous football quotes ever, after Germany's 2-2 draw with the Netherlands.

Have you ever wondered what attributes, characteristics and similarities there are between the world of work and the world of football?

Gatherings, sports, team spirit, integration, motivation, good and bad times, respect, encouragement, support, cross-generational passing on experiences, individual strengths & weaknesses, tactics, discipline, pressure, joy, disappointment - technique – systems, positions, characteristics, optimism, determination, team awareness, perseverance, strength of will, emotions, sport unites, ethnicity, age, fitness level, finally all as one team: “you win and lose together”, luck, physical and psychological effort, physiotherapy, doctor, assistants, preparation, follow-up, cozy get-togethers, organizing and attending events together, international, local, professional, hobby, society, poor, rich, playing community / cooperation, etc.

In recent years, our work and social lives have been transformed by the pandemic, with its consequences, effects, regulations and lockdowns. All over the world, each of us has had to go through these experiences. The



Junior Team Group VFR Stommeln

easing of restrictions and return to the post-pandemic new normal have made us appreciate how nice it is to reunite through team sports again.

Football provides a nice balance between school and work, which for some of us is often perceived as an office activity. Some people therefore describe football as a great outlet for excess energy and a way to reset and refresh our brains.

For this reason, and to support our region, we have decided to provide our boys and girls (born 2015 & 2016) and two young coaches from our local club, VFR Stommeln, with DAABON tracksuits. The children wear these suits with pride, not only during games and training sessions, but also in their free time. The team

members are easily recognizable at school, too.

At the beginning of September 2022, we were also pleased to offer DAABON players' jerseys for our 'old' men's team (over 30 years old). The mixed team (female & male) consisting of 35 players between the age of 30 and 67, meet regularly for training and matches. One old men's team of the 1. FC Cologne could be won as a prominent opponent. The jerseys were dedicated with a 7:1 win.

## Pa'lante DAABON



Senior Team



# Social development Projects

## Teaching What We Know How to Do: Love the Land and Start New Paths

**By: Patricia Apreza - Head of Social Responsibility**

**H**arvesting fruits from the land and respecting its cycles and natural conditions is all part of the knowledge that we share with the families of our employees and the local communities surrounding our farms located in rural areas.

Our “With the Hearth Lit” Project (“Con el Fogón Prendido”) gets its name from the fact that having a fire burning at home is a source of joy in traditional families; a home is created around the fire, which offers shelter and transformation. Through “Fogón Prendido,” Tequendama invites the exchange of knowledge with mothers in regards to creating and maintaining a garden, as well as seed conservation and how to make the most of the vegetables that are harvested.

It is a structured project; not only around agronomic knowledge on how to grow tomatoes, peppers, cucumbers, coriander, and others; but also on how to include the fresh produce in their daily diets and how to preserve the seeds. In terms of seed preservation, returning to the ancestral system of bartering is encouraged: families exchange seeds, cuttings, and knowledge on how to protect the crops and get the most out of the harvest.

The “Fogón Prendido” initiative also takes place within the company’s farms and in the region’s schools. At the company’s farms, our own workers tend to the gardens and then harvest the crops for their families. This process is accompanied by activities to promote awareness of healthy eating habits.



Home gardens for children

In schools, children visit the garden to learn that soil is like a living being, and to learn how to handle seeds correctly and take care of new plants. Our aim is to strengthen the connection with the land that children in rural areas still have, and to take advantage of the enthusiasm created by the project to strengthen their respect, love, and care for natural resources.

### More Entrepreneurship

Aligned with a national focus on creating an entrepreneurial culture, the DAABON Group, through its company Terlica, manages a project called *Emprende Más* (More Entrepreneurship) in the public schools of Santa Marta, stimulating creativity and the ability to conceptualize and

grow business initiatives for school-age children.

This project allows entrepreneurship to be incorporated into the school curriculum, as a multi-disciplinary focus that relates to all subjects. This requires a review of the Institutional Educational Plan; training teachers through a course on entrepreneurship education, classroom coaching on methodologies and tools that facilitate the learning process, and guidance to 9th and 10th graders to design their own business plan, supporting youth entrepreneurship.

