



Moving towards FIFCO 2020

INTEGRATED REPORT 2016-2017



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INTEGRATED REPORT 2016-2017



Red Pacto Global Costa Rica

How to read this report

GRI 102-45, GRI 102-46, GRI 102-54

For the fourth consecutive year, our 2017 Annual Report is written under the Integrated Reporting framework, following the guidelines established by the International Integrated Reporting Council (IIRC). This report presents the company's economic, social and environmental performance and provides a summary of how FIFCO creates value in financial and non-financial terms.

FIFCO complements the guidelines and recommendations of the IIRC and this report has been prepared in accordance to the GRI Reporting Standards: Comprehensive Option and the United Nations Global Compact guiding principles; and refers to the relationship between the company's strategy and the Sustainable Development Goals (SDG).

The company reports on all FIFCO operations in Costa Rica, Guatemala, El Salvador and the United States: Cervecería de Costa Rica, Florida Retail, Industrias Alimenticias Kern's (IAK, located in Guatemala), North American Breweries (NAB, located in the United States), Florida Hospitalidad and Florida Capitales, for the period corresponding to the fiscal year between October 2016 and September 2017. Some sections of this report include data from El Salvador; however, this does not represent a significant activity for FIFCO since it has only 10 collaborators and most initiatives don't apply.

The contents within this report were defined based on the following criteria: consistency and continuity with the content reported for the 2015-2016 period; definition of materiality according to interviews and a consultation process implemented with our stakeholders; an update of our sustainability strategy, as well as key achievements and programs from the previous period.

This report gives us the opportunity to show our shareholders and other stakeholders how the different areas are interrelated and interact with each other, identifying the multiple ways in which the company creates present and future value. At the same time, it evaluates the company's contribution to society and the environment at a local and regional level, by linking its efforts and initiatives with the specific contexts and challenges in which it operates.

The Vincular Center – PUCV

For the fourth consecutive year, the company switches from a complete audit, to a specific verification of materiality and stakeholder participation processes, reporting **in accordance to the GRI Standards: Comprehensive Option in a more flexible and transparent manner, executed by the Vincular Center for Social Responsibility and Sustainable Development, School of Commercial Engineering, Pontificia Universidad Catolica de Valparaíso in Chile.**

This report is available at

www.fifco.com

and

www.fifcosostenible.com

If you have any questions or suggestions regarding this report, please contact

FIFCO's Corporate Relations Department

Tel: (506) 2437-7770
2437-7291

email:

info@fifco.com

Reporting in accordance with the *Global Reporting Initiative: Opción Exhaustiva*

Through its corporate strategy FIFCO aims for a sustainable development. As a means to hold itself accountable regarding this sustainable development aspiration, FIFCO publicly reports its –positive and negative - economic, social and environmental impacts. In order to do this, its reports are developed in accordance with the **Global Reporting Initiative Standards (GRI), published on October 19, 2016**, which define a common reporting language.

This report is elaborated applying the 10 principles established by the GRI, regarding both content and quality:

Principles for Content

- Stakeholder Inclusiveness
- Sustainability Context
- Materiality
- Completeness

Principles for Quality

- Accuracy
- Balance
- Clarity
- Comparability
- Reliability
- Timeliness

The International Integrated Reporting Council also suggests that in order to demonstrate how the information is interconnected, an integrated report must answer each of the following six questions:

General aspects and business model

What does FIFCO do and how do we create sustainable value in the short, medium and long term?

FIFCO is a Costa Rican public company, founded in 1908; it produces and distributes food and beverages mainly in Central America, the Caribbean and the United States, it also has a hospitality business in the province of Guanacaste, Costa Rica and various investments. For the past 10 years, FIFCO has been operating under a triple bottom line approach, where sustainability is at the core of the company, as the motor for innovation and constant improvement.

Strategic Objectives

Where is FIFCO headed and how will it get there?

FIFCO aims to lead the categories in which it competes through the development of ideas that make sense economically, but also have a minimal or positive impact on society and the environment. Innovation, operational and commercial excellence, category development and an entrepreneurial culture have become the means to achieve our corporate goal.

Corporate Governance

What is FIFCO's corporate governance structure and how does it relate to the sustainability strategy?

FIFCO operates under the **Corporate Governance Code**, the second version having been approved by the Board of Directors in May 2017 (the previous version was in force since 2009). Following this code is mandatory for the company and all our collaborators. This code establishes the company's management system, under the principles of transparency, accountability and sustainability.

Operational Context

Under which circumstances does the company operate, taking into account key commodities and relationships on which the operation depends?

FIFCO's operation is exposed to various contexts, not only in regards to geography - having operations in 4 countries (Costa Rica, Guatemala, El Salvador and the United States) - but also in participating in different industries, categories and segments. World tendencies and discussions regarding food, beverages, nutrition, alcohol in society, tourism, and convenience stores amongst others, are consequential circumstances for the business. The rational use of raw materials or commodities insures a sustainable operation for the future. At the same time, an effective dialogue with our stakeholders is fundamental for the creation of real economic, social and environmental value.

Performance

How was the company's performance in relation with the strategic goals?

In regards to the 2020 goals, FIFCO's economic, social and environmental performance in 2017 was positive. This report details the financial and non-financial achievements attained in the three dimensions, which demonstrates our commitment to offer products and services of the highest quality, with minimal impact on our environment, while we create value in the communities where we operate.

Looking to the future

What opportunities and challenges could FIFCO have to face?

FIFCO's "guiding star" is to "Enhance every beverage consumption opportunity"; this guides our actions and in order to achieve this we have defined a series of commitments for the year 2020, grouped within three strategic objectives:

1. Double Sales and Profitability
2. Be champions in our communities, with our collaborators and in regards to Smart Consumption.
3. Reach a positive balance in Water Consumption, Emissions and Waste.

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Board of Directors

WILHELM STEINVORTH HERRERA	CHAIRMAN
RODOLFO JIMÉNEZ BORBÓN	VICEPRESIDENT
ARTURO ALEXIS LORÍA AGÜERO	SECRETARY
JOSÉ ROSSI UMAÑA*	TREASURER
ANDRÉ GARNIER KRUSE*	VOTING MEMBER
EDNA CAMACHO MEJÍA*	VOTING MEMBER
SERGIO EGLOFF GERLI*	VOTING MEMBER
ROBERTO TRUQUE HARRINGTON*	STATUTORY AUDITOR

*Independent members of the Board of Directors

1

SECTION



Message from the Chairman of the Board



Dear Shareholders:

Florida Ice & Farm Co. is celebrating 109 years of existence, and looking back and reviewing the company's achievements, how much it has grown in little more than a century and the positive impact it has had on Costa Rica; we cannot fail to thank the leaders who guided FIFCO to where it is today. Presidents of the company such as Mr. Cecil Vernor Lindo Morales, Mr. Walter Joseph Ford Leatherbarrow, Mr. José Manuel Sáenz Witting, Mr. Manuel Francisco Jiménez Ortiz, Mr. Alexander Murray Macnair, Mr. Manuel Jiménez De la Guardia, Mr. Eberhard Steinvorth and of course Mr. Rodolfo Jiménez Bourbon, who still honors us with his guidance. But we also have to thank all the members of the Board of Directors and the General Managers who have led the company for more than 100 years and whose tenacity and excellence has brought FIFCO to become the company it is today.

Throughout these 109 years, it is worth highlighting the significant progress that FIFCO has made in the last decade. In recent years, the company has grown and evolved in a very remarkable way. We went from having 1,800 collaborators to more than 6,400 today, we have managed to multiply the size of the company over six times, reaching an annual growth of 15% in sales and 10% in profitability. Even more impressive, this economic growth has been accomplished along with great environmental and social achievements. In the last 10 years, we have managed to turn FIFCO into a world leader in sustainability as well as an environmentally neutral company: Zero Solid Waste, Water and Carbon Neutral.

In line with the company's growth and development, last year we launched our FIFCO 2020 strategy and in it we set our goals for that year: first, we set out to double FIFCO's sales and profitability in 4 years, but we also made 7 very ambitious commitments to society and the environment.

In 2017 we have taken great strides towards FIFCO 2020. It has been a challenging year, with modest economic growth, but also one in which the company significantly strengthened its capacity to grow in the near future.

In regards to the financial results, the company managed to place 94.4 million equivalent beverage boxes (-1.7% vs. previous year) and 56,889 tons of food (5.5% more than the previous year) in the markets where we operate. It is important to note that there was volume growth in our businesses in Costa Rica and Central America (1.3% vs. previous year), however, the North American Breweries business experienced a volume reduction of 6.8% due to a more challenging competitive environment and a decelerating craft beer segment in the United States. FIFCO net sales reached 674 billion colones (+ 1.4% above the previous year) and the operating profit grew 7.9% compared to the previous year to reach 120 billion colones. On the other hand, the net profit attributable to shareholders decreased 2.1% to 55 billion colones, mainly due to a payment arrangement made to settle all the legal processes that were pending with the IFAM (Institute for Municipal Development and Advisory Services), as well as the unfavorable impact of the companies associated with Florida Capitales, particularly Cervecería Panamá, due to a more challenging level of competition.

Specifically, the growth in sales was mainly driven by Florida Real Estate businesses with a 13.1% growth versus 2016 and the food businesses of both Musmanni and Kern's with 6.3% growth versus the previous year. Similarly, the growth in operating income was mainly driven by the real estate business (+105% growth vs. the previous year), the food business (20.4% growth vs. the previous year), and a

5.4% growth in the beverage business, mainly motivated by higher productivity and efficiency.

It is important to mention that a series of projects to improve commercial performance and increase the company's efficiency and productivity were implemented during this fiscal period. As of August, these projects resulted in projected savings of more than 21 million dollars (annualized basis) for the business in Costa Rica, savings that positively impacted the results of the last quarter of the year. In addition, a similar project that is expected to be completed in the second quarter of the 2018 fiscal period and bring greater agility and efficiency to the beer business in the United States is currently being implemented at North American Breweries. In the same way, a productivity project is currently being implemented at every one of FIFCO's manufacturing plants in all the geographies where we operate. This project is expected to be completed during the second quarter of the 2017-2018 fiscal period.

As for FIFCO's social goals for 2020, we have taken considerable steps this year. We are pleased to inform that FIFCO ranked #1 among the large companies in Central America and the Caribbean in the most recent "Great Place to Work" survey. Additionally, we managed to complete almost half a million accumulated volunteer hours, invest 7.2% of our profit in strategic social investment, increase the impact of our social enterprise Nutrivida and managed to take strong steps not only in the promotion of smart alcohol consumption, but of all our food products and beverages as well. However, one of the most important achievements of the year was eradicating extreme poverty in FIFCO Costa Rica. This is an achievement that fills us with pride and that we hope will set an example for more companies in our country and around the world.

