

Fair News

2024

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From the soil to the market

MESSAGE FROM THE PRESIDENT

Nurturing Planetary Health: Our Commitment to Regenerative Organic Agriculture

As the CEO of the Daabon Group, I am honored to address you today on a matter of utmost importance – the intersection of our industry with planetary health. In an era where environmental consciousness is paramount, it is our responsibility to spearhead sustainable practices that safeguard the delicate balance between economic growth and ecological well-being.

At Daabon, we recognize the significant role we play in the global supply chain and the impact our operations have on the environment. Our commitment to planetary health is not just a moral imperative; it is an integral part of our business strategy. Since the inception of the Daabon group, over 30 years ago, our compass has been guided by organic agriculture principles. This allowed us to easily comply with many sustainability standards in our plantations and factories. We have always believed that by aligning our goals with the principles of sustainability, we can not only meet the demands of the present but also ensure a thriving future for generations to come.

At the beginning of our international business journey, we dedicated our efforts in growing in the organic space. This demand was driven by consumers seeking healthier alternatives to the conventional produce offered on the retailer shelves. Today, this has evolved into a demand that seeks the well-being of our planet as well as healthy options. More and more, nations are coming together for a common goal, planetary health. Initiatives such as the European Union Deforestation Regulation (EUDR) and the USA's Forest Act are clear intentions turned into action.

One of the most pressing issues in our industry is the association of palm oil production with deforestation and biodiversity loss. We acknowledge these concerns and understand the imperative to address them head-on. That is why we continue investing heavily in sustainable and responsible sourcing practices from the get-go.

We continue to withhold our strict commitment to keep a zero-deforestation policy associated with our palm oil supply chain, let it be in our plantations, our co-ops or our key suppliers. We are working tirelessly to implement a zero-deforestation policy, ensuring that our operations do not contribute to the degradation of



Manuel Julián Dávila - DAABON Group CEO

vital ecosystems. We are also actively engaging with local communities, NGOs, and governmental bodies to develop and implement best land-use practices that prioritize conservation and biodiversity preservation.

In addition to our commitment to stopping deforestation we recognize the need to offset the environmental impact of our industry, we have dedicated our efforts to creating renewable energy projects such as solar and biomass facilities. This initiative not only helps counteract our carbon footprint but also contributes to the efficiency of our operations and the circular economy of our business. These initiatives have generated over 1 million carbon equivalent certified emission reductions (CERs) since 2012, which will be offered to key partners that need to offset their emissions. We plan to continue to develop more efforts like this one that will grow this figure to over 30 million CERs over the next 25 years.

Furthermore, we continue our commitment to promoting fair and ethical labor practices throughout our supply chain. Our responsibility extends beyond the environmental realm to include the well-being of the communities in which we operate. By ensuring decent living wages, safe working conditions, and community development initiatives, we aim to create

a positive impact that extends far beyond our immediate business operations.

Moreover, transparency is key in our journey towards sustainability. We are actively working to provide our stakeholders with clear and comprehensive information about our sourcing practices, environmental impact, and progress towards sustainability goals. Through regular updates and reports, we aim to foster trust and accountability. This will be a key element in the EUDR, allowing all stakeholders to have thorough traceability reports detailing the geo-coordinates of all plantations with their required audited statements detailing how we ensure zero deforestation in the area.

Lastly, it is our collective responsibility to find a way to work together in a very divided geo-political environment. Opinions and beliefs will differ, but this should not blind us, as a society, towards our common goal, reduce the impact of global warming by changing our way of production and consumption. Change starts in our homes, with our habits and our purchases. We have the power to vote with our purchases every day. These purchases allow us to have a voice in our global supply chain that conservatively resists change but is also open to new ideas on how to do things better. We must also not forget that change is also available in our local government. It is more evident now than ever, that we should get more involved with our local townhall as much as the mediatic top power elections. We live in times that allow us to have the privilege to vote for change and we should not take it for granted and use it properly.

In conclusion, as the CEO of Daabon, I want to emphasize our unwavering commitment to planetary health. We understand the challenges ahead, but we also see the immense opportunities for positive change within our industry. By prioritizing sustainability, responsible sourcing, and ethical practices, we believe we can lead the way towards a future where palm oil production and environmental conservation coexist harmoniously.

Thank you for your continued support as we continue this transformative journey.

Sincerely,

Manuel Julián Dávila CEO, Daabon Group.

Making Organic Food Affordable

By: Manuel Alberto Dávila, Managing Director Daabon UK

In recent years, the demand for organic food has surged as consumers prioritize health, sustainability, and environmental consciousness. However, the perception that organic food comes with a hefty price tag has created a barrier for many individuals and families. In an ideal scenario, organic food wouldn't come with a higher price tag, but a significant issue lies in the fact that the actual cost of our food isn't always accurately reflected in its price.

Many NGOs tirelessly advocate for match subsidies in support of organic farming to the ones given in the conventional farming industry. Such subsidies should start to by incentives for farmers transitioning to nature-friendly agricultural systems. Subsidies in the conventional food industry are hiding the true cost of the conventional industry making organic look expensive. When these subsidies are removed the premiums are not that high. Our collective goal in the food industry should be to establish a sustainable farming model that can ensure high-quality food for everyone at a fair price for both consumers and farmers.

It's crucial to recognize that when you invest a little more in an organic product, you're essentially voting with your wallet. By choosing organic, you are endorsing a fully traceable food system that operates without hidden costs. This system prioritizes the highest standards of animal welfare, supports wildlife, and fosters the development of living soils and a robust ecosystem, all geared towards ensuring the health of our planet for generations to come.

Economies of scale are the main driver that allow our food system to deliver goods and services at accessible prices. It is with scale that supply and demand can agree at a price level that both can exist in balance. Like anything new, the beginning is always challenging and expensive. These were the first three decades of the organic sector since the early 90s. Much has progressed and production has increased and become more and more efficient to meet the growing demand.

It was only until recently, just last year, that the organic food industry saw its first decline in growth from the last 20

years due to the rapid inflation sparked by bullwhip effect on the supply chain caused by the lockdown triggered by the spread of COVID-19. In retrospective, the organic industry has done very well by finding a place on the shelves of all the major retailer worldwide. The introduction of organic food on to supermarket shelves was first delivered by brands but as the market grew and the benefits were better understood by consumers, retailers jumped in created own-brand organic ranges.

This has led to some retailer like Waitrose in the UK, Wholefoods in the USA, Rewe in Germany or Woolworths in Australia to use organics as a unique selling point. However, not all of us can shop every week as these retailers, some time there just isn't enough money to do this. This is where the second tier of supermarket comes in, the hard discounters. Retailers like Aldi & Lidl have focused in reshaping their supply chains in order to delivered food at a lower price by reducing the number of people in the supply chain. This has worked very well in the organic sector, where they have been able to source directly from the farms large volumes of organic produce, bringing the price between supply and demand at an equilibrium with lower prices. Another example is Costco, with their successful business model of membership and bulk buying offer, driving volume of organic produce by lower purchase price.



As time progress this will continue to fill more supermarket shelves worldwide. More recently, in the last two years, we have started to see supermarkets in Latin America, the Middle East and Asia started to enter this space. How long will it take for the organic food sales to flourish in these new markets? Probably much longer since disposable income is still a challenge. Nevertheless, demand is there as soon as the income is available.

So how do we drive organic food prices down? By bulk demand. Similar to the retailers, multinational brand power houses can use their buying power to obtain organic ingredients at good prices and create their organic range. But what about the certifications and the product swaps? Many will ask. This is the next challenge. Working together in a collaboration between the farms and the manufacturers can this be solved. The higher manufacturing costs experienced at the beginning due to the certifications, swaps and cleaning should be compensated by competitive organic ingredient prices driven by volume purchase. Collaboration is needed to make this work.

Organics are here to stay and grow. Consumers are every day are more aware of the implications and consequences of agribusiness expansion. If given the choice at an accessible price, consumers would choose food that is better from them and the planet. We are looking for partners worldwide that wish to grow in a collaborative way into the organic space. If you are one of these, please reach out to us and we are keen on building a more sustainable future together.



How Daabon is supporting the EU Deforestation Regulation (EUDR)

Palm Oil Crop Tequendama Farm

By: Jan Wels, General Manager Daabon Europe

Palm plantations annually yield over 70 million metric tons of palm oil, widely used in various products such as food, cosmetics, and biofuels. However, the production of palm oil has been associated with deforestation, habitat destruction, and human rights abuses in various global regions.

The EU Deforestation Regulation, a new initiative targeting deforestation linked to agricultural and forestry activities, imposes binding due diligence obligations on EU companies, significantly expanding the scope of the EU Timber Regulation. Enforced from 30.12.2024, this regulation is a pivotal step toward reducing the environmental impact of palm plantations, ensuring sustainable palm oil production with minimal harm to the environment and local communities.

Critical for safeguarding global forests, essential for biodiversity, climate regulation, and vital ecosystem services, the regulation contributes to mitigating climate change

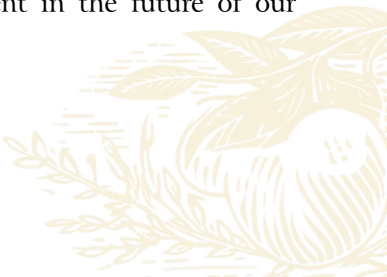
impacts and protecting the planet’s natural resources. Given the need for an additional 80 million metric tons of vegetable oil by 2050 to feed the growing population, focusing on crops with less land usage, such as palm oil with an output over 5 mt/ha versus soybean oil with 0.25 mt/ha, becomes even more crucial.

Daabon has committed to producing deforestation-free palm oil, implementing measures for sustainable and environmentally friendly operations. Collaborating with local communities to promote sustainable land use, investing in renewable energy, and employing advanced technologies to minimize environmental impact are among Daabon’s initiatives.

Recognizing Daabon’s efforts, the **World Wildlife Fund (WWF)** commends the company for its commitment to transparency and engagement with local communities. However, the WWF emphasizes the ongoing need for companies, including Daabon, to invest in sustainable practices and collaborate with governments and stakeholders to promote sustainable land use.

Daabon’s recognition as **#1 in sustainable palm by SPOTT** (The London Zoological Society) underscores its commitment. Daabon EU fully supports and promotes these efforts, urging continued investment in the future of our planet and people.

Daabon has committed to producing deforestation-free palm oil, implementing measures for sustainable and environmentally friendly operations.





Beyond Deforestation:

Daabon's Commitment to Carbon Neutrality in Palm Oil

By: Felipe Guerrero, Corporate VP

Daabon, as a pioneering player in the Latin American palm oil industry, has emerged as a trailblazer through its Planetary Health Sustainability strategy focused on achieving carbon neutrality, maintaining a zero-deforestation supply chain, increasing awareness on human rights, and enhancing biodiversity in agriculture. Recognizing the environmental challenges associated with palm oil, Daabon has taken proactive steps to address the carbon footprint of its operations to deliver high quality, carbon neutral, sustainable ingredients.