This initiative is managed by the Fundación Social GRUPO DAABON (DAABON Group Social Foundation), together with the Corporación Actuar Famiempresas Atlántico.

### Productive Inclusion

The objective of this initiative is to provide vulnerable groups, especially those living in poverty, with the necessary economic and technical resources to enhance their wellbeing and that of their families by ensuring that they have the ability to engage with the marketplace. With this perspective in mind, and with a focus on supporting reconciliation and peace, the DAABON Foundation, with the support of Caribbean Eco Soaps, designed a project called “Economic Strengthening for Women in El Libano Neighborhood of Santa Marta,” with the objective of creating a microbusiness to make soap.



Children working in the school garden





Palm oil crop renewal

# Transparency and Traceability: Key to a Sustainable Production

By: Carolina Torrado  
Sustainability Director

Since 2011, the Daabon Group has maintained various sustainability policies that express our commitment towards social responsibility, human rights, and the environment, among other topics. These policies are reviewed annually and apply to all of our companies, operations, suppliers, and business partners.

This information is available on our website, (<https://www.daabon.com/es/sustainability>), and is

*At the DAABON Group we firmly believe in building and maintaining trust and transparency with stakeholders, which is why we provide relevant information on who we are, what we do, and how we do it, as well as on the social and environmental performance of our production systems.*

validated within the framework of several certificates, such as RSPO, Fairtrade and certified organic programs. Embracing ethical and transparent behavior strengthens the traceability of our products and processes. In this way, the market can trust that our products have been produced responsibly, with respect for human rights, fair social practices, and environmental protection. And in particular, ensuring the conservation of biodiversity, high conservation value areas, forests of high carbon values, and natural ecosystems, through a commitment to zero deforestation.

Currently, 100% of our plantations and those belonging to our suppliers are satellite-monitored to ensure compliance with this zero-deforestation commitment. Monitoring is carried out by the Geographic Information Systems team, which is part of our Sustainability Department. Our team uses the Global Forest Watch (GFW) platform, which generates information relevant for the monitoring and control of the farms.

## ACKNOWLEDGEMENT

# DAABON offers job opportunities for conflict victims of conflict

By: Patricia Apreza, Head of Social Responsibility

The Public Employment Service Unit acknowledged the contribution of companies such as DAABON Group for employability goals established in the country, as a strategy of reconciliation and

support to hundreds of families as victims of the armed conflict, who seek the opportunity to access a dignifying job. This acknowledgement was presented as part of the program led by Caja de Compensación Familiar del Magdalena, Cajamag and the Organization of Ibero-American States – OEI, for its acronym in Spanish, of which DAABON is a part as a bidding company.

So far, the Program has made it easier and viable for victims of the armed conflict to join and work for the companies of Daabon Group in Santa Marta, Santander, and Bolívar.

With the objective of offering an opportunity to those mostly affected by the internal conflict, the Social

Foundation of DAABON Group and the Program of Social Prosperity of the Presidency of the Republic have signed an agreement of understanding. The goal is to ensure that the population with this condition will have knowledge and access to the labor demand of our companies and will have not only access to psychosocial coaching that guarantees, but also permanence in their positions.



Product from the garden





Health inspection, San Francisco Refinery

# The Wellbeing of DAABON

**By: Kelly Hernandez – Head of Welfare of DAABON**

In 2022, the Labor Welfare Division of DAABON was responsible for making sure that the workers of this great family felt satisfied, included, and happy on the job. Their efforts can be seen through the different health and recreatio-

nal activities in which the workers participated, such as a 'spa' day, where we offered massages to reduce the workers levels of stress and tension.

In addition, several events took place to promote health and prevent diseases among the workers. For example, with the support of The Pink Heart Foundation, led by Guiliana and Johana, women learned about issues regarding violence against women in the workplace. And Mrs. Carmen Abondano de Dávila hosted days devoted to beauty for men and women working for DAABON. Participants were not only able to get a makeover, but also learned about hair and skin-care to look radiant.

As for festivities, the Labor Welfare Division honored the workers' children on holidays like the Children's Day Festival and Halloween. The kids

were all given candies and had moments of joy and gentleness, acknowledging that they represent the future of this region.