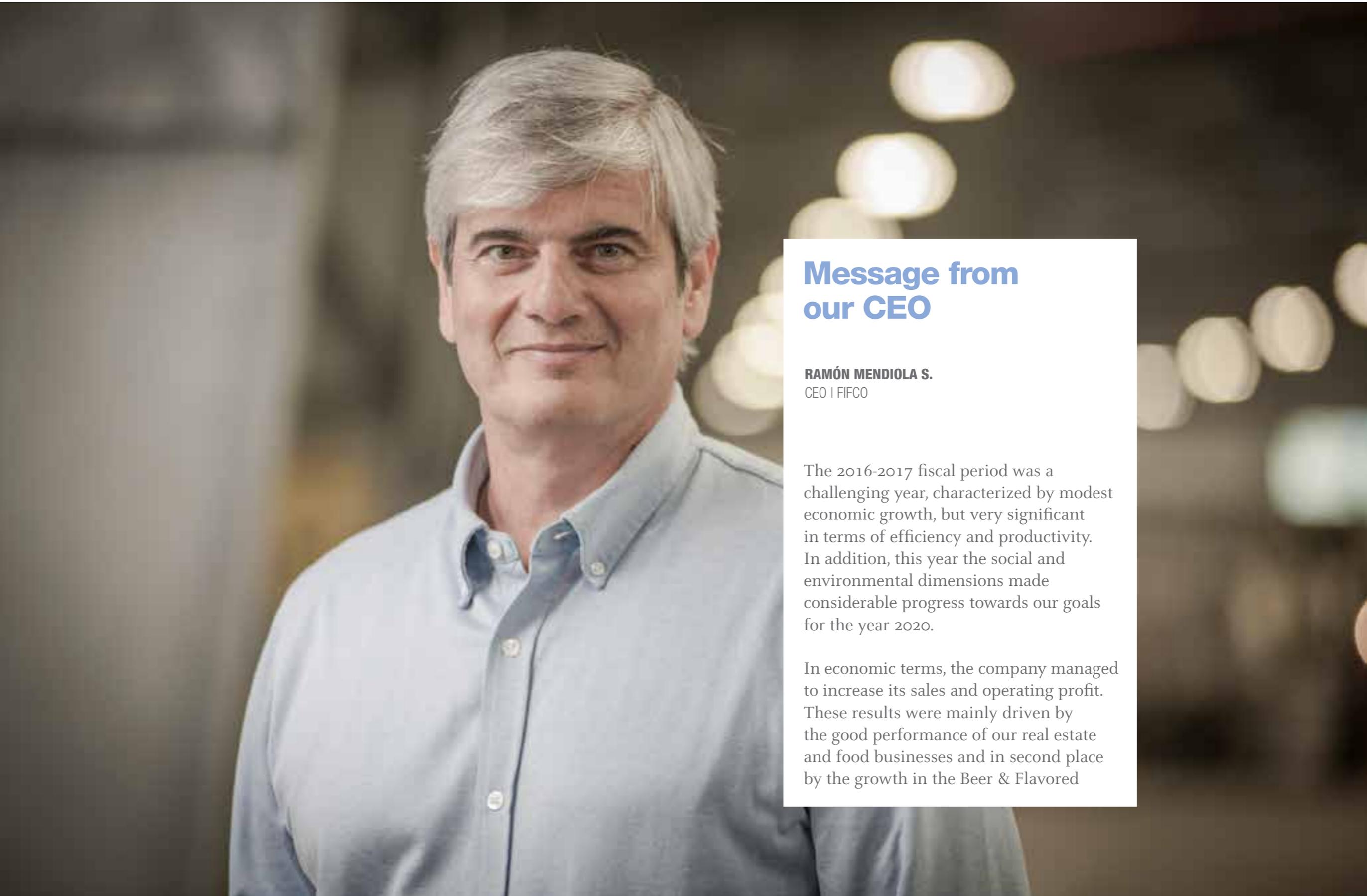
Regarding the environmental dimension, during this fiscal period we showed very significant progress towards our FIFCO 2020 goal of becoming a positive company for the environment. We managed to

convert FIFCO Costa Rica into a Carbon Positive company, the first in the country and in the region to achieve this status. Additionally, we turned Florida Bebidas into the first water positive company and Imperial into the first water positive beer in the world. Furthermore, in Costa Rica we reached a recycling level of 65% for all the packages that we put into the market versus less than 18% achieved by other competing beverages companies in the country. This result shows very significant progress compared to a decade ago when we recycled only 25% of our packages; furthermore, our current recycling level is already similar to that of countries like Japan and Germany, which are leaders in recycling. Another very important achievement for the environmental and social agenda was the launching of our “FIFCO Air Brands” project, in which we went from working on the footprint of our processes to focus on the footprints of our brands, contemplating their entire value chain. This also represents the most important connection that we can have with our consumers as a company.

On behalf of the Board of Directors, I would like to congratulate every FIFCO collaborator and especially their management team, which has made important progress towards FIFCO’s goals for 2020 this year. In addition, I would like to give a very big thanks to all those great men and women who have led the company for more than 100 years. Only by honoring our past can we have a solid foundation to build our future, a future that I am sure will be full of achievements, but above all of a deep commitment to share a better way of living and a better way of doing business with the world.

Wilhelm Steinvorth H.

CHAIRMAN OF THE BOARD OF DIRECTORS



Message from our CEO

RAMÓN MENDIOLA S.
CEO | FIFCO

The 2016-2017 fiscal period was a challenging year, characterized by modest economic growth, but very significant in terms of efficiency and productivity. In addition, this year the social and environmental dimensions made considerable progress towards our goals for the year 2020.

In economic terms, the company managed to increase its sales and operating profit. These results were mainly driven by the good performance of our real estate and food businesses and in second place by the growth in the Beer & Flavored

Alcoholic Beverage businesses as well as soft drinks in Costa Rica. Unfortunately, the beer business in the United States suffered a decrease in sales volume that was partially offset by savings in costs and operating expenses.

One of the most important achievements of 2017 was the application of a comprehensive plan to improve commercial execution in Costa Rica (known as Diamante) and the implementation of new budgeting models and tools, organizational structures, the quest for efficiency in production plants, etc. These new tools that aim to make FIFCO a company that is “Simpler by Design”, more efficient and productive, have already yielded results, but will continue to lead the company to improve in the years to come.

In the social dimension, we achieved the #1 position in the “Great Place to Work” index in Central America and the Caribbean, we also managed to eradicate extreme poverty in FIFCO Costa Rica and completed our Smart Consumption strategy for all our food and beverage categories in Costa Rica and Guatemala.

In the environmental dimension, we took great steps towards becoming a company that creates positive environmental value. This is how Florida Bebidas became a “Water Positive” company this year, in the same way that Imperial evolved into the first “Water Positive” beer in the world. In addition, FIFCO Costa Rica was certified as the first Carbon Positive company in the country and reached a 65% recycling level, tantamount to that of leading countries in the field worldwide.

Undoubtedly, one of the greatest achievements of the period was the activation of the “FIFCO Air Brands” initiative that will allow FIFCO to make a significant leap in its sustainability strategy by moving from a focus on processes to one concentrated on reducing our products’ footprints, thus making FIFCO’s brands as lightweight as possible on society and the environment: “Brands as light as air.”

I invite you to read our fourth Integrated Report corresponding to the 2016-2017 fiscal period. This report presents the company’s commercial and financial results, as well as its progress towards the 7 environmental and social commitments. For us, this report is our

best tool to hold ourselves accountable not only with our shareholders but with all our stakeholders. The report shows the company’s main achievements in the three dimensions towards FIFCO 2020, as well as the main challenges we have faced along the way and what we plan to do to overcome them. Most importantly, we keep our eyes fixed on our aspiration to “enhance every beverage consumption occasion” and in doing so; also contribute to the social and environmental progress of the countries we serve.

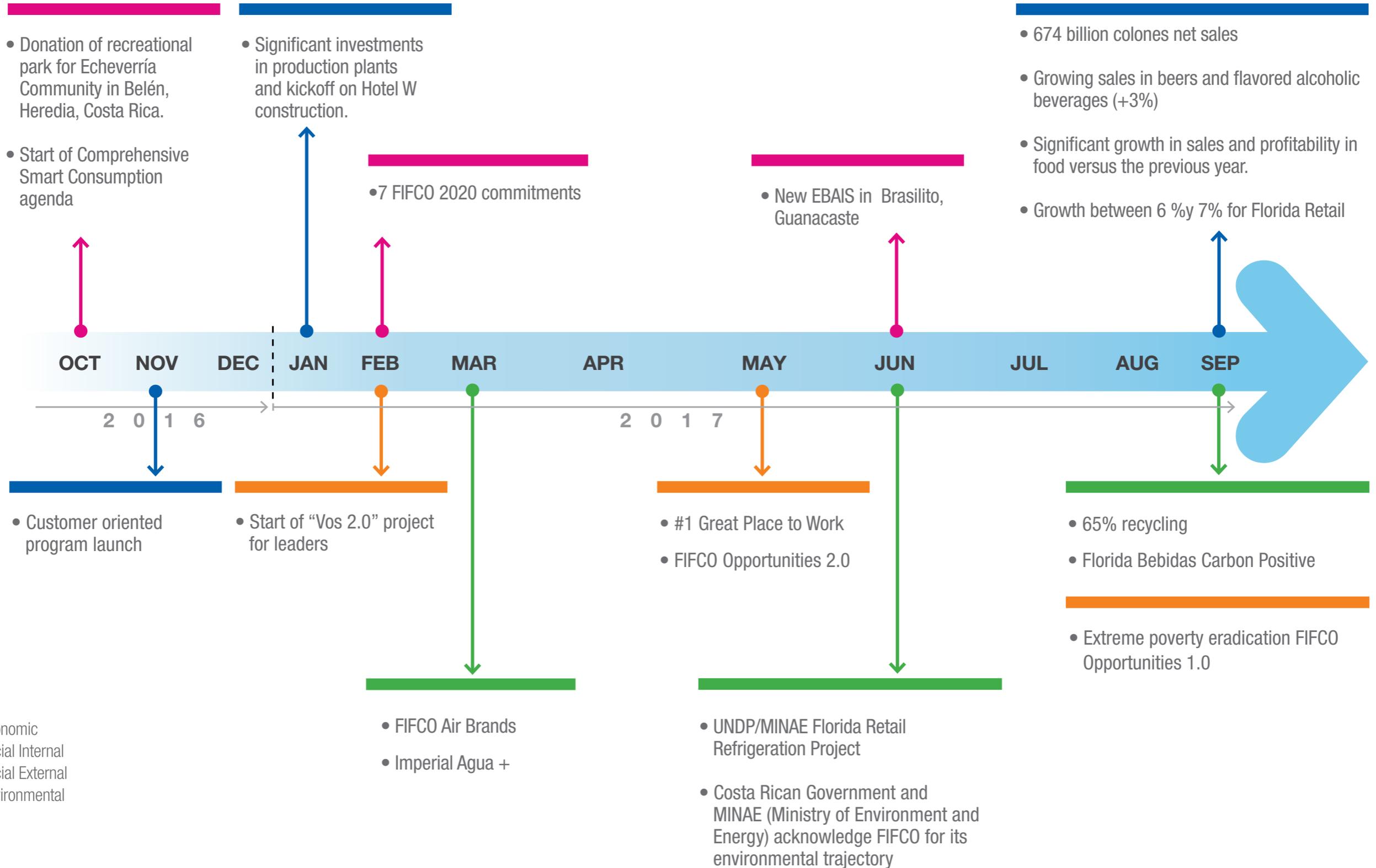
Ramón Mendiola Sánchez



Executive Committee

- | | |
|------------------------------------|---|
| RAMÓN MENDIOLA SÁNCHEZ | CHIEF EXECUTIVE OFFICER |
| CARLOS MANUEL ROJAS KOBERG | CHIEF FINANCE AND CORPORATE SERVICES OFFICER |
| ROLANDO CARVAJAL BRAVO | REGIONAL DIRECTOR OF THE FOOD AND BEVERAGE DIVISION |
| KRIS SIRCHIO | DIRECTOR OF NORTH AMERICAN BREWERIES |
| SCARLET PIETRI VERENZUELA | DIRECTOR OF HUMAN RESOURCES |
| GISELA SÁNCHEZ MAROTO | DIRECTOR OF CORPORATE RELATIONS |
| HELMUTH SAUTER ORTIZ | DIRECTOR OF FLORIDA HOSPITALIDAD |
| JAVIER SIBAJA OVIEDO | DIRECTOR OF FLORIDA RETAIL |
| MARIEL PICADO QUEVEDO | DIRECTOR OF LEGAL SERVICES |
| FABRIZIO PAPAIANNI MARTÍNEZ | CORPORATE AUDITOR |

2017 Milestones



Corporate Governance

Corporate Governance establishes the set of policies under which our company is directed and controlled. It regulates the actions of the Board of Directors, its technical committees, the Administration and the Internal Control Units in order to guarantee decisions are transparent and protect the interests of the company and its shareholders.

The Corporate Governance Code

FIFCO abides by the Corporate Governance Code, the second version of which was approved by the Board of Directors in May 2017 (the first version was in force since 2009). Its compliance is mandatory for our entire staff. The code establishes the system through which the company is guided by the principles of transparency, accountability and sustainability, considering the following sections:

- I. General aspects
- II. Corporate governance agencies
- III. Corporate Governance policies and procedures
- IV. Mechanisms to certify Corporate Governance compliance

As of this year, a report on compliance with the different elements of the Code is prepared in this report. Previous annual reports are open to the public and may be found on the FIFCO website www.fifco.com in the Corporate Governance section.



“When FIFCO made the decision and the commitment to be a company that measures its results on the triple bottom line, it joined the list of the best companies in the world, transforming social and environmental challenges into business opportunities that generate positive impact for people. The Triple Bottom Line strategy is a tool that allows us to evaluate the state of the company beyond the economic aspects, since it allows us to complement the financial analysis with socio-environmental metrics to advance in a sustainable manner in all areas of impact. If we want to create sustainable and long-term value for all our stakeholders, the Triple Bottom Line strategy is the correct tool because it allows us to evaluate financial success along with the socio-environmental progress that the financial resources may create ”.

André Garnier Kruse

Member of the Board of Directors of FIFCO.

Our Board of Directors

The **Board of Directors** is the highest Corporate Governance body and represents the Shareholders Assembly, which has delegated the task of directing and controlling the company on the Board, in order to guarantee the company's growth and sustainability.