Particularly close to its core strategy is a commitment to carbon neutrality by 2027. The company has implemented a range of innovative and eco-friendly practices across its supply chain to minimize greenhouse gas emissions focused on in-setting. These initiatives include organic farming practices, reforestation efforts, the use of renewable energy sources in processing facilities (biomass and solar) and investing in natural gas-powered fleet. By prioritizing carbon neutrality, Daabon is not only reducing its impact on climate change but also setting a new level for responsible palm oil production.

One key aspect of Daabon's approach is the promotion of agroforestry systems within its plantations. By integrating diverse tree species alongside palm oil crops, Daabon enhances biodiversity, sequesters carbon, and conserves soil fertility. This agroforestry model not only contributes to the company's carbon neutrality goals but also fosters a more resilient and ecologically balanced landscape; space for non-nature-based approaches are available: methane recapture, production of biomass, amongst others.

Daabon has also invested in the restoration of degraded land, demonstrating its commitment to environmental conservation. Through partnerships with local communities and conservation organizations, the company actively engages in reforestation projects, and protecting High Conservation Value areas. This approach goes beyond mere carbon offsetting, reflecting a holistic commitment to fostering a positive environmental impact.

Furthermore, Daabon has transitioned to renewable energy sources in its processing facilities, reducing reliance on fossil fuels. This shift not only aligns with global efforts to combat climate change but also establishes Daabon as a leader in sustainable business practices within the palm oil industry.

Daabon's planetary health strategy for achieving carbon-neutral palm oil production is a testament to its dedication to environmental stewardship. By embracing agroforestry, reforestation, and renewable energy, Daabon is actively shaping a future where palm oil can coexist with the new environmental baseline, setting a precedent for responsible and sustainable practices in the industry.

Biomass And Biochar:

Benefits and Opportunities

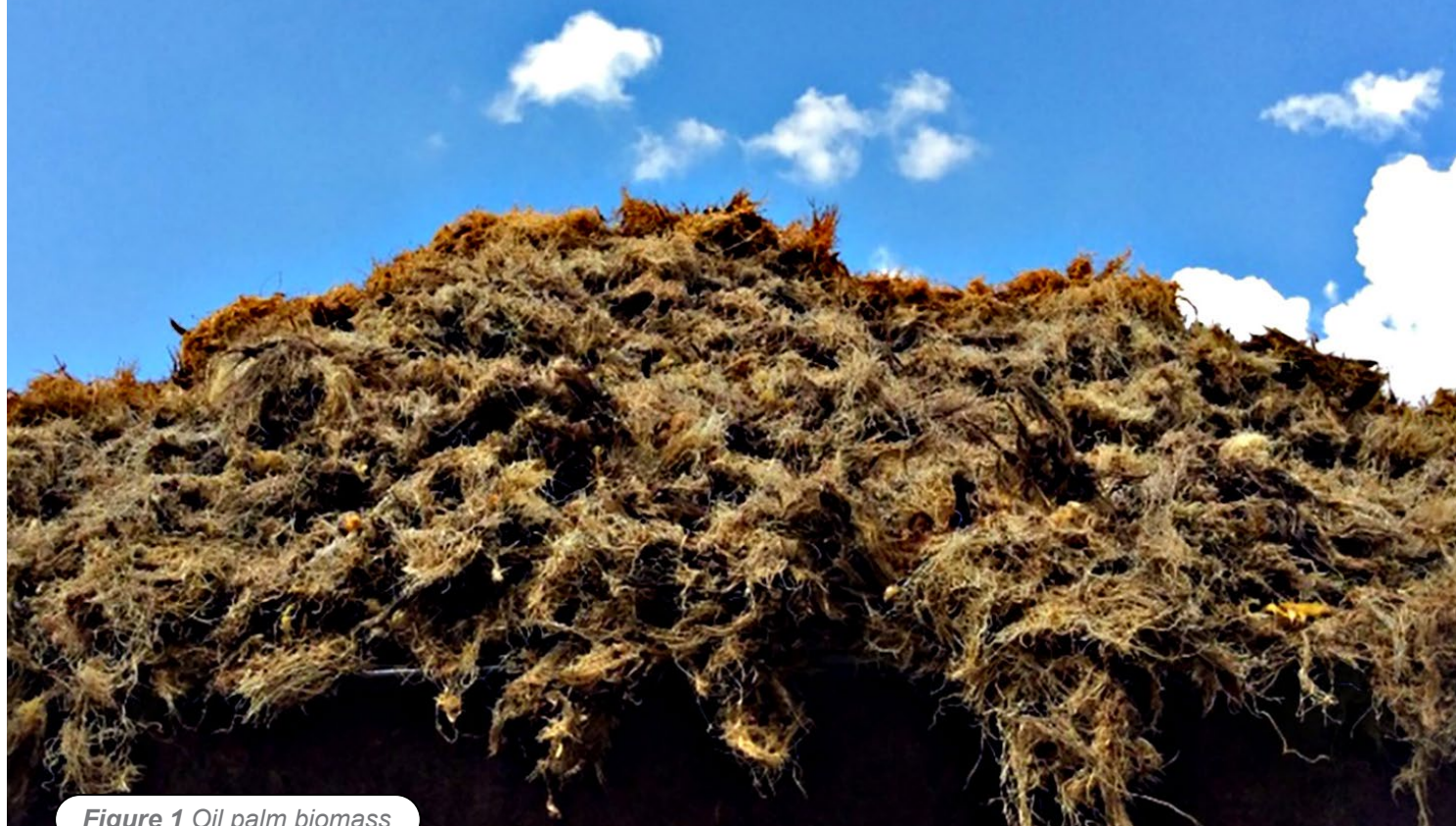


Figure 1 Oil palm biomass

Maria del Pilar Noriega, R&D and Innovation Director

Biomass is a natural renewable material that offers plenty of opportunities for a variety of industrial applications in biomaterials, bioenergy, and bioproducts. Daabon has biomass resources available in pelletized form for several conversion technologies.

The benefit of using palm biomass pellets for energy recovery is in its energy density, that is related to the quantity of energy that can be stored in a specific quantity of pelletized material.

The characteristics of a given palm biomass determine the type of plant, and the behavior in different operations, such as, solids conveying, drying, grinding, pelletizing, storage, and transformation to heat, or biofuel. Some of the most important properties are shown in Table 1, [1, 2].

Biochar from biomass is carbon richer through thermochemical processes known as pyrolysis and torrefaction. Pyrolysis is a heating process in the non-presence of oxygen. Torrefaction is a mild form of pyrolysis

at lower heating temperatures. Figure 3 illustrates the biomass thermal conversion processes.

Biochar is stable against microbiological and physicochemical decomposition. Therefore, is used as a soil amendment and suitable for long time carbon sequestration, i.e., carbon dioxide is removed from the atmosphere and held in solid form over a period exceeding 100 years and for that reason, considered permanent for mitigation purposes, [3]. There are various uses for Biochar including composting, fertilization, soil amendment, anaerobic digestion, fuel cells, water and gas filtration, and catalysis.

The pores of biochar play an important role in the physicochemical interactions with biosolids, nutrients, and microorganisms when incorporated to the soils. These are promising areas of application.



“ The characteristics of a given palm biomass determine the type of plant, and the behavior in different operations, such as, solids conveying, drying, grinding, pelletizing, storage, and transformation to heat, or biofuel. ”



Figure 2 Sustainable biomass pellets, CI Tequendama

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2. ISO 17225-6:2021, Solid Biofuels, Fuel Specifications and Classes, 2021

3. Chiamonti D., Lehmann J., Berruti F, Giudicianni P, “Biochar a long-lived form of carbon removal”, Biochar III Conference, Tomar, Portugal, September 2023.

Parameters	Min.	Max.	Method
Diameter (D), mm	6	8	ISO 17829
Length (L), mm	3,15	40	ISO 17829
Moisture (% Wet basis)	---	12	ISO 18134
Ash (% Dry basis)	---	6	ISO 18122
Mechanical Durability (DU), % (Wet basis)	---	97,5	ISO 17831-1
Fines (F), % (Wet basis)	---	2,0	ISO 18846
Net calorific value (Q), MJ/kg (Wet basis)	18,0	---	ISO 18125
Bulk density (BU), kg/m3 (Wet basis)	600	---	ISO 17828
Additives, % (Wet basis), Type and amount to be stated		5	