Christmas could not be overlooked by the DAABON Group– each child was given toys during a celebration in which they played different games and watched children's shows. And after Christmas, a wonderful New Year's Eve celebration was held to bid farewell to 2022. Company workers not only had lots of fun, but also had the chance to win fabulous prizes.

To wrap up 2022, workers celebrated the number of years they've worked for the DAABON family, with many celebrating their five-year anniversary. The purpose of this special event was to recognize their time, effort, and dedication in each one of our companies.



Health Inspection Ariguani farm





# Trade shows 2023

By: Reneta Uribe  
& Juliana Dávila

Our international offices plan to participate in the following trade shows during 2023

Dates	Event	Location	Website	Booth #	Office
14 - 17 February	BIOFACH	Nuremberg, Germany	<a href="https://www.biofach.de/en">https://www.biofach.de/en</a>	Hall 4A, Booth 4A-638	DAABON EUROPE
7 – 10 March	FOODEX 2023	Tokio, Japon	<a href="https://www.jma.or.jp/foodex/en/">https://www.jma.or.jp/foodex/en/</a>	5A602	DAABON JAPAN
9-11 March	Natural Products Expo West	Anaheim, CA	Natural Products Expo West 2023	1804	DAABON USA
16-17 April	Natural & Organic Products Europe	London, UK	<a href="https://www.naturalproducts.co.uk/">https://www.naturalproducts.co.uk/</a>	R49	DAABON UK
2-3 May	NYSCC Supplier's Day	New York City, USA	Suppliers' Day - NYSCC	TBD	DAABON USA
17 – 19 May	CITE JAPAN 2023	Tokyo, Japan	<a href="https://www.citejapan.info/en/index.html">https://www.citejapan.info/en/index.html</a>	TBD	DAABON JAPAN
23 – 24 May	PLMA World of Private Label International Trade Show	Amsterdam, Netherlands	<a href="https://www.plma.com/events/plmas-world-private-label-trade-show">https://www.plma.com/events/plmas-world-private-label-trade-show</a>	TBD	SOAPWORKS
16-19 July	Institute of Food Technologists	Chicago, USA	IFT FIRST Annual Event & Expo ( <a href="http://iftevent.org">iftevent.org</a> )	S1561	DAABON USA
11 – 14 September	Fine Foods Australia	Sydney, Australia	<a href="https://finefoodaustralia.com.au">https://finefoodaustralia.com.au</a>	HD32	DAABON AUSTRALIA
20-23 September	Natural Products Expo East	Philadelphia, USA	Natural Products Expo East 2022	528	DAABON USA
25 - 26 October	Supply Side West	Las Vegas, USA	<a href="http://supplysideshow.com">supplysideshow.com</a>	TBD	DAABON USA
28 - 30 November	Food ingredients Europe (FiE)	Frankfurt/Main, Germany	<a href="https://www.figlobal.com/fie-next-year/en/home.html">https://www.figlobal.com/fie-next-year/en/home.html</a>	TBD	DAABON EUROPE



# This is how we celebrate a year full of successes.

2022: a year full of enriching activities that strengthened our employees' bonds



Dávila Family at Christmas Party Dec 2022

**By: Luis Martínez – Communications Coordinator**

Respect for our peers, love for what we do, and integration among our business units are the fundamentals pillars of our corporate culture, which is why company activities that seek to promote and strengthen the bonds between our employees (and their families) are relevant in our day-to-day operations. Due to the pandemic, we were able to learn new ways to sociali-



Employees at Christmas Party



Employees at Christmas Party

held our Christmas party for the first time in 2 years because of the pandemic. This was an opportunity to meet again in person and share good times with music, games, presents, raffles and laughter, and revisit

experiences that 2022 left behind. DAABON also hosted a family-friendly Christmas party, which was very well attended. We enjoyed a morning of games, Christmas shows, presents, food, and laughter. This enabled us to remain faithful to our roots, committed to our people and always with the firm belief that our employees and their families are, and will continue to be, our most important asset.

ze and integrate our businesses. We have now returned to our regular activities, such as a Halloween celebration in October, where we gave candy to the young members of the DAABON family to sweeten their day. Likewise, on December 10th, we



Dávila Abondano Family



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