The appointment of the members of the Board of Directors is carried out under a documented process that is known to the shareholders for a period of two years. To date, 100% of the members of the Board of Directors are Costa Rican and none hold executive or advisory positions within the organization. Additionally, they have not reported any internal or external influence that could impede their objective judgment. Therefore, all members are considered independent. FIFCO also complies with the Costa Rican legislation on female representation and diversity in Boards of Directors. It should be noted that 95% of senior executives, such as the directors who report to the Board of Directors or senior management positions, are hired from within the local community.

The duties of the Board of Directors are documented in a Regulation that establishes that 12 ordinary sessions must be held during the year. During these sessions the Board discusses financial issues, performance of Business Units, risk management, human

ATTENDANCE TO BOARD OF DIRECTORS MEETINGS

Director / Statutory Auditor	Session number											
	2575 Oct-16	2576 Nov-16	2577 Dic-16	2578 Jan-17	2579 Feb-17	2580 Mar-17	2581 Abr-17	2582 May-17	2583 Jun-17	2584 Jul-17	2585 Ago-17	2586 Set-17
Wilhelm Steinvorth Herrera	●	●	●	●	●	●	●	●	●	●	●	●
Rodolfo Jiménez Borbón				●	●	●	●	●	●	●	●	●
Arturo Loría Agüero	●	●	●	●	●	●	●	●	●	●	●	●
José Rossi Umaña		●	●	●	●	●	●	●	●	●	●	●
André Garnier Kruse		●	●	●	●		●	●	●		●	●
Edna Camacho Mejía	●	●	●	●	●	●	●	●	●	●	●	●
Sergio Egloff Gerli	●	●	●	●	●	●	●		●	●	●	
Roberto Truque Harrington	●	●	●	●	●	●	●	●	●	●	●	●

Note: The performance evaluation of the highest governance body will be defined by the next period.

talent management and projects with social and environmental impact. Extraordinary sessions are convened if necessary.

Management of FIFCO's Corporate Governance is carried out under the protection and in compliance with the requirements of the *Superintendencia General de Valores* (General Superintendence of Securities) of Costa Rica established in the Corporate Governance Regulations.

Support committees

In order to have technical support in matters that are considered strategic, the Board of Directors has two committees, whose main functions are detailed below:

The **Human Capital Management Committee** establishes the policies specific to remuneration and other benefits that are granted to members of the Board of Directors and executives. Said policies may consider aspects such as goals, individual performance and the performance of the Company in general, using the **Balanced Score Card (BSC)** format, a methodology that evaluates the fulfillment of goals and metrics in the following areas: economic/commercial, internal social, volunteering, social investment projects and environmental impact indicators. The members of this committee are:

- José Rossi
- Rodolfo Jiménez
- Wilhelm Steinvorth
- Emilia Amado

The **Audit and Risk Committee** promotes supervision and accountability of the financial area. It ensures the development and execution of effective internal controls and adequate risk management by the executive team, that the internal audit fulfills its role and that the external auditors evaluate - through their own analysis - the practices of the executive team and internal audit, if applicable. The members of this committee are:

- Sergio Egloff
- Roberto Truque
- Arturo Loría

In order to guarantee a sustainable growth for the company and the application of Corporate Governance standards, the Company has three control areas that report to the Audit and Risk Committee.

Consulting the Board of Directors

There are several mechanisms for FIFCO shareholders to communicate their concerns to the Board of Directors, including a set slot in the Annual Meeting agenda. They receive a report on results every six months.

Internal Control Structure



For employees, there is a procedure at the Internal Audit level, through which they can express their concerns or complaints to the highest Corporate Governance body. In the case of Industrias Alimenticias Kern's and North American Breweries, there is a trade union to which employees can freely affiliate. These unions are the highest agency of labor representation and negotiation with top management.



“As the highest authority in the company, the Board of Directors is responsible for defining the long-term strategy of the business and ensuring its proper execution, all in accordance with the purpose and vision. The Triple Bottom Line being the backbone of FIFCO’s long-term strategy, the Board of Directors plays a paramount role in making sure the company’s commitments in the economic, social and environmental dimensions are not only maintained, but expanded, and that they are increasingly present and alive in every corner of the organization ”.

José Rossi

FIFCO Board of Directors Treasurer.

Our Board of Directors and sustainability

Since 2008, when the company’s operating approach changed to a Triple Bottom Line strategy, every month the Board of Directors determines and approves the main challenges and projects for the three dimensions. On a quarterly basis, Senior Management and the Corporate Relations Department inform the Board of Directors on the progress achieved in each dimension, as well as the main findings and respective action plans to present the sustainability report at the end of the year, approved by the members. The definition of materiality and the compilation of statements to report in accordance with the GRI Standards, comprehensive option, includes an exclusive session with the Board of Directors, positioning the members’ role in the decision making process regarding the company’s sustainability.

The Directors and Managers of each of the Strategic Business Units must include the performance on personnel management (Internal Social Dimension), social investment and volunteering (External Social Dimension) indicators, as well as environmental indicators (use of materials, water and energy consumption, greenhouse gas emissions, waste management, among others), in their monthly reports. Likewise, the administration may present its concerns on economic, social and environmental matters. These are documented in the recorded minutes of each meeting, with their respective agreements and terms.

Companies Circle



For third consecutive year, Fabrizio Pappaiani, FIFCO's Audit Director, was named president of the Companies Circle Steering Committee, a designation that is a milestone since it is the first time they re-elect a president. Some relevant issues that this committee reviewed during the period were the re-introduction of the Companies Circle internal corporate governance, the establishment of criteria and commitments for the inclusion of new companies within the Latin American area and the publication of the guidelines on best practices related to ethical principles and compliance, based on input from member companies.



Fabrizio Pappaiani
Corporate Auditor | FIFCO

Codes of conduct

The following codes of conduct of FIFCO are applicable and of mandatory compliance for all subsidiaries, their departments, collaborators and directors, all published on our site www.fifco.com.

• [Code of Ethics and Conduct](#)

• [Responsible Supplier Code](#)

• [Corporate Environmental Policy](#)

Risks

Risk management includes the process of identifying, measuring and managing risks that may affect the normal course of a company and its assets. Its purpose is to ensure that the objectives defined within the company are met to address situations that may hinder the achievement of these objectives and its strategic goals, while protecting the resources of shareholders, given that:

- It guarantees financial viability by supporting the efficiency of the operation
- It mitigates negative effects when a risk incident occurs
- It allows for the optimization of available funding sources

Risk Management in FIFCO is based on the ISO 31000 standard. Therefore, as part of this process, the Board of Directors approved the Corporate Risk Policy in 2017. This policy establishes that the company will assume a conservative risk profile, which is based on the following basic management guidelines:

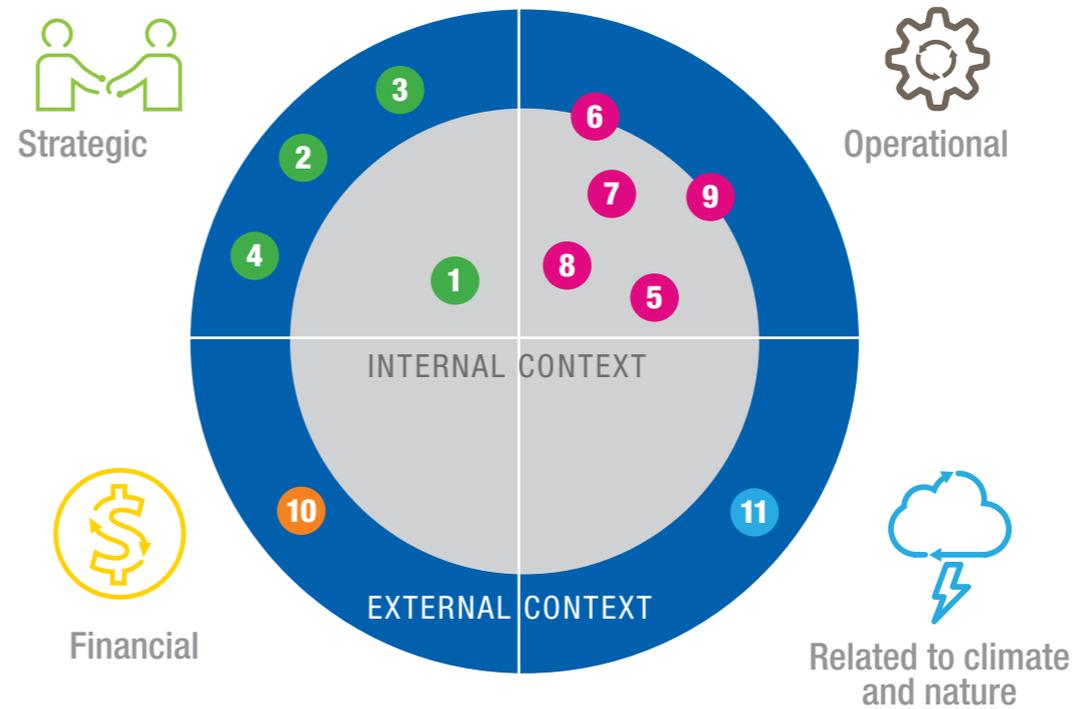
Risk Management

Management area	Management measures defined
Structure	<ul style="list-style-type: none"> • Role of the Board of Directors and the Audit and Risk Committee • Consolidation of the Risk Management Department and its functions
Investment management	<ul style="list-style-type: none"> • Definition of investment tranches • Rating of issuers and custodians • Authorized currencies and instruments • Concentration limits per instrument
Corporate debt	<ul style="list-style-type: none"> • Debt objectives • Funding sources and management
Hedge	<ul style="list-style-type: none"> • Main raw materials • Macroeconomic variables
Non financial risk	<ul style="list-style-type: none"> • Operational risk management model parameters • Risk factors to be evaluated • Business continuity plan • Normative compliance • Insurance portfolio

Additionally, the Board of Directors and the administration participated in the process to identify strategic risks, on which the company's model is based.

The Risk Management process works with the different areas of the company to evaluate these risk factors and determine their impact and mitigation actions.

Risk management process



Corporate Risks

- | | |
|--------------------------------------|--|
| 1 Company strategy | 7 Product delivery and processing failures |
| 2 Legal and Fiscal | 8 Process execution failures |
| 3 Relations with suppliers | 9 Failures in information systems |
| 4 Customer relations | 10 Economic environment and market |
| 5 Employment and job security | 11 External factors and business continuity |
| 6 •Environment | |

Organization Profile

FIFCO



Costa Rican public company, established in 1908, mainly dedicated to the production and distribution of food and beverages in Central America, the Caribbean and the United States, as well as hospitality businesses in Costa Rica, and other types of investments.

Operations



Our headquarters is located in Costa Rica and we have operations in Guatemala, El Salvador and the United States. We have **9 production plants** and **15 distribution centers**. Our value chain is made up of **6,275 local and international suppliers**. We export our products to **18 countries** around the world.

Categories and products



Originally a brewing company, FIFCO diversified its beverage portfolio during the 1990s and currently has over **1,500 products**, including: beer, wines, liquors, flavored alcoholic beverages, bottled water, juices, soft drinks, nectars, teas, carbonated drinks, energy drinks, milk, beans, preserves, tomato sauce and bakery products.

Subsidiaries



Cervecería Costa Rica: composed of Florida Bebidas, Industrias Alimenticias Kern's (IAK), Florida Retail (Musmanni, MUSI, La tienda de la Birra (The Beer Store) and Vinum Stores) and North American Breweries (NAB).

Florida Hospitalidad: hospitality projects in Costa Rica, Reserva Conchal, North Peninsula Holdings, among others.

Florida Capitales: investments in packaging production and beer businesses in Central America.