Table 1: Specifications for biomass pellets

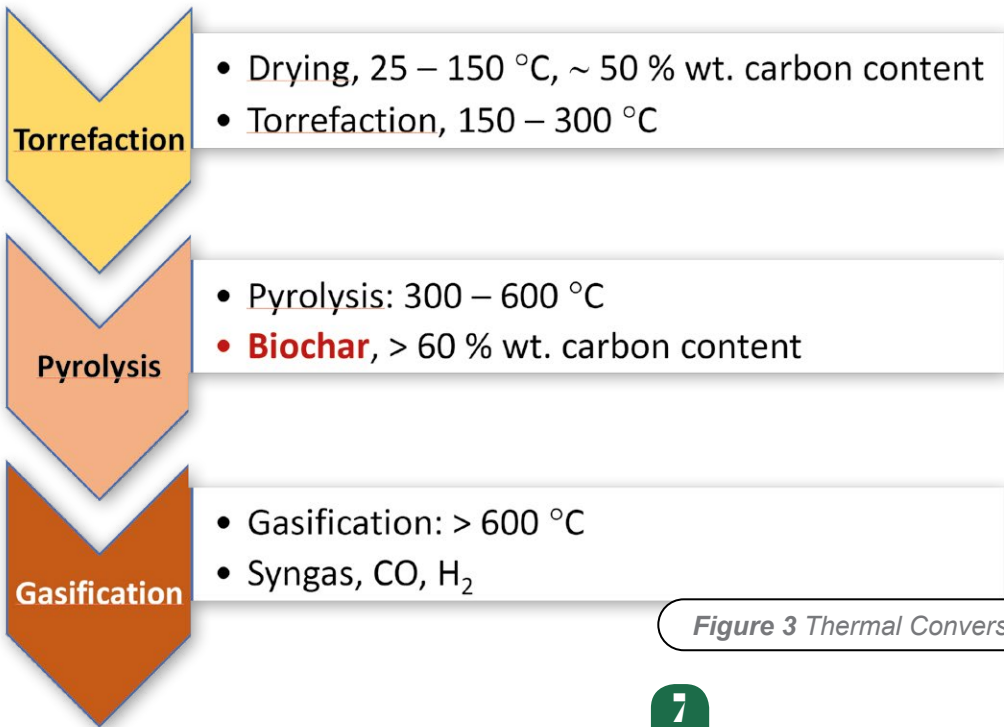


Figure 3 Thermal Conversion Processes of Biomass

Hybrid Inter-specific OxG: A Real Alternative to Overcome Bud Rot

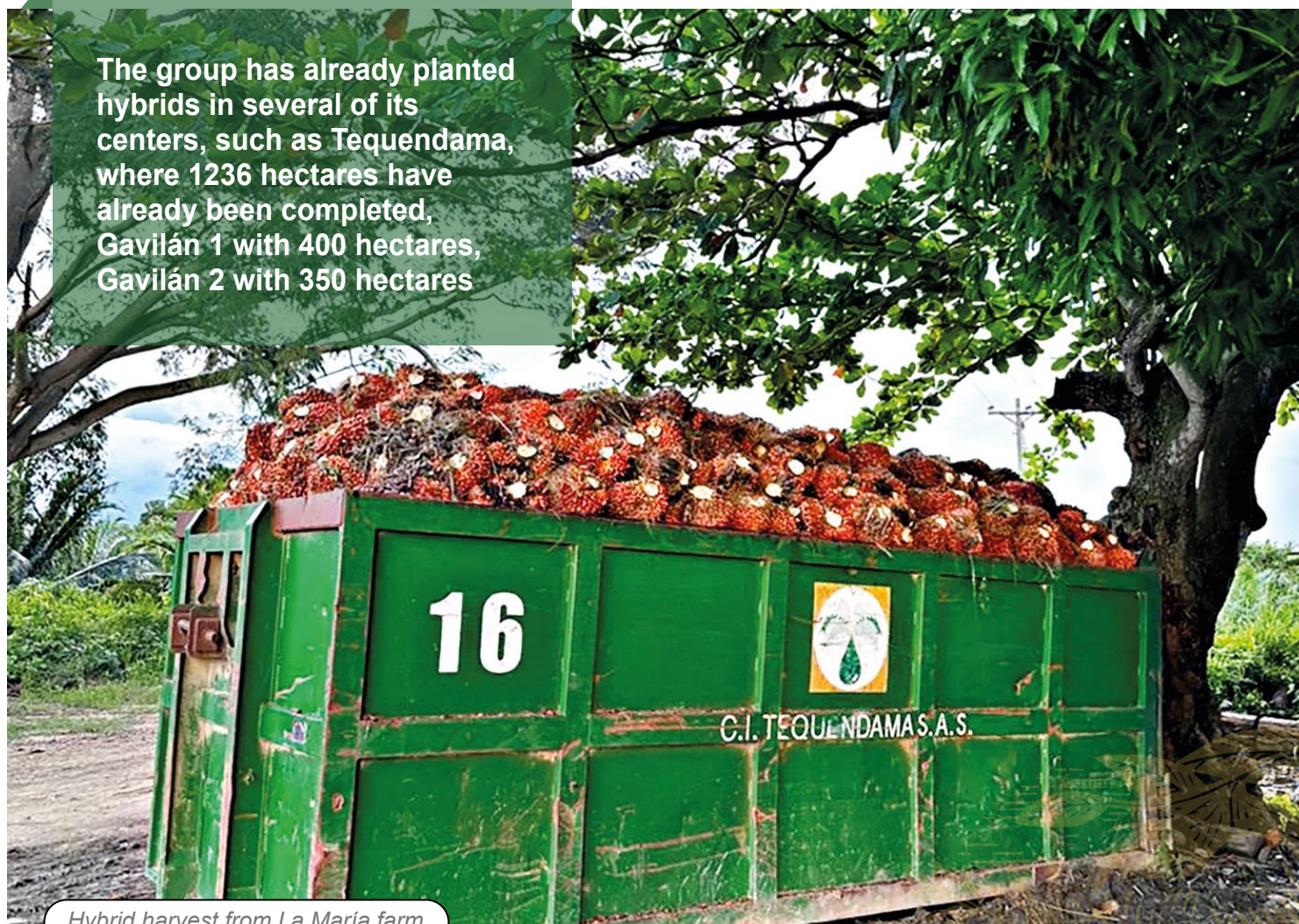
By: Juan Carlos Lara González, Administrative and Operational Director of Palm

The disease known as Bud Rot (PC), caused by *Phytophthora palmivora*, has been recorded in all palm oil-producing regions in Colombia. Especially in recent years, it has caused significant losses, particularly in the northern Colombian region. Data until September 2023 indicates almost 4.5 million cases of the disease, translating to over 26% of the affected area, with around 31,000 hectares nearly devastated. In the Magdalena department, where the Daabon group has a strong influence, data indicates that 85% of the area is affected by the disease, plunging the region into a severe crisis due to the shortage of product for processing by the extraction plants.

Faced with this situation, the Daabon group quickly decided to renew its affected plantations with materials tolerant to the disease. It is important to note that these materials are not immune, but with proper agronomic management, they constitute the available alternative to date to continue in the oil production business. The group has already planted hybrids in several of its farms, such as Tequendama, where 1236 hectares have already been completed, Gavilán 1 with 400 hectares, Gavilán 2 with 350 hectares, and continues to renew with tolerant materials as necessary due to phytosanitary problems or threats.

Unfortunately, for the northern region, the outlook is not clear, and, in general, for the economic recovery of the palm sector, especially for small and medium-sized producers, there is a lack of government incentives and support from banks to access credits for replanting affected areas.

The group has already planted hybrids in several of its centers, such as Tequendama, where 1236 hectares have already been completed, Gavilán 1 with 400 hectares, Gavilán 2 with 350 hectares



Hybrid harvest from La María farm

Palmas de San Alberto:

Daabon Group's Bet to Produce Palm with High Quality Standards



Topacio and Santa María

By: Juan Carlos Lara González, Administrative and Operational Director of Palm

Phytopathological problems in areas like the north, where considerable palm areas have been lost due to Bud Rot disease, have led the Daabon group to expand its agricultural boundaries and seek palm plantations in other regions. This will allow the group to supply part of the demand while renewals are carried out in affected areas with tolerant materials, facilitating the group's growth. With the acquisition of more than 10,000 hectares, the group consolidates itself as one of the most

important palm nuclei in the country, surpassing 20,000 hectares in total.

The plantation is located in the municipality of San Alberto (Cesar) and has guineensis planting materials, totaling approximately 6382 hectares, and hybrid material, with a total of 1763 hectares. Additionally, there is an additional block located in Pelaya (Cesar), which has more than 1500 hectares of hybrid.

This significant investment by the group seeks to quickly recover the plantation. In terms of agronomic work, the goal is to bring the plantation up to date to achieve high productivities. However, the group maintains its commitment to high environmental and quality standards. With this investment, the service area is expanded, and an extraction plant is acquired where oil will be processed, further encouraging job creation in a region with enormous potential in cultivation.



San Alberto Nursery

High Oleic Palm Oil

Applications and Benefits

By: Ana Martínez, Production Director

High Oleic Palm Oil (HOPO) is a non-transgenic hybrid known as Oleifera X Guineensis (OXG). It was developed and introduced in Colombia, Ecuador, and other countries in the 1990s through the crossbreeding of the male *Elaeis guineensis*, native to the conventional oil palm in the Gulf of Guinea in Africa, and the female *Elaeis oleifera*, native to tropical South America, including the Amazon Basin of Brazil, Colombia, and other countries in the region. In terms of cultivation, this palm stands out for its resistance to diseases such as Bud Rot.

Some prominent characteristics of high oleic palm oil include:

- Lower saturated fatty acid content compared to conventional palm oil.
- OXG oil contains more than 50% oleic fatty acid, 33% saturated fatty acids (SFA), and 12% polyunsaturated fatty acids (PUFA), which is considered a balanced profile.
- Physically, high oleic palm oil is more liquid at room temperature than conventional palm oil due to its different solid fat content (SFC) curve.
- It is characterized by its high resistance to oxidative processes, making it an ideal choice for daily consumption in human nutrition.

Benefits:

Vegetable oils are one of the main sources of energy in nutrition, and the choice of each type of oil can affect health. High oleic palm oil, due to its high oleic acid content, a monounsaturated fatty acid, can provide cardiovascular health benefits by possessing antioxidant and anti-inflammatory properties thanks to phytonutrients, tocotrienols, and vitamins.

High oleic palm oil is rich in carotenes and Vitamin E tocotrienols, with the latter being the major fat-soluble antioxidant in the cell. These vitamins, along with phytosterols, can help reduce cholesterol levels, thus contributing to cardiovascular health. The inclusion of this oil in a balanced diet does not pose an incremental risk of cardiovascular disease, according to scientific evidence.

During the refining process of high oleic palm oil, it can be carried out at low temperatures to preserve nutrients such as beta-carotenes, precursors of Vitamin A, with benefits for ocular health,



skin, and the immune system. Tocopherols and tocotrienols, the main components of Vitamin E, act as antioxidants and anti-inflammatories, contributing to cardiovascular health and providing to a balanced diet.

Applications:

In accordance with the mentioned advantages of high oleic palm oil, one of its main highlights is its high oxidative stability compared to other highly unsaturated oils. This characteristic provides a significant advantage in frying processes, offering superior performance. High oleic palm oil exhibits remarkable oxidation stability, a high smoke point, and good resistance to polymer formation during frying, making it an excellent choice as a cooking oil.

To support this consideration, a comparative analysis of fryings performed in cycles, totaling 10 fryings, is presented below. These cycles were designed under identical and parallel methods,

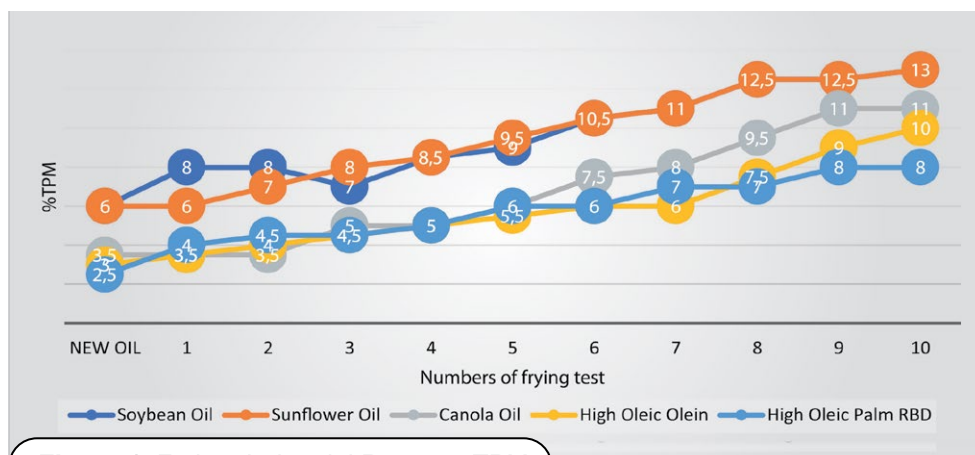


Figure 1 Frying: Industrial Process_TPM

using different types of oil. The results indicate that high oleic palm oil shows the lowest degradation rate compared to the other oils evaluated during frying processes.

Similarly, high oleic palm oil and its fractions find various functional applications in margarines and shortenings used in baking. Additionally, high oleic palm olein stands out by offering the possibility of being formulated as a total or partial substitute for unsaturated oils, such as soybean or canola oil.

In final products using high oleic palm oil, the desired physicochemical characteristics can be achieved through appropriate processing conditions. This allows for obtaining specific color and maintaining low levels of contaminants such as 3-MCPD, glycidol esters, among others. Likewise, the fractionation process is employed to adjust the solids content in the resulting fractions, providing versatility in the application of this type of oil in the food industry.

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AMPO and E. Guineensis

New Launches in Organic Functional Specialties

By: **Balachandar Selvamohan**, Global Innovation Director

One of the often-underestimated features of palm oil, in addition to its high yield and stability, is its versatility in providing functionality to applications such as confectionery, bakery, and plant-based solutions without undergoing any chemical processes.

As a global player in organic palm, Daabon has taken a step further by providing special functional specialty fats customized for specific applications that are certified organic. This feature offers elite customers the ability to produce certified organic products with the same functionality, avoiding the use of chemically modified fats.

For those concerned about unhealthy trans-fats in products like doughnuts, which are often fried in hydrogenated fats, Daabon proudly introduces FreshPress DouShort. This product not only provides functionalities like stability, no box staining, and no oil migration but also carries a clean label with no chemical modification and the option to be certified organic.

Beyond offering a complete organic fat solution for the confectionery industry, including non-tempering coating fats, cool-melting filling fats, and spread fats, Daabon's recent launch of Cocoa Butter Equivalent (CBE) has positioned it among the top specialty fat solution providers in the industry. CBE has excellent compatibility with cocoa butter, making it a cost-effective choice for real chocolate while improving functionalities like heat stability, cool-melting characteristics, and bloom stability.

New developments in Daabon's Australian facility include an in-house organic chocolate line to produce compound coatings, chips, ice cream coatings, chocolate fillings, and spreads that are all certified organic. This aims to assist industrial customers currently producing conventional products who wish to venture into organic niche products without any disruption to their production lines.

Among these organic products, Daabon offers special coatings and fillings that focus on additional functionalities such as bake stability, moisture barrier, cool-melting sensory characteristics, aeration, providing added value to customers focusing on premium products.

Daabon has recently launched a range of organic specialty fats for the dairy industry, including:

- **FreshPress NH-WhipTop:** A whipping cream fat with a clean label for vegan lovers, providing special functionality including high overrun, less syneresis, quicker whipping time, and good stability.
- **FreshPress NH-Icebase:** A special blend fat that helps make ice cream that doesn't melt quickly and has a clean mouthfeel.
- **FreshPress DaaCheese:** A delightful fat for vegan lovers that helps make analogue cheese with good texture, sliceability, taste, and stability.



Fat used for frying the Doughnuts

Market Trends in North America for 2024

**By: Esther Meima,
Sales Director Daabon USA**

While the world grapples with major international challenges such as inflation, political unrest, and ongoing COVID-19 concerns, predicting the unfolding events in 2024 and beyond remains a complex task. Nevertheless, recent consumer research findings have helped identify key trends that underscore the primary values guiding shoppers' purchasing decisions in the upcoming years.

According to Nutritional Outlook, "price and sustainability are consumers' top two priorities in 2024." Citing market research from FMCG Gurus, Nutritional Outlook emphasizes that the high level of global uncertainty is compelling consumers to focus on both their physical and emotional well-being, all while keeping a watchful eye on product value. FMCG Gurus reports that "53% of global consumers are actively seeking ways to trim their food and drink expenses." Despite the need for cost-cutting, consumers are unwilling to compromise on their desire for indulgence in small, affordable ways. Therefore, they are actively



seeking promotions, coupons, and products that offer overall good value. Forbes supports this trend, noting that consumers are in search of "indulgence and little luxuries" as the rise of self-care manifests across various categories.

Simultaneously, FMCG Gurus' research reveals that a notable "8 in 10 consumers say they have more trust in companies employing regenerative

Leading premium U.S. retailer Whole Foods has released its annual food trends forecast for 2024. According to Forbes, Whole Foods' predictions, especially for their primary demographic of affluent shoppers, have been fairly accurate in the past.



farming practices,” indicating a clear and ongoing commitment to sustainability in their food choices. Consumer awareness is growing regarding issues related to climate change and the overall environmental impact of food production.

Leading premium U.S. retailer Whole Foods has released its annual food trends forecast for 2024. According to Forbes, Whole Foods’ predictions, especially for their primary demographic of affluent shoppers, have been fairly accurate in the past. For 2024, Whole Foods projects that sustainable products will continue to grow in popularity, stating, “Consumers—even price-sensitive shoppers—are looking for products made in a more environmentally conscious way.” In fact, Forbes notes that “products with ESG-related (environmental, social, and governance) claims have accounted for 56% of all grocery retail sales growth and now represent nearly half of all retail sales.”



Related research from FMCG Gurus shows that over half of all consumers are paying more attention to ingredient listings than in the past, seeking “realness and authenticity” along with “natural products and free-from claims.” An interesting aspect of this consumer focus on natural products is its connection to the vegan market. Plant-based foods have surged in popularity, with many new products

entering the market. However, Forbes reports that “Whole Foods is observing a rise in minimalistic vegan products with shortened ingredient lists” as consumers reject meat and dairy analogs with extensive ingredient lists, preferring simple, natural plant-based options.

These forecasts for 2024 clearly indicate that, amidst the prevailing uncertainty, consumers are steadfast in holding onto their core values related to sustainability and natural ingredients. Simultaneously, they seek grocery items that provide good value, and sometimes, a sense of indulgence as well.

Sources:


Price and sustainability are consumers’ top two priorities in 2024 for food, drink, and supplement purchases, predicts FMCG Gurus (nutritionaloutlook.com)

Whole Foods Reveals Its 10 Most Anticipated Food Trends For 2024 (forbes.com)

Do consumers care about sustainability & ESG claims? | McKinsey






These forecasts for 2024 clearly indicate that, amidst the prevailing uncertainty, consumers are steadfast in holding onto their core values related to sustainability and natural ingredients.

Global economic prospects




61% expect the **global economy to weaken** in the coming year

Chief economists’ expectations for the year ahead

 93%	pace of interest rate rises will slow	 79%	domestic politics will be a source of global economic volatility
 90%	geopolitics will be a source of global economic volatility	 68%	labour market conditions will loosen in advanced economies
 86%	the worst of the global inflationary surge will have passed		
 85%	lending conditions for businesses will tighten		

Source: Chief Economists Outlook, World Economic Forum, September 2023



Daabon's Organic Compound Chocolate Production in Australia

Sergio Correa, Managing Director Daabon Australia

We look forward to the co-development of products with all our partners.

Daabon Organic Australia continues its journey to deliver food solutions to the food industry. In 2020, Daabon Organic Australia commissioned its Organic and sustainable vegetable oil refinery in Melbourne, Australia, and in 2024, we will continue to expand our capabilities.

In March 2024, we will commission a brand-new Organic Compound line to deliver organic, sustainable, and functional compounds to the food industry in Australia and the region. We have put together the perfect recipe: great organic, traceable, and sustainable ingredients; a brand-new production line, and all the expertise of Daabon's Innovation Team.

Our offering will include:

- Compound Coatings
- Compound Fillings
- Ice cream Coatings
- Cool meting Fillings
- Compound Choc chips
- Chocolate Spreads

Dark, Milk, Vegan & White variants will be available for the above.

We can deliver our products in the following presentations:

- Easy Melts
- Chips
- 500 gr blocks
- 15 Kg blocks
- 920 Kg IBC's
- Bulk loads up to 20 MT



Organic compound chocolate chips

Daabon Group's Range of Specialty Fats: Elevating Culinary in the UK

By: Sara Santos, Sales Manager Daabon UK

In the dynamic landscape of culinary innovation within the United Kingdom, the Daabon Group emerges as a pioneer, presenting a diverse array of specialty fats meticulously designed to redefine the artistry of confectionery and culinary creations. Among these distinguished offerings are DouShort, Wfshort, NH-Fill, NH-Choc, Aerofill, IceBase, and IceCoat – each playing a unique role in elevating the standards of culinary craftsmanship.

DouShort: An exemplary specialty frying shortening, DouShort has made a lasting impact on UK bakeries. Celebrated for its contribution to crafting exquisite doughnuts, DouShort sets a new benchmark with its exceptional stability and crystallization properties, imparting a touch of excellence to every baked creation.

Wfshort: A versatile specialty shortening, Wfshort stands out as an indispensable ingredient in UK bakeries. Recognized for its impeccable emulsion properties, it is the key to crafting consistent and high-quality bread dough, biscuit bases, wafers, and an array of cream-filled confections.

NH-Fill: In the realm of confectionery wonders, NH-Fill takes center stage. As

a non-hydrogenated compound filling fat, it brings sophistication and flavor to a myriad of UK confectionery creations – from pralines to premium wafer fillings and cookie creams, enriching every indulgence with a touch of excellence.

NH-Choc: A non-hydrogenated cocoa butter substitute, NH-Choc is meticulously crafted for confectionery compound chocolate. Tailored for molding and enrobing applications, NH-Choc promises a superior chocolate experience for UK enthusiasts, boasting clean melting characteristics and a delightful snap.

Aerofill: A flexible filling fat, Aerofill takes creativity to new heights by providing stability to aeration creams in UK confections. Its versatility in cake, biscuit, and wafer roll fillings, coupled with seamless integration into nut-based fillings, opens a world of possibilities for culinary innovation.

IceBase: In the domain of frozen delights, Daabon Group introduces IceBase, a game-changer for crafting ice creams and frozen desserts in the UK. Boasting exceptional crystallization properties and unmatched melting characteristics, IceBase sets a new standard for frozen treats, promising a delightful sensory experience with every scoop.

IceCoat: Complementing IceBase is IceCoat, tailored specifically for ice cream coating applications in the UK. With its quick-setting features, IceCoat ensures a sumptuous coating, delivering a delightful experience in every bite of UK-made frozen desserts.

Daabon Group's innovative range of specialty fats transcends boundaries, empowering chefs and confectioners in the UK to explore new realms of creativity while delivering uncompromising quality and taste. Continuously redefining culinary excellence, The Daabon Group continues to prioritize innovation and quality within the UK's specialty fats scene.

“Daabon Group's innovative range of specialty fats transcends boundaries, empowering chefs and confectioners in the UK to explore new realms of creativity while delivering uncompromising quality and taste“



The Promissory Future of Japan's Organic Market

By: David Rincón, General Manager Daabon Japan

オーガニックビレッジ



“Organic Village” symbol Ministry of Fishery and Forestries, Japan

Daabon Japan Co. Ltd. is progressing in the formulation of its five-year business plan for the term 2024-2028, following a period of navigating multiple challenges in its 2019-2023 cycle.

Analyzing trends and external factors that might impact the business and aligning them with results from recent years, a spectrum of upcoming opportunities becomes apparent. While data and market signals may suggest a

slowdown in the demand for organically certified food in other regions, influenced by cost-driven inflation and a shift in consumer behavior towards a less individualistic approach to health and global warming mitigation, the situation in Japan appears distinct.