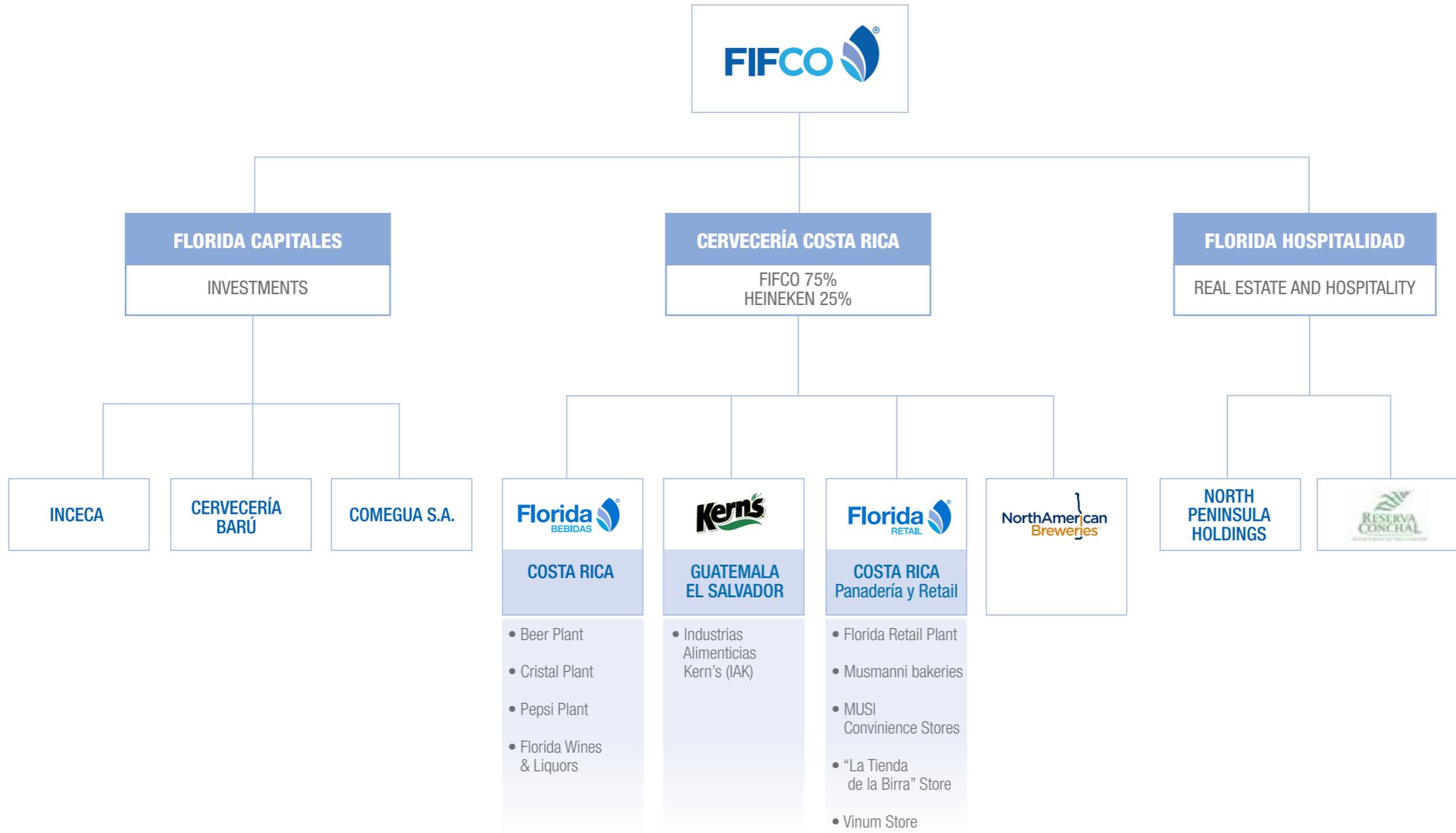
Our people



FIFCO has 6,441 employees and 2,246 shareholders, none of which own more than 10% of the company's total shares.

FIFCO and its subsidiaries

DISCLOSURE GRI 102-45



Our categories and products



Beer

- Imperial
- Pilsen
- Bavaria
- Rock Limón
- Heineken
- Bohemia
- Káiser
- Toña
- Gallo
- Labatt
- Genesse



Flavored Alcoholic Beverages

- Smirnoff Ice®
- Smirnoff Black Ice®
- Cuba Libre
- Bamboo



Milk

- Mú!



Shops and Bakeries

- Musi
- Musmanni
- La Tienda de la Birra
- Vinum Store



Waters, Juices, Soft Drinks & Teas

- Tropical
- Tampico
- Kern's,
- Ducal
- Fun-C
- SunTea
- Vitaloe
- Cristal



Energy Drinks

- Maxxx Energy
- Sobe Adrenaline Rush®
- Jet



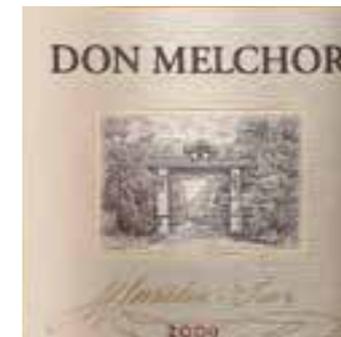
Carbonated Drinks

- Pepsi®
- 7 Up®
- H2OH!®
- Evervess®
- Milory
- Pepsi Light®
- Diet 7 Up®
- Mirinda®
- MUG®



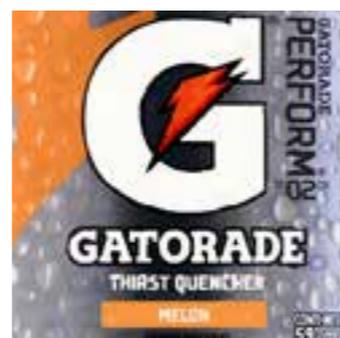
Liquors

- Johnnie Walker®
- Flor de Caña®
- Smirnoff®
- Bailey's®



Wines

- Concha y Toro®
- Navarro Correas®
- Trivento®
- Riunite®
- Marqués de Cáceres®
- Freixenet®
- Blue Nun®
- Frontera®
- Clos de Pirque®
- Maipo®
- Palo Alto®
- Kendall Jackson® entre otras entre otros.



Sports Drinks

- Gatorade®
- Maxi Malta



Food Products

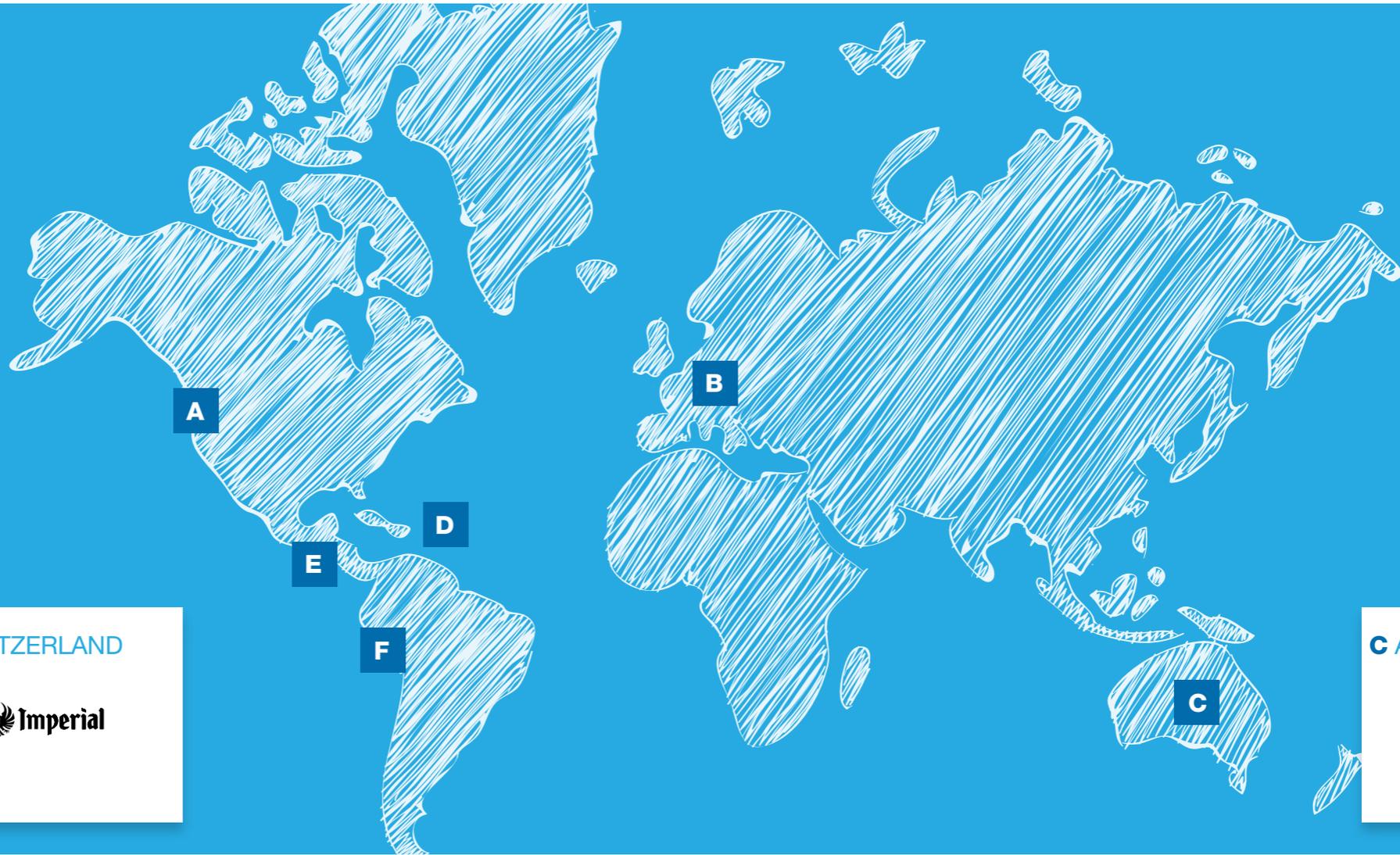
- Ducal
- Musmanni
- Kern's



Hospitality and Real Estate

- Reserva Conchal
- North Peninsula Holdings

Our Markets



A UNITED STATES



B SWITZERLAND



C AUSTRALIA



D THE CARIBBEAN

- San Andrés • Curaçao • Bermuda
- República Dominicana • Barbados
- Bahamas • Antigua • Trinidad y Tobago



E CENTRAL AMERICA

GUATEMALA



NICARAGUA



PANAMA



EL SALVADOR



HONDURAS



COSTA RICA



BELIZE

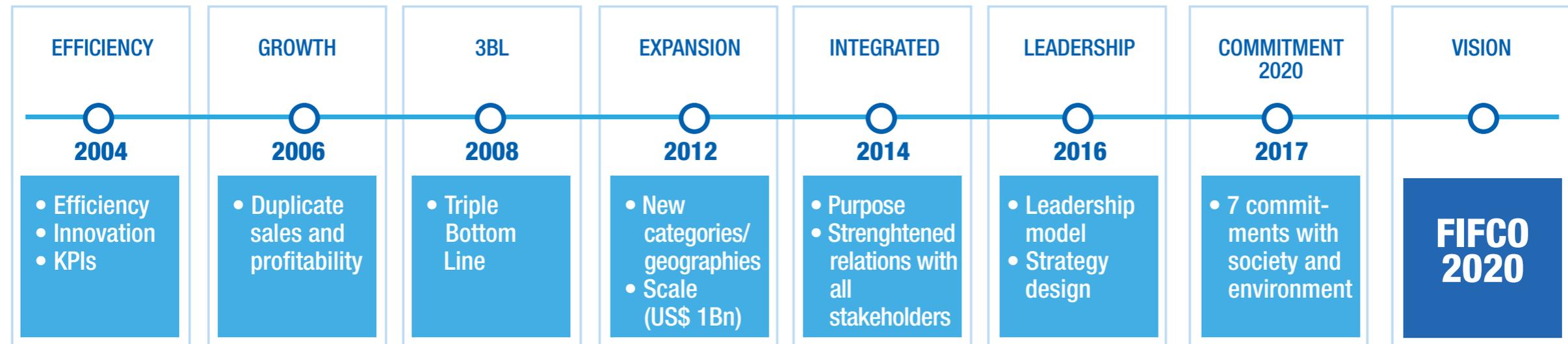


F PERU



Our strategic evolution

For more than a decade FIFCO's business strategy has been evolving, marked by great milestones in its operational history



In 2008, the company defined its operational approach following the Triple Bottom Line model, where economic results are strived for with the same tenacity as environmental and social results (see more in the FIFCO 2016 Integrated Report pages 32-34). In 2014 the company defined its purpose and values, setting these as the guidelines that direct the actions

of our collaborators. In 2016 we defined the new leadership model and the route towards 2020 called "North Star". During the reporting period FIFCO revealed its seven commitments with the environment and society that go hand in hand with the company's goals for 2020.

Our business model

Our purpose	We bring a better way of living to the world			
Our values	Celebration	Sustainability	Passion to win	Imagination
Our “North Star”	Enhance every beverage consumption occasion			
Our Triple Bottom Line goals for 2020	Economic Dimension <ul style="list-style-type: none"> • Double company sales and profitability 	Social Dimension (Internal – External) <p>Be champions in issues related to:</p> <ul style="list-style-type: none"> • Smart consumption • Employees • Community 	Environmental Dimension <p>Reach neutrality and go beyond, achieving a positive balance in:</p> <ul style="list-style-type: none"> • Water • Emissions • Waste 	
Our 7 commitments with the world for 2020	<ul style="list-style-type: none"> • Lead with brands that make the world a better place to live. 	<ul style="list-style-type: none"> • Be the benchmark for comprehensive smart consumption • Eradicate poverty inside our company • Be recognized as one of the best places to work • Achieve 1 million volunteer hours 	<ul style="list-style-type: none"> • Be a water, waste and carbon positive company • Achieve 100% recycling of our packages 	

Our strategy and the Sustainable Development Goals (SDG)

On September 2015, the United Nations established 17 Sustainable Development Goals as a way to define global priorities and aspirations for 2030.