The “Japan Organic Food Market Summary” reveals total revenues of USD 1.6 billion in 2021, exhibiting an annual CAGR of 7.2% from 2016, with a projected

Over the last five years, sales of organic references, palm derivatives, and processed coffee with the “Organic Mountain” freeze-dried coffee brand have increased approximately 3-5% per year.

Osaka Castle. Osaka in Kansai region is hosting a “sustainable” Expo in 2025

USD 1.94 billion in sales by 2026. The “Basic Strategy for Food and Beverage Services” during the Tokyo 2020 Olympics aimed at advancing the Japanese food industry through sustainable agricultural practices, GAP utilization, and organic farming dissemination. The G20 in Osaka in 2019 followed a similar trajectory. Simultaneously, the Osaka Expo 2025 introduced the “Event Sustainability Management System,” aiming for a unique operational management style at the Expo.

Recently, the Ministry of Agriculture, Forestry, and Fisheries (MAFF) introduced the concept of “Organic Villages,” adopting a community-oriented approach involving local farmers, businesses, and consumers. This program ambitiously targets a 25% growth in the organic market in Japan by 2050, indicating that, at least from a public perspective, the “organic” approach is anticipated to remain valid for several more decades.

Based on various published articles and interviews with customers and stakeholders in the supply chain, several conclusions can be drawn. Firstly, the average consumer aims to contribute to Japan’s sustainable development goals, aligning well with an “organic” conception following government guidelines. Most organic food in the local market is imported due to factors such as limited arable land, manpower shortages, and uncertified manufacturing chains. The “Made in Japan” trademark remains robust and confidence-inspiring, particularly in a country that has not experienced inflationary pressure in the last three decades, and with a weak currency that makes imported products more expensive.

Over the last five years, sales of organic references, palm derivatives, and processed coffee with the “Organic Mountain” freeze-dried coffee brand have increased approximately 3-5% per year. The opportunities for Daabon Japan in the coming years seem promising, not only in supplying high-quality, organic ingredients for the food and cosmetic industry but also in developing alliances with manufacturing and logistics chains to expand the organic food offering and

introduce new organic references and food solutions to the market.

In early 2023, the company changed its name from Daabon Organic Japan to Daabon Japan. Though it may seem contrary to the article’s theme, we are confident that the DAABON trademark should continue to be the focal point for all sustainable-organic initiatives in the region.



Organic Mountain classic, one of the best selling, single origin, organic freeze dried products in Japan



Dávila Abondano family members visiting Kyoto and Osaka, validating the organic potential in Japan

Mineral Oil Residues in Europe

By: Anna Benda, Quality and Food Safety Manager, Daabon Europe

The issue of mineral oil residues remains a delicate topic, with clean label and low-contaminant food being at the forefront of consumer concerns. In Europe, there has been extensive testing of food products for mineral oil, and consumers have become increasingly aware of the issue. Mineral oil, in analytical terms, is divided into mineral oil saturated hydrocarbons (MOSH) and mineral oil aromatic hydrocarbons (MOAH).

Recently, EFSA published a new update in July 2023, addressing the genotoxicity and carcinogenicity of MOAH with three or more aromatic rings. Concerns for human health were identified based on dietary levels of MOAH with three or more aromatic rings, while there is insufficient data to assess the toxicological effects of MOAH with one and two aromatic rings. For MOSH, more data are needed on the formation, fate, and toxicity of biotransformation products, including their accumulation potential.

The European Commission issued a joint statement by member states on April 21, 2022, aiming to cover all foodstuffs and ensure a uniform enforcement approach in handling MOAH in food. Proposed limits apply to products “as sold,” irrespective of the MOAH source’s origin, and will be withdrawn from the market based on the following criteria:

- 0.5 mg/kg for dry foods with low fat/oil content ($\leq 4\%$ fat/oil)
- 1 mg/kg for foods with higher fat/oil content ($\geq 4\%$ fat/oil, $\leq 50\%$ fat/oil)
- 2 mg/kg for fats/oils or foods with ($\geq 50\%$ fat/oil)

Safety authorities in individual member states have published recommendations to ensure compliance with these values, closely monitoring adherence. The Netherlands safety authority will implement these regulations from January 1, 2024, following the limits recommended by the EU Commission and EFSA. Products exceeding these limits will be withdrawn and, if necessary, recalled from the market. The exact details of controls and how the global oil and fat market will respond to these regulations remain to be seen. Daabon is well-positioned and leading the way in addressing these concerns.



“The Netherlands safety authority will implement these regulations from January 1, 2024, following the limits recommended by the EU Commission and EFSA. Products exceeding these limits will be withdrawn and, if necessary, recalled from the market.”



“Think Global, Act Local” Bees in Oberaussem

By: Patrick de Vos, Controlling and Finance Manager

The slogan “Global thinking – act local” is adopted by the local association, “Stadtteilforum Oberaussem e.V.,” and we are delighted to have been supporting the local bee project in the old meadow orchard over the past years.

The orchard meadow represents the traditional and original form of fruit cultivation. It hosts high-stemmed fruit trees of varying ages, species, and varieties. Orchard meadows serve multiple agricultural purposes, being utilized for fruit production, hay production through mowing, livestock pasture, kitchen gardens, and serving as homes for beekeeping.

This meadow has evolved into a biodiverse habitat and retreat for various flora and fauna. To preserve this, access to the meadow is restricted to members for maintenance work. Rough-woolled Pomeranian sheep are primarily employed as natural lawn mowers on the meadow.

The orchard meadow houses 8 bee colonies, and in collaboration with other private beekeepers, additional locations are supported. Beyond pollinating the orchard, the bees contribute to the production of valuable honey.

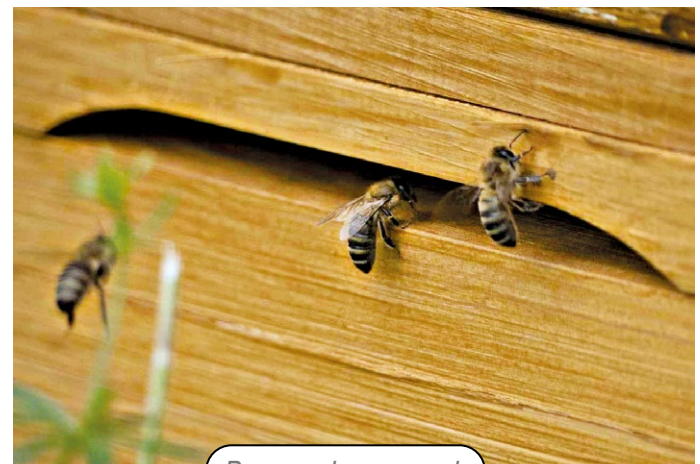
This project actively supports:

- Biodiversity
- Sustainability
- Natural pollination
- Insect conservation
- Regional production and supply of honey

Orchard meadows serve multiple agricultural purposes, being utilized for fruit production, hay production through mowing, livestock pasture, kitchen gardens, and serving as homes for beekeeping.



Honey Jar



Bees on honeycomb



Bees on beehive

Soapworks, Daabon and the University of Glasgow: Collaborative Research in Syndet Processing

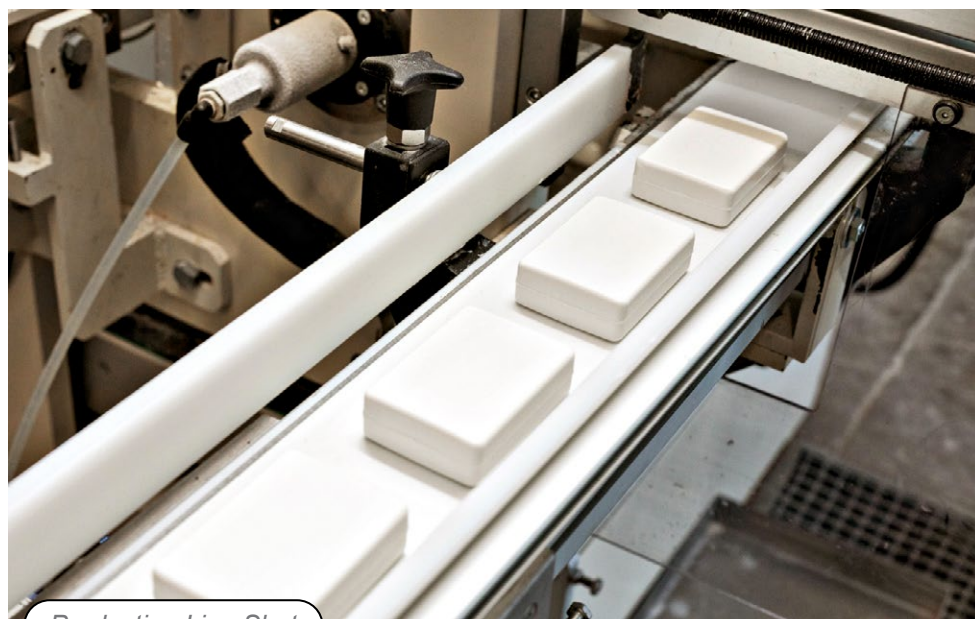
By: Paul Stewart, Marketing Manager Soapworks

In October 2021, Soapworks embarked on an exciting journey with the University of Glasgow to explore ways to enhance the processability of syndet (synthetic detergent), a gentler alternative to soap, through a soap manufacturing line. This partnership is supported by the UK government through the West of Scotland Knowledge Transfer Partnership (KTP).

The 30-month project initially focused on lab trials and scientific analysis to better understand the rheological characteristics of syndet. Through computer modeling, the team is currently developing a tool to analyze and measure the optimum processing window to improve the consistency and quality of the finished product. The next phase will validate the model before implementing the tool into Soapworks' processes.

The project team includes Dr. Simeon Skopalik, Dr. Manlio Tassieri, and Professor Manosh Paul from the University of Glasgow; Claire Smart and Kate Beaumont lead the team for Soapworks and are supported by Daabon's R&D team, Maria del Pilar, and Heidi Teran.

In addition, Soapworks was pleased to host the first-ever Daabon Intercompany Collaboration in October 2023 when Heidi Teran visited Glasgow for



Production Line Shot

three weeks to work on a 'Design of Experiments' to help define the scale-up of formulations to industrial manufacture. Further work on this will begin in January 2024. This project complements the work being done by the KTP team.

Soapworks' Managing Director Brian Cumming commented:

"The KTP project is an excellent example of the benefits of cross-collaboration. The knowledge and expertise gained by working with the University of Glasgow

and Daabon marks a significant leap in our understanding of the intricate science and mechanics of syndet processing. This will allow us to manufacture more efficiently and effectively, giving us a competitive advantage in the marketplace."

- SoapworksHO_Frontage(002) – "Members of the Soapworks and University of Glasgow project team."
- Dr. Simeon with syndet billet 2 – "University of Glasgow's Dr. Simeon Skopalik, analyzing a syndet billet."
- Production Line Shot – Syndet bars running down a production line.



Dr Simeon with syndet billet



Soapworks Team

Daabon Ranked #1 in Sustainable Palm Oil by SPOTT



By: Carolina Torrado, Sustainability Director

The DAABON Group, whose mission is to cultivate, process, and market organic and sustainable products in accordance with its environmental, social, and governance (ESG) corporate policies, increased its score from 87.48% to 95.6% in the 2023 Sustainable Palm Oil Transparency Toolkit (SPOTT) Assessment. This 8.1-point increase once again places us at the top of the evaluation conducted on 100 global palm oil companies regarding their public disclosure about their organization, policies, and sustainable practices.

Developed by the Zoological Society of London - ZSL -, SPOTT annually assesses palm oil producers, processors, and traders based on over 170 sector-specific ESG indicators in 10 categories. These indicators include RSPO reports, High Conservation Value (HCV) studies and management plans, social and environmental

impacts, as well as climate action strategies, due diligence policies and procedures, business ethics, and traceability, among many others.

Investors, buyers, and other key influencers can use SPOTT assessments to inform stakeholder engagement, manage ESG risks, and increase transparency across multiple industries. The SPOTT assessment once again demonstrates the DAABON Group’s commitment to developing and maintaining transparent, traceable, and sustainable operations by implementing best ESG practices for a positive and lasting impact on the environment, climate, communities, and the well-being of our employees.

For more information about SPOTT, visit <https://www.spott.org/palm-oil/>

Company	Rank	Total score	Change	Total Indicators	Disclosure	Engaged	Headquarters	Landbank	Market cap	Media
Daabon Group	1	95.6%	+8.1	173		✓	Colombia	13.0 KHa	Private co.	9
Apical Group	2	95.3%	+3.6	115		✓	Singapore	N/A	Private co.	20
United Plantations Bhd	3	95.2%	+2.6	175		✓	Malaysia	58.0 KHa	\$1,340.0M	9
Sime Darby Plantation S...	4	93.4%	+3.6	181		✓	Malaysia	669.0 KHa	\$6,709.2M	103
Austindo Nusantara Jaya...	5	93.3%	+2.3	166		✓	Indonesia	154.7 KHa	\$154.1M	33
Wilmar International Ltd	6	92.8%	-0.4	183		✓	Singapore	354.3 KHa	\$18,512.7M	213
Musim Mas Holdings Pte...	=7	91.8%	+1.1	183		✓	Singapore	199.4 KHa	Private co.	86
Agropalma Group	=7	91.8%	+0.9	180		✓	Brazil	117.9 KHa	Private co.	25
Goodhope Asia Holdings...	9	91.3%	+5.4	183		✓	Singapore	100.0 KHa	Private co.	33
Dharma Satya Nusantar...	10	90.4%	+4.1	165		✓	Indonesia	138.9 KHa	\$411.9M	7



Santa Marta Port

By: Luis Viera,
Commercial Director



With effort, dedication, and conviction, we entered the Colombian market for packaged edible oils, previously dominated by traditional companies in the sector.



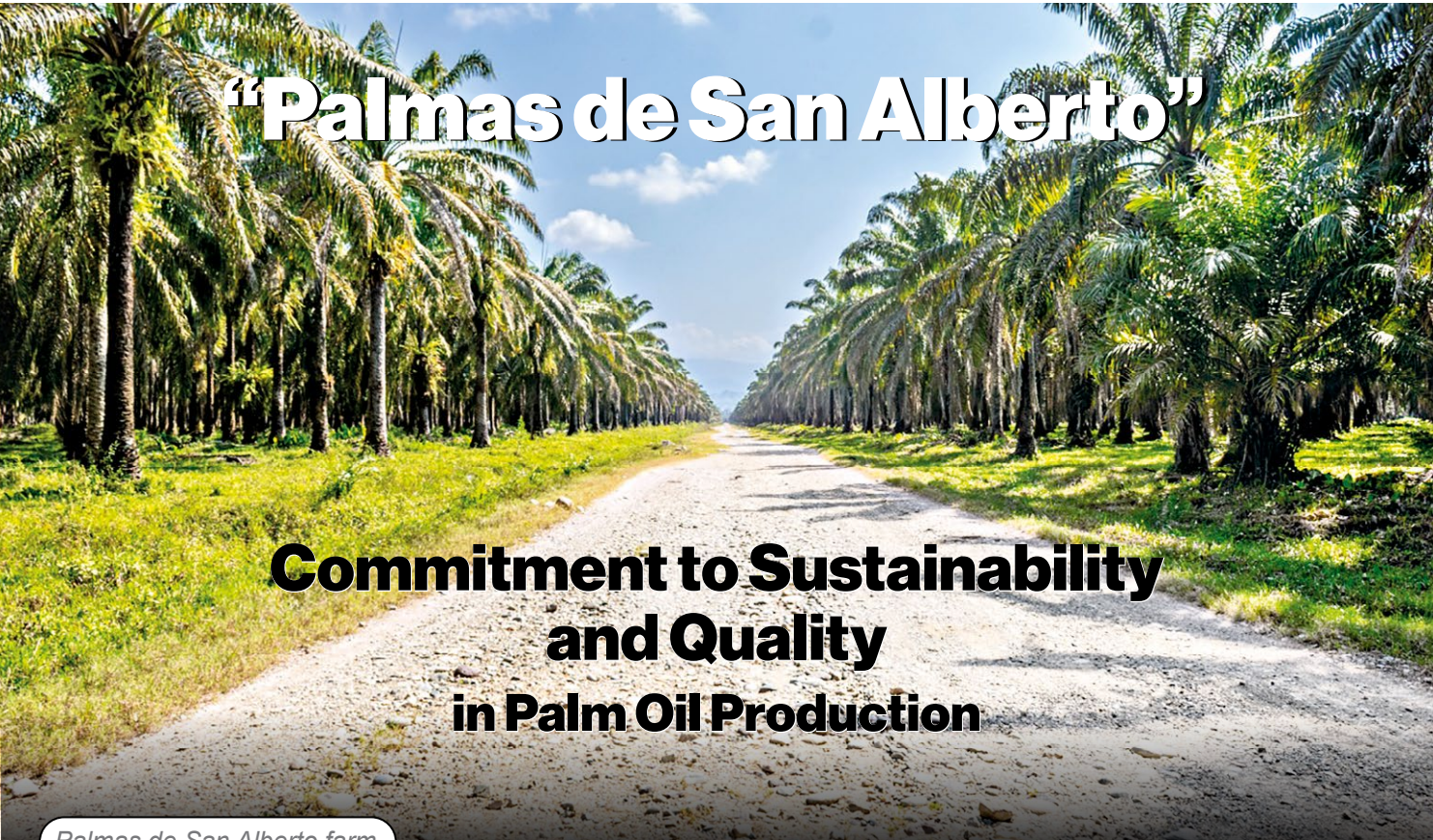
Since its inception, the Daabon Group has maintained as its main characteristic the making of important decisions aligned with a DNA of innovation and development. These decisions, which now position the company as a global growth leader, are a source of satisfaction when reflecting on the path taken in the last 8 years.

With effort, dedication, and conviction, we entered the Colombian market for packaged edible oils, previously dominated by traditional companies in the sector. Eight years after this feat, we proudly observe the fruits obtained through the effort and dedication of our great team, allowing us to look towards a new horizon in our roadmap.

With our gaze lifted and a clearly defined roadmap, we charted our course in the islands of the Caribbean, starting this journey with our first distribution of

the Frita Frita brand in Haiti. This step involved various challenges as we competed directly with companies with much experience in this new market. Nevertheless, we achieved a positive outcome with a total export of 3,600 tons in the first year. Currently, we continue with a process of gathering information that will allow us to make more informed strategic decisions and find new opportunities for innovative products that we can bring to these new markets.

We look forward to sharing the achievements obtained on this journey that has just begun. We are confident that, with the same dedication, commitment, and conviction, we will leave a lasting mark of Daabon in this market, just as we have done in other places.



“Palmas de San Alberto”

Commitment to Sustainability and Quality in Palm Oil Production

Palmas de San Alberto farm

In the central region of Colombia, south of Cesar, Palmas de San Alberto SAS is located, a company belonging to the Daabon Group that is committed to the organic and sustainable production of palm oil. This company emerged as a key driver of economic revitalization after five years of the liquidation process of INDUPALMA SA, which affected the community in labor, economic, and social aspects. In its first year, the company has demonstrated a strong commitment to crop recovery, the generation of dignified employment, increased productivity with quality, and social and environmental responsibility, establishing itself as a benchmark in the agro-industrial sector.

Palmas de San Alberto SAS was established with the vision of leading the production of organic and sustainable palm oil, recognizing the importance of conducting its operations in an environmentally and community-friendly manner. The company has invested in technologies to optimize the efficiency of its processes and minimize its environmental impact. Additionally, it has dedicated resources to rebuilding the trust of its significant stakeholders, establishing an approach with all labor, social, governmental, and economic actors. Palmas de San Alberto SAS understands the importance of generating a positive impact on the surrounding communities. The company implements social responsibility programs that include initiatives to improve the quality of life for its workers, contractors, suppliers, and the community at large, promoting



San Alberto entrance sign

Palmas de San Alberto SAS was established with the vision of leading the production of organic and sustainable palm oil, recognizing the importance of conducting its operations in an environmentally and community-friendly manner.

the hiring of local personnel and contributing to the economic growth of the region.

The quality of the palm fruit produced by Palmas de San Alberto SAS is a fundamental element in its mission. The company adheres to the highest production standards, ensuring the traceability of its products from the plantation. Rigorous quality control processes guarantee that palm oil complies with national and international regulations, as well as meeting consumer expectations.

Palmas de San Alberto SAS represents a model of commitment to sustainability and quality in palm oil production. Its comprehensive approach demonstrates that it is possible to balance business success with respect for the environment and local communities.

We look to the future with optimism, knowing that committed companies like this one are leading the way towards a more sustainable and ethical industry.”

Regenerative Organic Certified Palm Oil:

A Perfect System to Improve, Preserve, and Ensure Soil and Ecosystem Sustainability

By: **Carlos Reyes, Certifications Director**

It is estimated that approximately 33% of the world's land surface is degraded (FAO, 2015), and 17% of this surface is heavily degraded, according to the International Soil Reference and Information Centre (ISRIC). Additionally, FAO asserts that up to 95% of global food production depends on soil.

These alarming figures about soil degradation highlight the urgent need to take action in the recovery and rehabilitation of soils. Regenerative Organic Agriculture (ROA) emerges as a solution, focusing on agricultural and livestock production systems that promote the regeneration of the physical, chemical, and biological conditions of the soil.

The regenerative agriculture approach ideally complements the Certified Organic production system. This is achieved through the non-use of synthetic agrochemicals, maintaining live coverings throughout the plantation, and employing biological pest management to establish a biodiverse balance of species within the plantation. At Daabon, this mission is clearly defined, and every day its plantations adhere to the most rigorous standards of organic and sustainable certification.