These represent an unprecedented opportunity to eliminate extreme poverty and address other global issues. Governments from all over the world, including the countries in which we operate, joined and agreed to actively contribute to the achievement of these goals. Companies are not the exception and we play a relevant role to actually move this agenda forward.

On September 9, 2016 FIFCO formally committed by signing the National Agreement for the SDGs, signed in San José, Costa Rica.

Our Triple Bottom Line strategy defines strategic objectives for the three dimensions on which we operate, Economic, Social and Environmental Dimension. **These strategic objectives in turn trigger a series of initiatives and projects to achieve the established corporate goals.** This table reflects how each of these initiatives relates to at least one of the 17 SDGs, either as a positive contribution or as an answer/action to address a negative impact caused by our operation. The initiatives either minimize or offset that initial impact or simply generate positive value.

Our impact on the SDGs

FIFCO'S POSITIVE OR NEGATIVE IMPACT ON THE SDGS



- The company's impact is positive
- The company's impact is neither positive or negative
- The company's impact is negative

Our strategy and the Sustainable Development Goals

Dimension	Triple Bottom Line Goal	SDG that we impact	Some examples of how we manage impact	Page
Environmental	Reach neutrality and go beyond, achieving a positive balance in water, emissions and waste.	6, 12, 15, 17	Water Neutrality Projects, Rain Water Harvest and Desalination Plant.	155
		7, 12, 13, 15, 17	Project to reduce emissions	
		12, 13, 14, 15, 17	Zero Waste Project and Post-consumer Recycling Program	
Internal Social	Be champions with our employees	3, 5, 10, 17	Great Place to Work, and "Estar Bien" ("Be Well") Program	107
		4, 8, 9	"Vos 2.0" Program and Training Program	
External Social	Be champions in issues related to Smart Consumption and our Community.	3, 12, 17	Program for the promotion of Smart Consumption of alcoholic beverages in society	132
		1, 2, 3, 4, 10, 11, 12, 13, 14, 15, 17	Volunteer Program "Elegí Ayudar", ("Choose to Help"), Social Enterprise Nutrivida, Dual Education and FIFCO Opportunities, to name a few.	
		11, 16, 17	Ethics Code, Customer Service, Integrated Report, among others.	
Economic	Double the company's sales and profitability.	8, 9, 12, 17		54

7 commitments for 2020

2020 Commitments	Material topics	Internal policy or strategy that supports the commitment	Goals and objectives for 2017	Areas responsible for the commitment and resources they have	Actions taken (by business unit) in 2017	2017 Achievements	Obstacles	Formal claim and/or complaint mechanisms	Goals and actions for 2018
Accomplish 1 million volunteer hours	Local communities, Strategic Social Investment	Volunteer Policy	Achieve 59.768 volunteer hours and 95% participation	Social Investment Department and 100% of FIFCO collaborators	See page 137	67.040 volunteer hours, participation of other stakeholders like suppliers and shareholders. 95% participation.	Budget and volunteer availability.	elegiayudar@fifco.com	Achieve 123.000 volunteer hours. Launch volunteer program with family members and consumers.
Be recognized as one of the best places to work	Human Rights, Overall Wellbeing, Labor Relations, Health and Safety in the workplace, Talent Management, Association, collective negotiation, Goal Culture (live our values)	Human Rights Policy (in process), Compensation and Benefits Policies, Occupational Health Policies, Human Resources Policies.	Establish ourselves as one of the best places to work in Costa Rica	Human Resources Department	See page 116	Ranked #1 in Costa Rica (Florida Bebidas) in the Great Place to Work survey, in the category companies with over 1.000 employees and #2 at the national level (Reserva Conchal) in the category companies with less than 1.000 employees.	Socio-economic and political changes, restructuring, among others	Anonymous ethics hotline, Human Resources Department, others.	After a changing environment in 2017, the goal for 2018 is to recover the working environments, strengthen our leadership and enhance the company's ability to adapt to change.
Be the benchmark for Smart Consumption of food and beverages	Alcohol in society, Strategic Social Investment	Champion issues related to Comprehensive Smart Consumption	Include the complete food and beverage portfolio in the Smart Consumption strategy	Smart Consumption Team, Innovation, Marketing, Special Events, Communication, others.	See page 146	Introduction of the Comprehensive Smart Consumption agenda	Attitude of young people and parents of minors towards alcohol, consumption pattern in the country (1.4 days a week).	www.facebook.com/ConsumoInteligenteCostaRica/	Increase the impact of the mass campaign. Improve the alcohol consumption pattern in the country. Increased support for food and beverage brands with the comprehensive SC platform.
Eradicate poverty inside our company	Overall Wellbeing, Strategic Social Investment	Champion issues related to our collaborators	Continue efforts to eradicate extreme poverty by 2020. Initiate process with second generation.	FIFCO Opportunities Team, Human Resources, Communication, Finance, others.	See page 113	Eradication of extreme poverty in the first generation, and start of work with second generation	Commitment of collaborators who are in the program and fulfill tasks.	fifcoopportunidades@fifco.com	Implementation of 4 program pillars and assignment of sponsors for the second generation of the program nationwide.

7 commitments for 2020

2020 Commitments	Material topics	Internal policy or strategy that supports the commitment	Goals and objectives for 2017	Areas responsible for the commitment and resources they have	Actions taken (by business unit) in 2017	2017 Achievements	Obstacles	Formal claim and/or complaint mechanisms	Goals and actions for 2018
Be a water, waste and carbon positive company through our brands.	Materials, energy, water, emissions, waste, impact of our suppliers and customers.	Environmental Policy -Responsible Supplier Code, Water Positive Strategy, Carbon Positive Strategy, Sustainable Packaging Strategy and Waste Recovery and Zero Waste Strategy	Manufacturing, Retail, Carbon Positive. Continue with Hotel WPC Carbon Positive, Florida Bebidas Carbon Neutral, Florida Bebidas Water Positive and Imperial Water Positive.	Environmental Management, Production/ Manufacturing Plants, Logistics, Distribution and Procurement	See page 162	Florida Retail Plant Carbon Positive, Hotel Westin remains Carbon Positive, Florida Bebidas Water Positive, Florida Bebidas Carbon Positive, Imperial Water Positive	Measurement of water drain, biomass supply, low return value of post-consumer PET, recycling culture and selective waste collection	800-CERVEZA or through the website www.fifco.com	Continue with 2017 achievements, Imperial carbon footprint measurement, Tropical water footprint measurement and determination of the emissions factor for Guatemala through electrical energy consumption
Achieve 100% recycling of our products	Plastic packages, post-consumer recycling	Corporate Environmental Policy, and Sustainable Packaging Strategy	Reach 65% post-consumer recycling and 65% for plastic packages	Environmental Management and Supply Chain	See page 173	65% recycling all materials and 64% recycling for plastic packages	Country's culture on recycling, selective waste collection by municipalities low market prices for materials and informality of the recycling sector	Phone line 800-CERVEZA or at www.fifco.com	75% post-consumer recycling and 75% recycling of plastic packages
Lead with brands that make the world a better place to live	Local communities, product health and safety, and market leadership. Others: brands' social investment, products' nutritional content and brands' water, emissions and waste	FIFCO Air Brands Strategy	Definition of Air Brands pilot strategy with Imperial beer and measurement using the "Sustainability Brand Index", created by FIFCO, for the following brands: Melcochón by Musmanni, Tropical and Reserva Conchal	Corporate Relations, Marketing, Research and Development	See page 69	Imperial Water Positive, Musmanni paper bags, measurement of nutritional footprint for Melcochón and Tropical, fat reduction in Melcochón Musmanni, reduction of added sugars in Tropical, reduction of alcohol in Imperial and creation of the purpose for Pilsen (Red Book).	Migration of the Triple Bottom Line from the organization to the brands	Phone line 800-CERVEZA or at www.fifco.com	Discover the purpose for Tropical, Pilsen, Ducal, Reserva Conchal, Air Brands marketing strategy for the aforementioned brands, 2020 brand Sustainability Plan

Our stakeholders

DISCLOSURE GRI 102-40, GRI 102-42

Stakeholders are those groups with which the organization interacts and that have a special interest in it, are affected or may be affected by its actions, objectives or policies.

Each year the company analyses which stakeholders are critical for its operation. The analysis contemplates the evaluation and prioritization of several criteria such as incidence or level of influence on the business (organizational capacity, level of exposure and conviction) as well as its relationship with business continuity, meaning the level of potential risk they represent (physical, regulatory and reputational).

An effective dialogue with our stakeholders is fundamental for the creation of true social and environmental value under a Triple Bottom Line strategy. This approach allows us to manage expectations, as well as formulate responses to shared challenges.

Communication channels for our stakeholders

Different mechanisms are established to encourage an open and agile communication with our stakeholders, these can be consulted on page 51 of the FIFCO 2016 Integrated Report.

Who do we interact with?



DISCLOSURE GRI 102-43, GRI 102-44

About the consultation process

Every two years, a survey is applied to those audiences with which the company interacts. This is administered by an external supplier using a quantitative and qualitative methodology; the most recent was applied from July to September 2017 by IPSOS consultants. The results of this study allow us to realign priorities and create specific projects to address the expectations of the examined groups. The results of these consultations are subject to analysis and reflection by General Management, the executive committees and the company departments. This valuable information about what the groups think and expect serves as a basis to guide FIFCO's scope of action and priorities, and to define what those commitments are with our publics. The study was divided into four specific consultations by Strategic Business Unit (SBU): Florida Bebidas (Costa Rica), Florida Retail, Reserva Conchal and Industrias Alimenticias Kern's. The general objective was to determine the perception, knowledge and expectations of all the stakeholders - considered a priority - towards the initiatives and sustainability programs that each of the business units perform.

2017 stakeholder consultation

Survey applied to 1,310 people, including customers, consumers and neighbors from FIFCO operating communities (in general), Florida Retail (brand Musmanni-MUSI), Reserva Conchal and Industrias Alimenticias Kern's (IAK). In addition, an in-depth interview was applied to 20 opinion leaders from Costa Rica and Guatemala, such as journalists, government officials, NGOs and business elites.

The greatest expectation from our stakeholders is to be informed about the company's activities, since there is a high level of ignorance regarding the programs, which offers a great opportunity for increased communication in mass media. According to the consultants, in terms of reputation, our brands or businesses are among the best evaluated in the country, higher than the benchmark average. In addition to this, when each initiative was explained in detail, about 9 out of 10 people considered each to be "something" or "very" reliable.

To conclude, in general terms, the stakeholders ask that FIFCO contributes in three dimensions: social development, environment and execution and innovation. This can be translated into the Triple Bottom Line strategy that FIFCO has been working on for almost 10 years.

Stakeholders study findings review

Unit or brand	Score obtained on general Corporate Sustainability performance (1 very negative and 10 very positive)	Top 2 programs recognized or identified by stakeholders	Trust level (scale from 1 to 10, 10 being 100% trust)
FIFCO	7,4	Package recycling and Smart Consumption	68%
IAK	7,5	Package recycling and Smart Consumption	85%
Florida Retail	7,6	Paper bags and Smart Consumption	94%
Reserva Conchal	7,7	Emissions reduction and Care of Wildlife Refuge	73%

Contact with the community

We create spaces with our immediate communities on a regular basis, achieving dialogue sessions with very enriching results. During 2017 we would like to highlight the meetings with the following communities: Brasilito and residents of Reserva Conchal (Guanacaste, Costa Rica), Echeverría Community (Heredia, Costa Rica) and neighbors of our Kern's Industrial Plant (Guatemala City, Guatemala).

DISCLOSURE GRI 102-43, GRI 102-44

Consulting stakeholders in the United States

During the period, North American Breweries held its first public consultation with stakeholders, which involved mapping the main groups across five regions of the Northeastern United States. Through telephone calls, online surveys and focus groups, we identified the expectations for the companies, breweries and Genesee and Labatt beer brands. The main issues that concern these publics are: consuming alcohol and driving, education and training, access to recreational water canals, poverty, indigence and hunger. According to the public consulted, the business managed to promote Smart Consumption, build strong communities to live, work and brew beer at the same time, improve its environmental footprint and develop the future of its workforce. In addition, they highlighted the participation of the volunteer program in the communities, focusing on zero hunger and environmental footprints.