Daabon's practices, such as avoiding deforestation, enhancing biodiversity and implementing robust community support programs, are essential components that have contributed to this prestigious recognition. Daabon Group's attainment of **Gold level ROCTM** status not only reflects its steadfast dedication to sustainable and regenerative agriculture, but also marks Daabon as **the first palm oil company to reach such heights in the world**. This recognition underscores a comprehensive approach that considers every facet of the agricultural environment.



**Regenerative
Organic
Certified®**

“Daabon's practices, such as avoiding deforestation, enhancing biodiversity and implementing robust community support programs, are essential components that have contributed to this prestigious recognition.”

Daabon is consistently committed to soil protection, the conservation of its conditions, and the preservation of ecosystems. In this challenging task, Daabon has progressed with high responsibility, enabling it to offer the world products obtained under demanding standards such as RSPO, ROC, and more than 6 international organic regulations.



Advantages in Sustainable Production

Between Hybrid American Oil Palm and African Oil Palm

By: *Carolina Torrado, Sustainability Director*

Advantages in Sustainable Production between Hybrid American Oil Palm and African Oil Palm:

- **Resistance to Diseases and Pests:** The hybrid American oil palm shows resistance to diseases and pests, such as Bud Rot, common in African oil palm. Its adaptability to various climatic and soil conditions, along with slow stipe growth, contributes to low-risk maintenance.
- **Low Incidence of Bud Rot:** The incidence of Bud Rot disease is significantly lower in hybrid American oil palm crops (less than 5%) compared to African oil palm (over 20%), reducing the need for agrochemicals for plant health.
- **Labor Efficiency:** Hybrid American oil palm crops require fewer workers per hectare compared to African oil palm. While African oil palm averages ten hectares per worker, hybrid American oil palm reduces this area by 20%, creating formal employment opportunities, especially for women.
- **Growth in Female Employment:** Hybrid American oil palm cultivation has experienced a 140% growth in the number of female workers, primarily in pollination activities, providing new employment opportunities in the region.
- **Higher Productivity:** Indicators show that hybrid American oil palm crops are more productive, with yields of 28 to 32 tons of fresh fruit bunches per hectare, compared to 24 tons in African oil palm. Additionally, the oil extraction rate has increased from 20% to 25-27% with the processing of hybrid American oil palm fruit.
- **Resource Use Efficiency:** Hybrid American oil palm proves to be more efficient in terms of oil yield per hectare, allowing for the production of more oil and food using less land and resources, with responsible field management.

These points highlight the advantages of hybrid American oil palm in terms of resistance, labor efficiency, growth in female employment, and productive sustainability compared to African oil palm.



Mexican Tamandua



Female pollinators of hybrid oil palm

Phytonutrients With Antioxidant Capacity in Palm Oil

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

Palm oil is rich in phytonutrients that function as antioxidants of specific significance to human health and extend the oil’s shelf life in the food industry. The most important phytonutrients in palm oil are carotenoids, tocopherols and tocotrienols (precursors of vitamin E) and squalene. These phytochemicals scavenge or collect peroxy radicals preventing propagation of lipid peroxidation or oxidative deterioration.

Carotenoids have shown the ability to be converted to vitamin A and to be protective in eye disease. Tocopherols and tocotrienols have been related to positive effects on stimulation of the immune system, cardiovascular health, neuroprotection, and obesity. Squalene has demonstrated anti-inflammatory properties and is widely used as part of anti-aging preparations. The combination of these phytonutrients has been reported to have an inhibitory effect on cancer promotion and to help to regulate hormones [1].

The worldwide phytonutrients market size was estimated at USD\$ 4526.18 million in 2022. This market is expected to grow up to USD\$ 7150.21 million in 2028, [2]. The main applications of the phytonutrients are in the food and beverage sector, feed industry, pharmaceuticals, and cosmetics, the last includes beauty preparations, soap, shampoo, skin and shaving creams, among others, see Figure 1 and Figure 2.



Figure 1 Oil palm-based products containing phytonutrients

Key market trends fueling the demand for phytochemicals are non-GMO (*Genetically Modified Organism*) trend, focusing on health and wellness, veganism, nutraceuticals, nutrigenomics, and clean label products, [1].

Functional food is the major segment that accounts for a high demand for these bioactive chemical compounds, for example, bakery, cereals, dairy, salad dressings, beverages, sports nutrition, and others.

The phytonutrients characteristics and contents of a given palm oil are determined by the oil type, and the behavior in different processing operations, such as, digestion, extraction, filtering, among others. Some of the most important characteristics of crude palm oils (CPO) are shown in Table 1.

Palm Oil type	Total Tocopherols (ppm)	Carotenoids (ppm)	Source Reference
E. Guineensis, (CPO)	583	637	External Lab
	500 - 600	600 - 800	Desmet Ballestra
	1478	873	Daabon Lab
	728	524 ± 4.4	Almeida et al. [3]
High Oleic Palm Oil, (CPO)	367	733	External Lab
	1000	> 1000	Desmet Ballestra
	1311	1127	Daabon Lab
	883.3	830 ± 6	Almeida et al. [3]

Table 1 Phytonutrients characteristics and contents in palm oils (CPO)

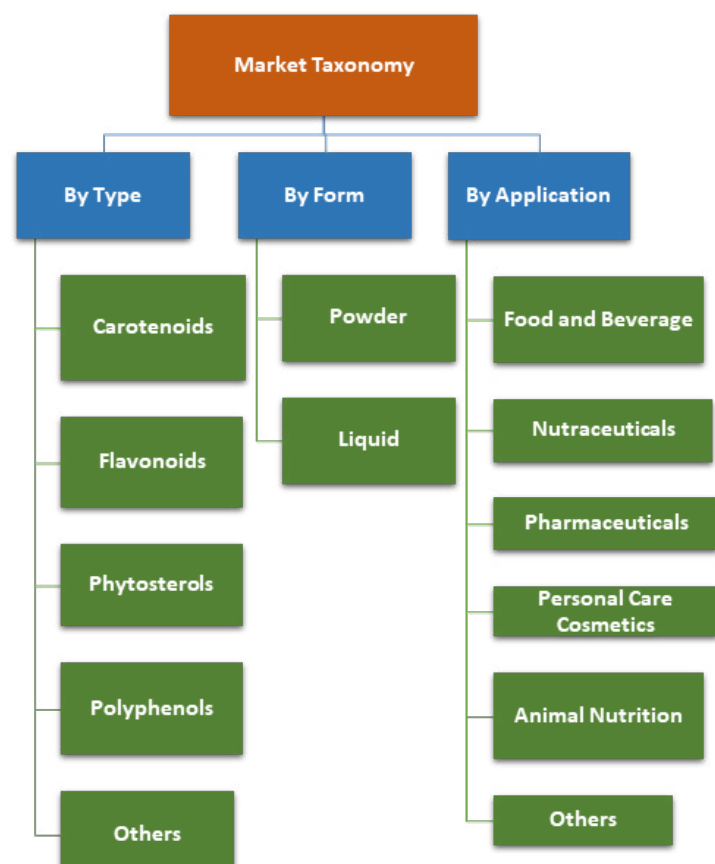


Figure 2 Market overview of phytochemicals, [1]

Finally, the opportunities for these phytochemicals are linked to the following developments:

- Demand for convenience foods to meet ever increasing demand of busy consumers: on-the-go, ready-to-eat, ready-to drink, quick cook, easy to prepare, and ready-to cook.
- Packaging innovations to guarantee freshness, and quality: portable size, easy to consume and carry and environmentally friendly.
- Developing affordable product lines for low-income and middle-class population.
- Increasing demand for natural ingredients, additive free and lack of artificial ingredients in the final products.
- Clear, credible, traceable, and transparent Labelling.

Acknowledgements

The extended Daabon R&D and innovation team is gratefully acknowledged.

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GREMCA SUSTAINABLE AGRICULTURE AND ENERGY S.A **received the first certification in Colombia and the world for Food Safety**

By: Oscar Cifuentes, General Manager of GREMCA

GREMCA AGRICULTURA Y ENERGÍA SOSTENIBLE S.A., whose main shareholder is the Daabon Group, has achieved a significant milestone by becoming the first company certified for Food Safety Standards (FSS) in Colombia and globally. This certification was carried out under the EU and EU PLUS schemes, as well as the International Sustainability and Carbon Certification (ISCC), using the food safety complement. The recognition took place during the XV Regional Dialogue of ISCC (International Sustainability Carbon Certification) for stakeholders in Latin America, held on August 30, 2023, in the city of Bogotá. The FSS certification aims to promote food safety in agricultural value chains.

The FSS certification aims to promote food safety in agricultural value chains. According to CONPES 113 of 2008, food and nutritional security is defined as the sufficient and stable availability of food, timely and permanent access, and consumption by all individuals in quantity, quality, and safety, under conditions that allow their proper biological utilization, to lead a healthy and active life.

For Oscar Cifuentes, General Manager, this international certification means getting closer each day to achieving the company’s vision and strategic objectives, framed in becoming increasingly sustainable and efficient. The certification also allows contributing to the achievement of the second sustainable development goal, ZERO HUNGER, in the production level of global agricultural chains, considering the global food crisis and the increase in figures, with 150 million people affected by hunger in the last two years.

The voluntary implementation of the principles and criteria of the standard represents a significant commitment to employees, small producers, and communities in the areas of influence, framed in good social practices. GREMCA aims to join national challenges and policies to improve the availability, accessibility, stability, and use of safe, nutritious, and diverse foods.

For over 30 years, GREMCA AGRICULTURA Y ENERGÍA SOSTENIBLE S.A. has carried out interventions to mitigate social impacts in communities near plantations and the primary processing plant. These interventions include road maintenance, the supply of drinking water, housing improvements, decent working conditions, monitoring the health and nutrition of

For Oscar Cifuentes, General Manager, this international certification means getting closer each day to achieving the company’s vision and strategic objectives, framed in becoming increasingly sustainable and efficient.

workers, support for community social programs, training, and organizational development plans. The company ensures employees’ access to local markets and stores through established transportation routes for each municipality of residence.

Aiming for FSS certification allows organizations to have a methodological orientation validated by different entities worldwide, demonstrating due diligence in human rights, and becoming more competitive in international markets by showing that products are obtained under conditions that do not affect food safety.

With this recognition, GREMCA once again demonstrates its commitment to the palm oil sector and corporate social responsibility towards its employees and the communities of the municipalities of Algarrobo, Magdalena, and El Copey, Cesar.