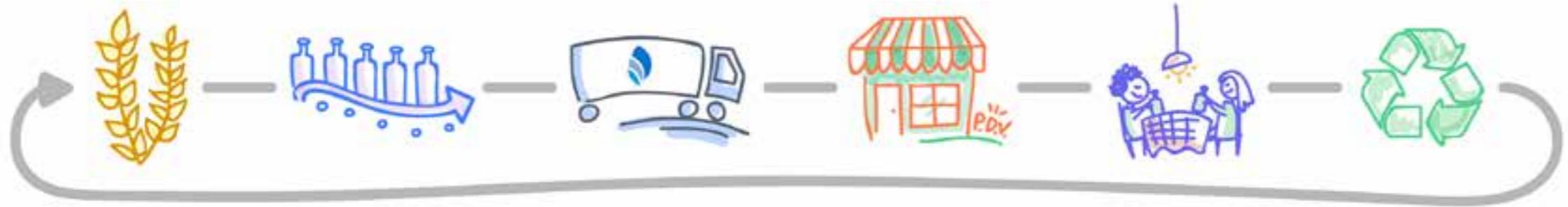
The main issues that concern these publics are: consuming alcohol and driving, education and training, access to recreational water canals, poverty, indigence and hunger.

The last consultation with our customers was carried out in 2016. These results may be reviewed on page 49 and 59 of the [FIFCO 2016 Integrated Report](#). During 2017 we used a new study methodology that aims to measure the level of loyalty of our customers.

The main findings will be reported in the next period.

Impacts and materiality in our value chain

DISCLOSURE GRI 102-46, GRI 102-47, GRI 102-48, GRI 102-49



According to the Global Reporting Initiative, materiality or material topics are those aspects that have a direct or indirect impact on the organization’s ability to create, preserve or share economic, social and environmental value, whether for itself, its stakeholders or society at large.

According to the IIRC, an integrated report should disclose information on matters that substantially affect the organization’s ability to create value in the short and medium term. This analysis becomes a valuable input for our strategic planning processes and helps us focus our resources in a more efficient way on the issues that are critical for the economic, social and environmental sustainability of each business unit.

FIFCO defines a specific materiality matrix for Florida Bebidas (Costa Rica), Florida Retail, Reserva Conchal and Industrias Alimenticias Kern’s (see more on pages 55 and 56 of the FIFCO 2016 Integrated Report). Starting in 2017, the company established the main material topics for the North American Breweries operation.

These material aspects are defined not only considering the inputs of the Stakeholder Study and the Customer Service Study (SMART), but also analyzing every topic or indicator identified by the Global Reporting Initiative (GRI) and/or by the company in regards to their impact on the current operation and in view of the goals set for 2020, as well as the importance assigned or afforded to each of these topics or aspects by the respective stakeholders.

During this period, there were no significant changes in the material topics with respect to previous reports.

Management of material topics

The material topics identified for each business unit become the central axis for said Unit’s management, being reflected both in the annual plans and in the establishment of policies, commitments, goals, objectives, key indicators, responsible parties, required resources and complaints mechanisms (see FIFCO 2020 Commitments table on page 32). The management approach is evaluated via a methodology known as Strategy Meet Up, in which using specialized software, every month each unit monitors the effectiveness, behavior and evolution of each indicator. These indicators respond to a specific material topic. Specific actions, such as projects and programs to address and manage all the material topics, are explained in each of our Triple Bottom Line strategy dimensions (whether Economic, External Social, Internal Social or Environmental) to which it corresponds, according to the table below.

Our value chain

This illustration will be placed in different parts throughout the report to identify the impacts of the different links in our value chain and the initiatives we develop in each link, in order to manage them.

From left to right: raw materials and suppliers, our collaborators and operations, our distribution process, sales to our customers, product consumption and, finally, post-consumer recycling.

DISCLOSURE GRI 102-47 Y GRI 103-1

Material topics in our value chain

Dimension	Material topic	Detail	Our suppliers					Our collaborators and operations					Our customers					Our consumers				
			FBEB	FRET	FHOSP	IAK	NAB	FBEB	FRET	FHOSP	IAK	NAB	FBEB	FRET	FHOSP	IAK	NAB	FBEB	FRET	FHOSP	IAK	NAB
Environmental Dimension	Waste	Raw material residues from our food and beverage production and services	●	●	●	●	●	●	●	●	●	●										
	Climate change	Measure, reduce, compensate and create positive value for generated emissions	●	●	●	●	●	●	●	●	●	●	●	●			●					
	Water	Measure, reduce, compensate and create positive value for water consumption	●		●	●	●	●		●	●	●										
	Biodiversity	Protection in areas of operation								●												
	Post-consumer recycling	Recycling of packages we put out into the market											●				●	●	●		●	●
Internal Social Dimension	Health and Safety at the Workplace	Ensure that the workplace is safe and does not produce damage to employees' health	●	●	●	●	●	●	●	●	●	●										
	Talent management	Promote and develop						●	●	●	●	●										
	Integral wellness	Promote physical and mental health through activities and services for our collaborators while eradicating poverty inside the company						●	●	●	●	●										
	Labor Relations	Maintain a harmonious working relationship with our collaborators, customers, suppliers and other stakeholders	●	●	●	●	●	●	●	●	●	●										
	Human rights	Promote respect for Human Rights in our value chain	●	●	●	●	●						●	●		●	●	●	●	●	●	●
External Social Dimension	Comprehensive Smart Consumption	Promotion of smart consumption of alcoholic beverages, non-alcoholic beverages and foods high in sugar, fat and sodium											●	●		●	●	●	●		●	●
	Strategic social investment	Investment in strategic projects that add positive value to society						●	●	●	●	●										
	Local communities	Harmony between the company and the communities where it operates																				
	Indigenous populations	Protection of the people's rights, area and culture				●					●										●	
Economic Dimension	Impact of our suppliers	Measure and help reduce the negative social and environmental effects of our suppliers' operation	●	●	●	●	●															
	Impact of our customers	Measure and help reduce the negative social environmental effects of our customers' operation																●	●		●	●
	Economic value generated	Balance between income and the distribution of payments to different company stakeholders						●	●	●	●	●										
	Sales and Utilities	The focus on these two guarantees the economic sustainability of the company						●	●	●	●	●										
	Product quality	Offer products and services that meet and exceed consumer expectations	●	●	●	●	●	●	●	●	●	●	●	●		●	●	●	●	●	●	●
	Leadership and market participation	Be leaders in the market by maintaining a healthy competition						●	●	●	●	●										
	External economic impact	Generate positive economic value in their value chain	●	●	●	●	●						●	●	●	●	●					
	Purchases from local suppliers	Economic value generated by the purchase of local products and services	●	●	●	●	●															

FBEB: Florida Bebidas | FRET: Florida Retail | FHOSP: Florida Hospitalidad | FBEB: IAK | Industrias Alimenticias Kern's | NAB: North American Breweries

Generating value

As a corporate citizen, we seek to migrate from minimizing our impacts to creating positive value in the communities where we operate. We can identify value creation in each of the strategic dimensions and goals on which we work.

The different stakeholders with whom we interact become direct or indirect beneficiaries of the financial, intellectual, human, social and environmental value created.

Economic dimension

- Job creation in the communities and countries where we operate.
- Generation of profits for our shareholders.
- Distribution of wealth throughout our value chain.
- Contribution to business development and economic growth in the countries where we operate.
- Payment of corresponding taxes and duties
- Promotion and support of national industry and trade
- Manufacture of high quality, innovative products and development of categories and segments that promote healthy competition.
- Promotion of public policies and fair regulation.

Social dimension

- Placement of quality products and services.
- Employment generation and its associated benefits.
- Promotion of healthy alcohol consumption patterns, initiatives focused on reducing harmful consumption patterns.
- Transfer of knowledge and good practices.
- Promotion of the overall wellbeing of our collaborators and other stakeholders.
- Local socio-economic development.
- Development and promotion of teaching methodologies.
- Inclusion of sensitive populations.
- Addressing the national child undernutrition problem.
- Promotion of Human Rights and optimal working conditions.
- Sense of satisfaction and self-esteem among our collaborators and other stakeholders related to our programs.
- Commercial/operational progress of our suppliers and customers.
- Dissemination and promotion of Corporate Social Responsibility as a way of doing business.

Environmental dimension

- Creation and transfer of knowledge.
- Development and promotion of new technologies with less impact on the environment.
- Contribution to the country's goals and environmental causes.
- Empowerment and training of communities and other key stakeholders on environmental matters.
- Protection and conservation of natural resources.
- Reduction of environmental risks.
- Raise awareness and provide environmental education.

Changes in the Organization

Organizational restructuring

During the reporting period and with support from external advisors, the company underwent an organizational restructuring of the food and beverage business, with the objective to become a simpler and more agile company. This project is part of the development of capabilities defined by the company in its FIFCO 2020 strategy and includes, in addition to simplicity, strengthening leadership and commercial execution. As part of this redesign, work areas were merged, taking advantage of synergies between different businesses and areas of the organization, and the execution spectrum of each of the company's executives was redefined. As a result of merging areas and redefining responsibilities in some departments of the company, efficiencies were identified in the organizational structure, which implied a series of dismissals. All the people impacted were duly accompanied

during the process and received, in addition to all the rights to which they are entitled by law, an additional benefits package that was granted on a discretionary basis, as well as support to find a new job.

Some of the main changes implemented include:

- Homologation of manufacturing structures
- Integration of sales and marketing processes at the point of sale
- Consolidation of structures to satisfy the different types of customers
- Alignment of support areas to offer a more agile and efficient service to the business.

Certifications and recognitions

- **Esencial Costa Rica License for the brands:**
Tropical, Imperial Exportaciones and Agua Cristal
- **Safety System Certification OHSAS 18001**
Cristal Plant
- **Safety System Certification OHSAS 18001 |**
Pepsi Plant and Cristal Plant
- **2017 Bottler of the Year Award America** given
by Pepsico, Pepsi Plant.
- **AIB International and QAS, compliance with
franchise requirements for PEPSICO**
Pepsi Plant
- **Safety Certifications IRAM 323 (HACCP) and
IRAM 324 (Manufacturing Good Practices),**
Cerveza Plant
- **ISO 14001:2004 Environmental Management
System**
 - Cerveza Plant, Cristal Plant and Pepsi Plant
 - Florida Retail Plant
 - Westin Conchal Hotel Plant
 - La Florida Distributor (Distribution Centers in
the Great Metropolitan Area and Recycling
plant)
- **ISO 14046 – 1:2006 Water Footprint**
 - Florida Bebidas Costa Rica
 - Agua Cristal
 - Cerveza Imperial
- **ISO 14064 Carbon Footprint**
 - Florida Retail Plant
 - The Westin Golf Resort & Spa Playa Conchal
 - Florida Bebidas
- **INTE 12:01:06 System to demonstrate Carbon
Neutrality**
 - Florida Retail Plant
 - The Westin Golf Resort & Spa Playa Conchal
 - Florida Bebidas
- **INTE ISO 14067:2015 Products Carbon
Footprint**
 - Cerveza Imperial
- **Ecological Blue Flag awarded by AyA
(aqueduct and sewer authority)**
 - Cerveza Plant and Cristal Plant – Micro Basins
category
 - Beaches category, Playa Conchal
 - Communities category, Reserva Conchal
Community
 - Protected areas (Conchal Mixed Wildlife
Refuge)
- **Tourist Sustainability Certification awarded by
ICT (Costa Rica Tourism Board)**
 - Westin Playa Conchal Resort, Golf & Spa Hotel
(5 leaves, highest score)
- **Audobon Certification for golf course at Golf
Westin Playa Conchal Resort | Golf & Spa**
- **Sanitary Quality Seal Program Flag awarded
by AyA**
Operating Agencies category, for Cristal Plant
(4 stars) and Reserva Conchal (5 stars)
- **Acknowledgement from MINAE (Ministry of
Environment and Energy) and the Government
of Costa Rica** for FIFCO's environmental
trajectory and consistency – June 2017.
- **ILSI Mesoamérica members, 2017.**

Precautionary Approach in FIFCO

According to the Rio Declaration on Environment and Development, the precautionary approach consists of the fact that the lack of scientific certainty must not be used as a reason to delay the adoption of efficient measures to prevent environmental degradation. This principle is supported by the environmental dimension of FIFCO's Triple Bottom Line strategy. Its Corporate Environmental Policy details the company's commitment to protect the environment, and prevent and avoid any negative impact.

Commitment to external initiatives

- Member of the Latin American Corporate Governance Roundtable **Companies Circle**. This group is driven by the Organization for Economic Cooperation and Development (OECD) and the International Finance Corporation (IFC). The Circle is comprised of 15 companies from five countries, which have demonstrated their leadership and adopted good corporate governance practices.
- Member of the World Economic Forum “**Global Growth Companies**” initiative. Created in 2007, this community aims to involve dynamic, high-growth companies that have the potential to be future industry leaders and to become a driving force for economic, social and environmental change.
- Member of the **Global Reporting Initiative Gold Community**. FIFCO is part of the nucleus of various “Stakeholders” of the GRI network, essential for the GRI to remain an independent and democratic organization.
- Member of the United Nations **Global Compact** since 2014.
- Signatories of the **National Pact for the Sustainable Development Goals**, Costa Rica, 2016.

Organizations we are part of

- Alcohol and Tobacco Tax and Trade Bureau (TTB)
- American Society of Brewing Chemists (ASBC)
- *Asociación Empresarial para el Desarrollo* (AED – Alliance of Companies for Development)
- Association of Producers and Importers of Alcoholic Beverages of Costa Rica (APIBACO)
- Beer Institute
- National Stock Exchange
- *Cámara Costarricense de Emisores de Títulos Valores* (Costa Rican Chamber of Issuers of Securities)
- Costa Rican Chamber of Commerce
- Chamber of Commerce of Heredia
- Chamber of Industries
- Costa Rican Chamber of Food Industry (CACIA)
- *Cámara de Detallistas y Afines* (Chamber of Retailers)
- Guanacaste Chamber of Tourism (CATURGUA)
- *Cerveceros Latinoamericanos* (Latin-American Brewers)
- Costa Rican American Chamber of Commerce (AmCham)
- World Economic Forum
- *Comunidad de Empresas de Comunicación* (Media and Communication Companies)
- Master Brewers Association of America (MBAA)
- Organizational Stakeholders, Global Reporting Initiative
- *Redcicla* (Recycling network)
- Global Compact Costa Rica, local network
- Siebel Institute
- Costa Rican Union of Chambers and Associations of the Private Business Sector (UCCAEP)

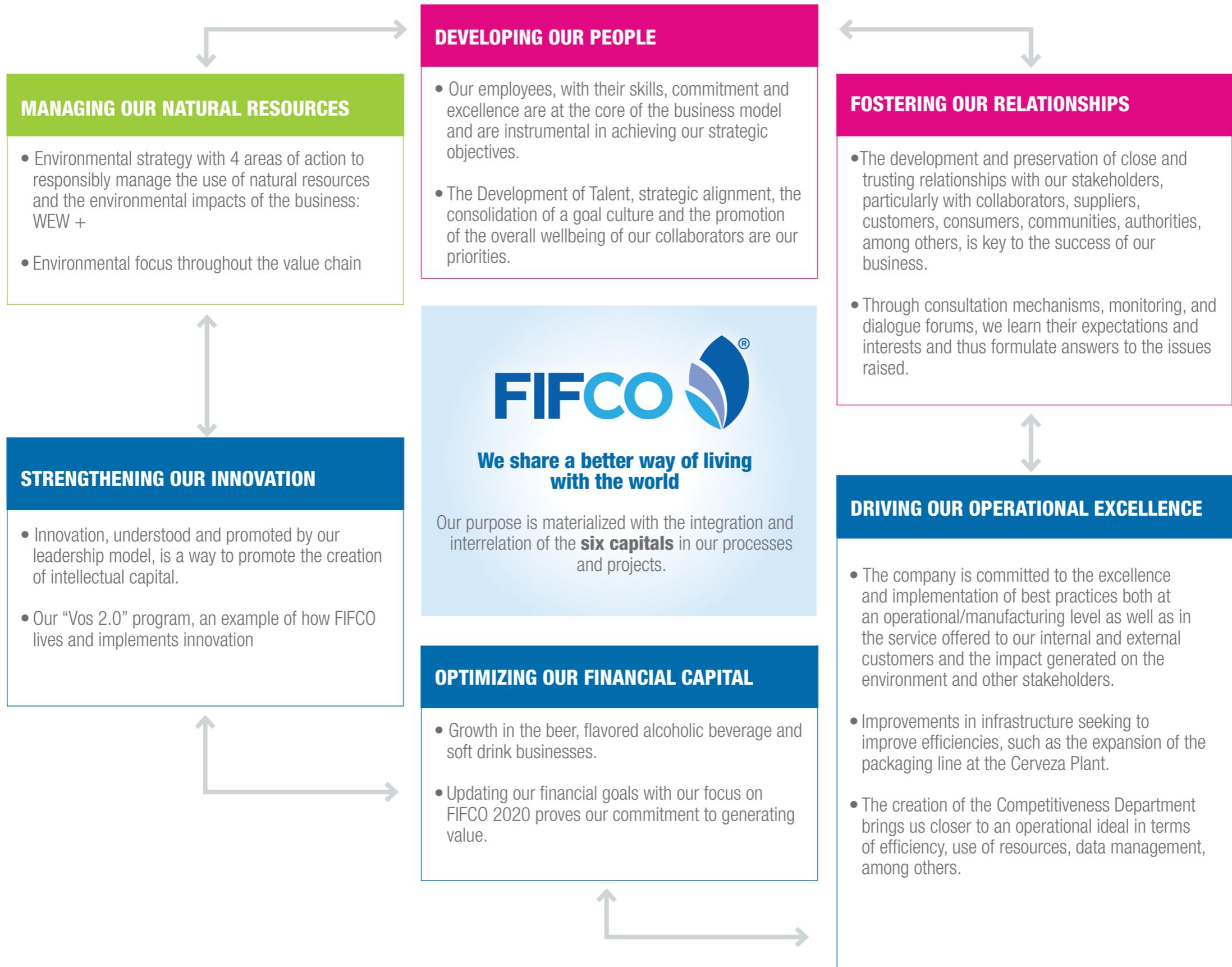
The Capitals

All organizations depend on various types of capital for their success. The International Council of Integrated Reports classifies the following capitals:

- **Financial Capital:** pool of funds available for the production of goods or services rendered, obtained through financing or generated through the company's operations.
- **Manufactured Capital:** Manufactured physical objects that are available for use in the production of goods or provision of services.
- **Intellectual Capital:** Intangibles based on the knowledge of the organization. Contemplate: intellectual property and organizational capital.
- **Human Capital:** Competencies, skills and experiences of people and their motivations to innovate.
- **Social and relationship capital:** Institutions and relationships within and between communities, stakeholders and other networks; and the ability to share information to improve individual and collective wellbeing. Includes: shared rules, relationships with key stakeholders, intangibles associated with the brand and reputation, among others.
- **Natural Capital:** All renewable and non-renewable environmental resources and processes that provide the goods and services that sustain the past, current or future prosperity of an organization. Includes: air, water, land, minerals, biodiversity and the health of the ecosystem.



Can's production line extension



DEVELOPING OUR PEOPLE

Context

The core of our business model, strategy and understanding of sustainability starts with our collaborators.

Our corporate purpose faithfully reflects FIFCO's new vision, a vision in which the organizational culture and way of working are characterized by recognizing and celebrating achievements in an authentic way; a company in which people come first and live the purpose, based on the confidence and progress of its people; a company that shares and promotes sustainability as the correct way to add value to the communities and countries in which it operates. In addition, FIFCO defines itself as a company that works with simple processes and decision-making, is creative and innovative, challenges traditional forms; a company that brings revolutionary ideas to the market, that sets trends and seeks creative solutions to problems.

Inputs

- A workforce of 6,441 collaborators.
- Leadership model, as leaders we contribute to create a better way of living and we are a positive influence on others.

Activities

- Application of the Great Place to Work survey. Since this year the survey was applied at the end of the period and the results were not available in time to publish in this report, the 2017 survey score will be included in the 2018 Integrated Report.
- Optimization of internal and external recruitment strategy.
- Development and implementation of a new leadership model.
- Implementation of the 360 overall wellbeing strategy for our collaborators through the program "Estar Bien" (Be Well) and rigorous Occupational Health and Safety standards.
- Implementation of a mechanism that promotes greater strategic alignment.
- Promotion of diversity focusing on gender equality (recruiting more women), signing the San José Convention on non-discrimination towards the LGBTI population and hiring people with disabilities.

Output

Detail	2017	2016	2015	2014
Number of direct employees created	6.441	6.581	6.324	6.097
Rate of Accidents with injuries	IAK: • Women (no accidents) • Men: 0,45% Costa Rica: • Florida Bebidas: 1,08% • Florida Retail: 2,46% • Reserva Conchal: 1,78% NAB: 7,12%	IAK: • Women (no accidents) • Men: 0,09% Costa Rica: • Florida Bebidas: 1,07% • Florida Retail: 3,37% • Reserva Conchal: 2,97% NAB: 6,63%	IAK: • Women 1,44% • Men: 0,66% Costa Rica: • Florida Bebidas: 1,55% • Florida Retail y Reserva Conchal: unrecorded NAB: 6,57%	Costa Rica: • Florida Bebidas: 2,37% Results on other operations: unrecorded
Training hours	73.504	76.833,88	37.944,44	50.055
Great Place to Work Score	Trust Index: 87 Leadership Index: 84	Trust Index: 87 Leadership Index: 84	Trust Index: 85 Leadership Index: 82	Trust Index: 76 Leadership Index: 70
Number of collaborators impacted by leadership programs	170	180	160	200

FOSTERING OUR RELATIONSHIPS

Context

An effective dialogue with our stakeholders is key to create real social and environmental value under a Triple Bottom Line approach.

This approach and the consultation process allow us to manage expectations, as well as to formulate answers to address shared challenges (see stakeholder consultation on page 33).

At the same time, and often as the product of these same consultation processes, the company maintains a rigorous agenda for social investment, volunteering and strategic participation of its closest stakeholders in programs and projects that promote the generation of its closest stakeholders in programs and projects that promote the generation of social, environmental and economic value.

Activities

- Application of the Stakeholders Study and the Customer Loyalty study which evaluates the service level perceived by the company's customers.
- Application of the collaborators satisfaction survey, Great Place to Work, as well as evaluating collaborators' level of commitment with the Corporate Purpose.
- Creation of dialogue forums with neighboring communities.
- Customer oriented program design and implementation.
- Record of complaints regarding operations.
- Preservation and expansion of Sustainable Purchasing and Sustainable Customer programs directed at company suppliers and customers respectively.
- Upkeep of corporate volunteering program: "Elegí Ayudar" (Choose to help). Participation of shareholders in volunteer activities, extension of the program to customers.
- Efforts to educate and promote Smart Alcohol Consumption habits among critical audiences such as minors, parents and schoolteachers.
- Creation of public-private partnerships as a way to maximize impact and encourage greater collaboration with the Government, other public agencies and civil society organizations.
- Signing the National Pact for the Sustainable Development Goals, making a public commitment to contribute to the achievement of the SDGs.

Inputs

- Formal consultation mechanisms and establishment of dialogue forums with important stakeholders.
- Study results for Florida Bebidas, Florida Retail, Reserva Conchal and Industrias Alimenticias Kern's.
- Results for Loyalty Study applied to customers.
- Positive evaluation of the relationship and connection of our collaborators with their leaders and with the company's purpose.
- Acknowledgement among specialized audiences of the company's main sustainability initiatives.

Output

Detail	2017	2016	2015	2014
Net Profit percentage dedicated to Strategic Social Investment	7,5%	8%	6.5%	5,7%
Volunteer hours	67.040	62.672	57.948,67	50.781
People impacted by Smart Consumption initiatives	+312.000 y 3.000.000 with campaign	61.852	182	88
Number of suppliers that are part of the Sustainable Purchasing program	293	232	182	88
Number of complaints recorded (operation total)	2.520	2.077 (including complaints from Guatemala during recording period)	1.148	1.184
Number of Public-Private Alliances	75	37	35	30

DRIVING OUR OPERATIONAL EXCELLENCE

Context

As a multinational food and beverage, retail services and hospitality company we aim for high quality levels in our operations.

Strict standards for both manufacturing practices and guest care protocols, as well as customer service in general, are imperative for business continuity. The company is committed to excellence and implementation of best practices both at the manufacturing level, as well as in the service given to our internal and external customers. In the same way, we seek to minimize (as much as possible) the negative impact generated on the environment and other stakeholders - if any - and to have a positive impact by generating value in the communities in which we operate.

Inputs

- Properties, facilities and operations in 4 countries: Costa Rica, Guatemala, El Salvador and the United States.
- 9 Production Plants, 15 Distribution Centers.
- 1,256 Hectares in Guanacaste, Costa Rica dedicated to hospitality projects.
- 283 points of sale for Florida Retail operation.
- Construction of a recreational park in Comunidad Echeverría, Heredia, Costa Rica.