Zona Franca de Las Américas (ZFA) Drives New Innovative and Sustainable Business Platforms

in Commemoration of Santa Marta's 500th Anniversary

By: Laura Pérez, Administrative and Commercial Coordinator



Photo of the Americas Free Trade Zone (project in its first stage of the Industrial Cluster 4.0 design, carried out by the Designer and Architect Carlos Ponce De Leon – Ponce De Leon Architects



Eng. Juan Opertti (MBA) – Managing Director of HEMISTION S.A. Consultant
Pilar V. Ceron - Managing Director XTRATEGY CENTER Consultant
Avinash Vashistha – CEO THOLONS INC. – Consultant

ZFA relaunches new business platforms in preparation for celebrating the 500 years of Santa Marta in 2025. These projects include a Logistic Hub 5.0 and a Zone 4.0. The Logistic Hub 5.0 is based on strengthening intelligent, flexible, and sustainable supply chains, integrating the human factor to lead regional distribution and develop cross-border e-commerce from Santa Marta to the world. This is made possible thanks to the high logistics potential and multimodality of this Caribbean city.

The Zone 4.0, conceptualized at ZFA, emerges as a Global Export Services platform to face the digital revolution and technological disruption of AI, Blockchain, Internet of Things (IoT), big data, and robotics.



“ The Zone 4.0, conceptualized at ZFA, emerges as a Global Export Services platform to face the digital revolution and technological disruption of AI, Blockchain, Internet of Things (IoT), big data, and robotics. ”

The new normal of offshoring and nearshoring of companies towards the U.S. and Europe makes Santa Marta a “Partner of Choice” in the Caribbean region of Colombia. This city has the potential backed by a consolidated Free Trade Zone regime that allows it to become an eligible emerging node for Business Services, Software Center, Center of Excellence, as well as an Innovation Hub in the Zone 4.0 ecosystem.

The new ZFA platforms for 2025, Logistic Hub 5.0 and Zone 4.0, will be possible by integrating an inclusive, sustainable, and innovative city with key stakeholders such as SENA training centers, public and private universities, business associations, the port and airport, the municipality, as well as the Chamber of Commerce and the valuable human factor of Santa Marta.



Detailed photo of the first stage to be developed, including office buildings for BPOs, call centers, and innovation development centers



LAS AMÉRICAS PORT

By: Carlos López, SPLA Manager

Driven by the repercussions of the Covid pandemic and the devastation of oil palm plantations in the Northern Zone of Colombia due to PC disease, the construction phase of Las Américas Port had to be suspended, and three years have passed since then. However, Daabon has not given up on the project, considered crucial in its logistics support program for its main activity. This program includes investments in the Port of Santa Marta, the Las Américas and

the authorizations granted by the State, reduce construction time, and maintain investment figures close to the initial budget.

In that direction, three options for modifying the connection between the Terlica storage tanks and the Maritime Terminal at Punta Voladero have been evaluated:

- Reduce piles and dimensions of the walkway in the sea.
- Lay the pipes on the seabed along the same route as the walkway.
- Install the pipes on land until they connect with a walkway near the dock, much shorter and smaller in scope than contemplated in the original design.

Currently, work is underway on the third option, considered the most suitable, with the expectation of obtaining quotes from builders in the coming days. The work plan is to start construction in 2024 and put this new port infrastructure, which will provide greater facilities for the foreign trade of liquid bulk, into service for the country as soon as weather and sea conditions in the construction phase allow.



Visit to Cerro La Cumbre:
Route for Pipeline to SPLA

Tayrona free trade zones, as well as the multimodal transport company Elogia, and is considered of public interest.

Daabon's goal is to develop a public service port specialized in liquid bulk in Santa Marta, taking advantage of the city's railway connection to the interior of the country to mobilize cargo more sustainably. After the pause imposed by adverse circumstances, classified as force majeure, the project designers were tasked with evaluating adjustments to the technical specifications that would comply with

This program includes investments in the Port of Santa Marta, the Las Américas and Tayrona free trade zones, as well as the multimodal transport company Elogia, and is considered of public interest.



Banachips: Daabon's Premium Delight by Organic Mountain

By: Juliána Dávila,
Global Communications Officer



In January 2024, Organic Mountain proudly introduced Banachips, a premium brand immersing consumers in a delectable experience rooted in the Colombian coast's rich culture. Crafted from fried organic green bananas in organic palm olein, Banachips embodies a fusion of natural flavors, artisanal craftsmanship, and a commitment to sustainability, benefiting both people and the planet.

Banachips Essence

This trio of Sea Salt, Lemon, and Chile flavors reflects the brand's dedication to providing a delicious, healthy, and chemical-free snack. Banachips' natural, vegan, gluten-free, and trans-fat-free composition makes it a guilt-free indulgence for those seeking a mindful culinary experience.

A Global Journey, A Colombian Connection

Organic Mountain marked its presence in Colombia in early 2022, inviting consumers and partners to contribute to planetary sustainability. Aligned with the Sierra Nevada of Santa Marta ethos, the brand promotes living organically, supporting organic practices, thinking organically, eating organically, and choosing organic products—a holistic commitment to environmental consciousness and social responsibility.

Banachips: A Culinary Adventure

Banachips invites you on a culinary adventure, where the crispiness of organic green bananas meets the richness of

organic palm olein. Whether you savor the simplicity of Sea Salt, the zing of Lemon, or the spicy kick of Chile, each flavorful bite encapsulates the essence of Colombia's coastal heritage.

Empowering Women: A Legacy of Flavor and Equality

Banachips is more than a tasty treat; it's a symbol of empowerment and inclusivity. Women play a key role in selecting, packing, and frying the chips, with 30% of La Samaria's workforce being single mothers. By providing meaningful employment, we not only prioritize sustainability but also contribute to the well-being of our communities. With each bite of Banachips, you support a legacy of flavor and positive change for women and their families.

A Snack Beyond Ordinary

More than just a snack, Banachips celebrates natural goodness, cultural richness, and sustainable living. Indulging in these flavors contributes to a movement beyond culinary delight—a journey toward a conscious, eco-friendly, and flavorful lifestyle. Welcome to the world of Banachips, where every bite tells a story of organic joy and Colombian charm.

Visit our website at www.organicmountain.com.co to learn more and join us in caring for our planet.



Summit 2023



Daabon Team, Summit 2023

The participation of Proforest representatives offered a clear insight into new regulations in the European Union, highlighting the importance of compliance with international standards.



By: Reneta Uribe, Marketing Chief



Daabon CEO, Manuel Julián Dávila

The Summit 2023 took place on June 15th and 16th in Santa Marta, bringing together leaders from international offices and executives from the headquarters. Over two intensive days, this annual gathering provided an opportunity to unite the entire team and explore the challenges and opportunities on the global business horizon.

The first day was dedicated to thoroughly exploring the crucial theme of sustainability. The morning began with a series of distinguished presenters addressing topics such as materiality from the perspective of the Global Reporting Initiative (GRI) and the current and future challenges of climate change. The participation of Proforest representatives offered a clear insight into new regulations in the European Union, highlighting the importance of compliance with international standards. The morning session concluded with a presentation on carbon credits. In the afternoon, the focus shifted towards strategic planning for the upcoming year and indicators for the current year to review compliance.

The second day of the Summit was led by Maria del Pilar Noriega. Ongoing projects, progress in biomass, the revolutionary Tequendama press, and advancements in high oleic palm oil were presented. New applications in the palm oil-derived product portfolio were also introduced, motivating the entire sales network to attract new clients for these innovative solutions demanded by the international market. Progress in aviation fuels was shared, and strategic next steps for the year 2024 were outlined.



Daabon Team

TRADE SHOWS 2024



International Team at Biofach 2023

Dates	Event	Location	Office
March 14-16, 2024	Expo West	Anaheim, USA	DAABON USA
May 1-2, 2024	NYSCC	NYC, USA	DAABON USA
May 5-6, 2024	Bakery Showcase	Toronto, Canada	DAABON USA
May 14-16, 2024	Sweets and Snacks Expo	Indianapolis, USA	DAABON USA
July 15-17, 2024	IFT	Chicago, USA	DAABON USA
October 14-17, 2024	Sustainable Brands Conference	San Diego, USA	DAABON USA
October 30-31, 2024	Supply Side West	Las Vegas, USA	DAABON USA
March 15-17, 2024	FOODEX	Tokyo, Japan	DAABON Japan
October 25-27, 2024	Biofach Japan	Tokyo, Japan	DAABON Japan
February 13-15, 2024	Biofach Germany	Nuremberg, Germany	DAABON Europe
November 19-21, 2024	FIE	Frankfurt, Germany	DAABON Europ
August 6-8, 2024	FiSA	São Paulo, Brazil	DAABON Brazil
April 16-17,2024	Tastes of Better	Ascot, England	DAABON UK
May 20-21,2024	Tastes of Better	Manchester, England	DAABON UK

This Is How We Celebrate

By: Luis Martinez, Communications Coordinator



Cleaning and Reforestation Day with the Bolivar Parks Community



Award for Outstanding Employee

We close the year 2023 full of successes, always prioritizing the well-being of our beloved Daabon Family.

This year has been a period of challenges, renewal, consolidation, and strengthening, and it is with these pillars as a guide that we have worked tirelessly for the well-being of the more than 4,000 collaborators who are part of our Daabon family.

We have carried out various well-being initiatives, such as relaxation sessions, health brigades, and awareness activities about self-care. In addition, we have shared special moments such as the delivery of gifts to Daabon children on Halloween and the festive year-end celebration, bringing joy to the little ones. These actions have contributed to maintaining a positive work environment, reflected in the significant increase in production and the reduction of absenteeism.

The celebration of our year-end party was the best way to consolidate the achievements of this year from every corner of the country, where we proudly carried the Daabon emblem. We conclude another chapter in our history, feeling proud of what we built during 2023 and envisioning a promising future for this great family.



Promotion Day for Healthy Habits and Lifestyles – Industrial Cluster



Wellness Day at Tequendama Extractor: Managing My Emotions, Practicing Forgiveness, Working in Harmony, and Standing Against Violence Towards Women

In loving memory of **Mrs. Hildegard Rickert,** **Former Managing Director** **Daabon Europe**



We hold cherished memories of Mrs. Hildegard Rickert, a beloved colleague and a stalwart presence in our organization for more than two decades. Throughout her remarkable career at Daabon Europe, she embodied the very essence of our core values – honesty, responsibility, and an unwavering commitment to excellence. Mrs. Rickert not only achieved professional milestones but also served as a wellspring of inspiration and guidance to us all. Today, as we reflect on her impactful vision and dedication, we celebrate the enduring imprint she left on our collective journey. Mrs. Hildegard Rickert’s legacy is a shining beacon of inspiration, continuing to illuminate our path forward.

Sincerely, Daabon Family



Director Ejecutivo

Manuel Julián Dávila Abondano

Vicepresidente Agrícola

Alfonso Dávila Abondano

Vicepresidente de Producción

Juan Carlos Dávila Abondano

Vicepresidente de Ventas Internacionales

Alberto Pio Dávila Abondano

Vicepresidente de Proyectos

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GREEN BANANA CHIPS



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touch to your moments.

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NATURAL CHIPS, VEGAN,
NON-GMO INGREDIENTS.
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HAND-MADE PRODUCT



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