Activities

- Continuity of the Master Plan: **Within its “FIFCO 2020” strategy, the company has defined an investment plan (“Master Plan”) for its food and beverage business for the next 3 years.** In order to ensure the expected growth in the Costa Rican market and in the markets of Central America and the United States in which it competes, FIFCO is launching a master investment plan for its food and beverage business for the next three years. This plan is focused on expanding the installed capacity of key production and packaging processes for beer, flavored alcoholic beverages and non-alcoholic beverages. This plan is one of the pillars of the 2020 strategy.
- Continued work with the new biomass boiler for the beer operation in Costa Rica.
- Completion of work on the first seawater Desalination Plant in Costa Rica.
- Installation of solar panels / investment on clean energy infrastructure.
- Began renovations / works in production plant in Rochester, New York.
- Construction started on Hotel W Costa Rica.
- Remodeling of all Florida Retail operation points of sale (Musi convenience stores and Musmanni bakeries).
- Began expansion of cans line at Cerveza Plant.

Output

Detail	2017	2016	2015	2014
Opening Florida Retail points of sale	1 Tienda de la Birra (The Beer Store) 6 Musi 16 Musmanni Bakeries	7 (remodeling)	21	24
Investments in infrastructure to expand operations	+\$14 million	+\$9 millions	50.961 million colones	51.309 million colones
Investment in renewable energy infrastructure	\$57.000,00	\$66.000,00	\$120.000,00	\$120.000,00

OPTIMIZING OUR FINANCIAL CAPITAL

Context

The economic environment in which we operated during the year was challenging.

Consumers making conscientious consumer decisions in addition to two natural phenomena significantly impacted the Costa Rican economy. Added to this, the decelerated growth of certain product categories made FIFCO take firm measures with respect to costs and expenses to mitigate the impact of the economic environment.

CONSOLIDATED BALANCE SHEET AS OF SEPTEMBER 30, 2017 AND 2016 (In millions of colones)

	September		Variation	
	2017	2016	Absolute	%
ASSETS				
Cash and Cash Equivalents	35,768	63,246	(27,478)	-43.4%
Investments in financial instruments	9,639	2,656	6,983	262.9%
Accounts receivable, net	64,046	54,955	9,091	16.5%
Inventory	65,293	63,565	1,728	2.7%
Advances to suppliers	3,824	3,109	715	23.0%
Disbursements paid in advance	18,565	23,216	(4,651)	-20.0%
Properties available for sale	14,959	2,527	12,432	492.0%
Current Assets	212,094	213,274	(1,180)	-0.6%
Long-term receivables	6,828	6,653	175	2.6%
Investment properties	44,939	56,944	(12,005)	-21.1%
Investments in associates and others	57,293	56,236	1,057	1.9%
Property, plant and equipment, net	292,581	245,353	47,228	19.2%
Intangible assets	186,387	182,924	3,463	1.9%
Goodwill	92,644	90,497	2,147	2.4%
Other assets	1,603	3,001	(1,398)	-46.6%
Deferred income tax, asset	31,917	31,626	291	0.9%
Long Term Asset	714,192	673,234	40,958	6.1%
TOTAL ASSETS	926,286	886,508	39,778	4.5%
LIABILITIES				
Short-term bank loans	28,525	28,084	441	1.6%
Current portion bank loans to LP	25,448	30,372	(4,924)	-16.2%
Current portion bonds payable to LP	5,000	-	5,000	0.0%
Accounts payable	54,012	55,837	(1,825)	-3.3%
Accumulated expenses and other obligations	31,057	30,474	583	1.9%
Income tax payable	6,824	10,975	(4,151)	-37.8%
Other taxes payable	7,986	7,686	300	3.9%
Advances received from clients	3,665	3,231	434	13.4%
Short Term Liability	162,517	166,659	(4,142)	-2.5%
Long-term bank loans	237,746	217,090	20,656	9.5%
Standardized bonds payable	50,250	55,250	(5,000)	-9.0%
Deferred income tax, liability	60,923	59,496	1,427	2.4%
Financial instrument maintained for risk management	813	1,739	(926)	-53.2%
Long Term Liability	349,732	333,575	16,157	4.8%
TOTAL LIABILITIES	512,249	500,234	12,015	2.4%
EQUITY				
Capital in Common Shares	93,734	93,967	(233)	-0.2%
Less: Treasury Shares	653	233	420	180.3%
Capital in Outstanding Shares	93,081	93,734	(653)	-0.7%
Additional Paid-In Capital	54	54	-	0.0%
Reserves	58,895	52,917	5,978	11.3%
Retained Earnings	212,562	193,860	18,702	9.6%
Equity attributable to Parent Company	364,592	340,565	24,027	7.1%
Non-controlled interests	49,445	45,709	3,736	8.2%
TOTAL EQUITY	414,037	386,274	27,763	7.2%
TOTAL LIABILITY AND EQUITY	926,286	886,508	39,778	4.5%

STRENGTHENING OUR INNOVATION

Context

Innovation, understood and driven by our leadership model, is a way to promote the creation of intellectual capital.

Innovation is applied to our way of doing business in general, from internal and external processes, as well as the creation of new services and products.

Inputs

- Patented products and technologies
- Our procedures and services.
- Our brands and their reputational value.
- Our human resource.
- Organizational culture and leadership model.
- Intangible assets.

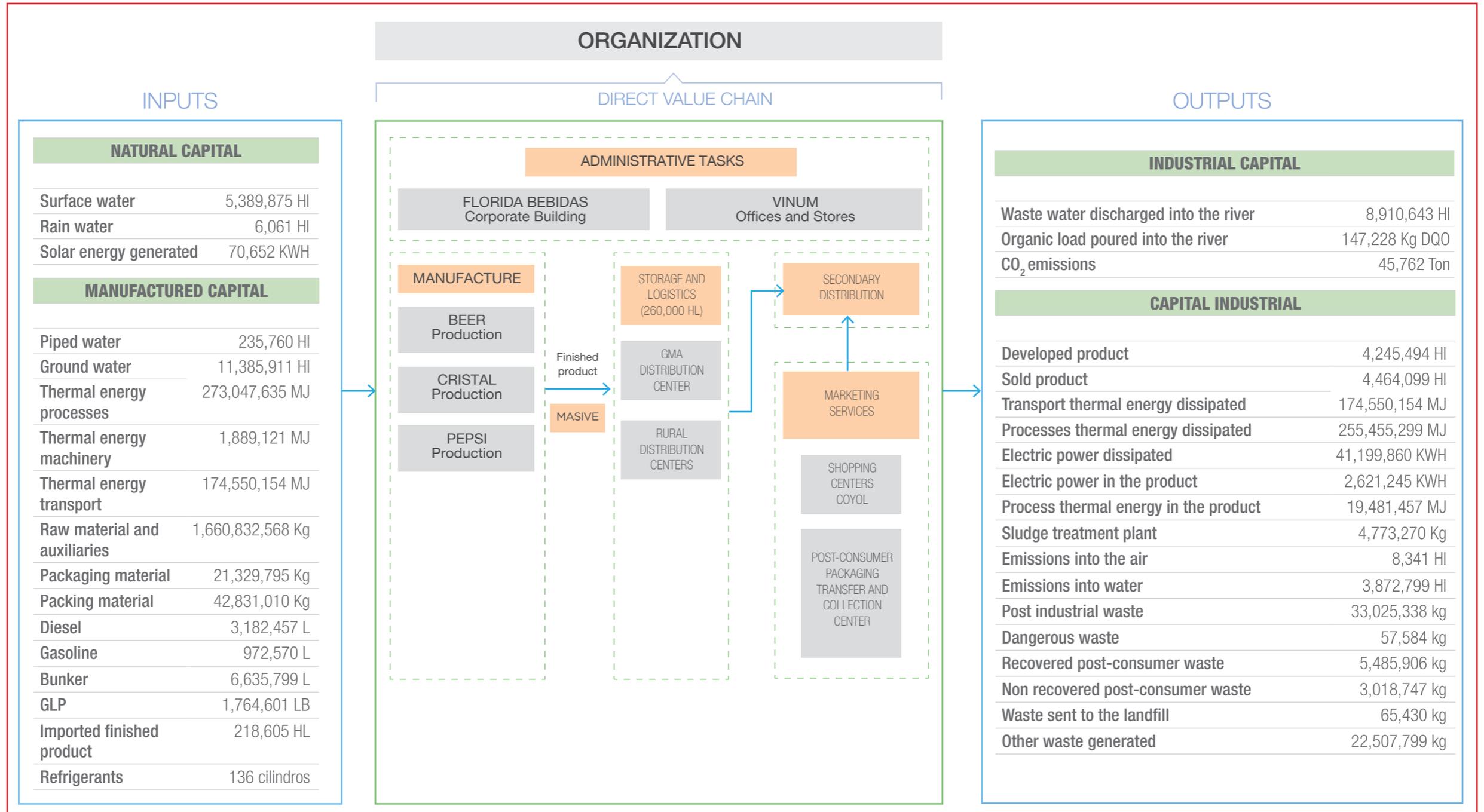
Activities

- Launch of 45 new products into the market.
- Change management program: “Vos 2.0”
- Solution Teams continue to address different areas and special projects.

Output

Detail	2017	2016	2015	2014
% total sales volume	1,23% beers and FABs 1% soft drinks 1% food products	3,1% beers 1,2% soft drinks 9,3% food products	NR	NR
% sales value	1,1% beers and FABs 1,3% soft drinks 2,13% food products	2,6% beers 1,3% soft drinks 4,1% food products	7,8%	6,4%
Number of product launches	45	• 8 beers • 17 soft drinks • 7 food products	7,8%	6,4%
Number of projects in process (production)	13 beers and FAB 37 soft drinks 22 food products	• 23 beers • 45 soft drinks • 16 food products	NR	NR
Number of projects in process – “Vos 2.0” program	44	167	350	Program didn't exist

MANAGING OUT NATURAL RESOURCES



CAPITAL FLOW ANALYSIS: NATURAL RESOURCES

Natural capital:

- Reduction of basin natural flow due to outputs in the form of water in the product and air emissions.
- Increase of organic load into the river due to wastewater discharges. These are governed by environmental legislation and are in compliance, but are burdens previously not carried by the body of water.
- Transformation of surface water in a part of the finished product, which increases the industrial flow and reduces the natural flow.
- Electric and thermal energy through fossil fuels, together with the use of refrigerants in the process, generate greenhouse gas emissions that become part of the natural capital in the form of atmospheric gases.
- The atmospheric emissions generated are compensated by achieving carbon neutrality in its operations, additionally it manages to be Carbon Positive by compensating 20% more than the Carbon Neutrality requirement, offsetting 49 000 Tons.

- A total of 846 hectares compensate for the water footprint, of which 451.8 hectares correspond to manufacturing and the supply chain, 394.2 hectares to products; both to achieve the Water Positive status.

Manufactured capital:

- Transformation of groundwater to processed products. Some of these remain in the basin in the form of residual water, entering the natural flow.
- Transformation of raw materials, auxiliaries, and packing and packaging into finished products. Part of these materials is transformed into postindustrial waste, post-consumer waste.
- The electrical energy that is taken from manufactured capital becomes manufactured capital as dissipated energy and a fraction is energy “contained” in the product, due to the indispensable processes of its intervention in production processes, namely: preparation and mixing of juices and carbonated drinks and blowing PET bottles. The energy for machinery and lighting is included within the dissipated energy.

- Thermal energy is taken from manufactured capital and divided into energy for transportation and energy for processes. The first dissipates in the process as part of manufactured capital. The second partly dissipates in the production process but another part remains as part of the product due to the cooking process in the production of beers, without which subsequent fermentation would not be possible.

2

SECTION

Our performance by dimension



Economic Dimension





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Economic Dimension

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Our goal: To double company sales and profitability by 2020

During 2017 we took great strides towards FIFCO 2020. It was a challenging year, with modest economic growth, however, the company greatly strengthened its capabilities to grow in the near future.

The company managed to place 94.4 million equivalent boxes of beverages (-1.7% vs. previous year) and 56,889 tons of food (5.4% more than the previous year) in the markets where we operate. FIFCO net sales reached 674 billion colones (+ 1.4% above the previous year) and operating income grew 7.9% compared to the previous year, to reach 120 billion colones. The growth in sales was driven mainly by Florida Real Estate businesses with 13.1% growth versus 2016 and both Musmanni and Kern's food businesses with 6.3% growth versus the previous year. It is important to mention that during this fiscal period, a series of projects were implemented to improve the company's commercial performance and increase efficiency and productivity.



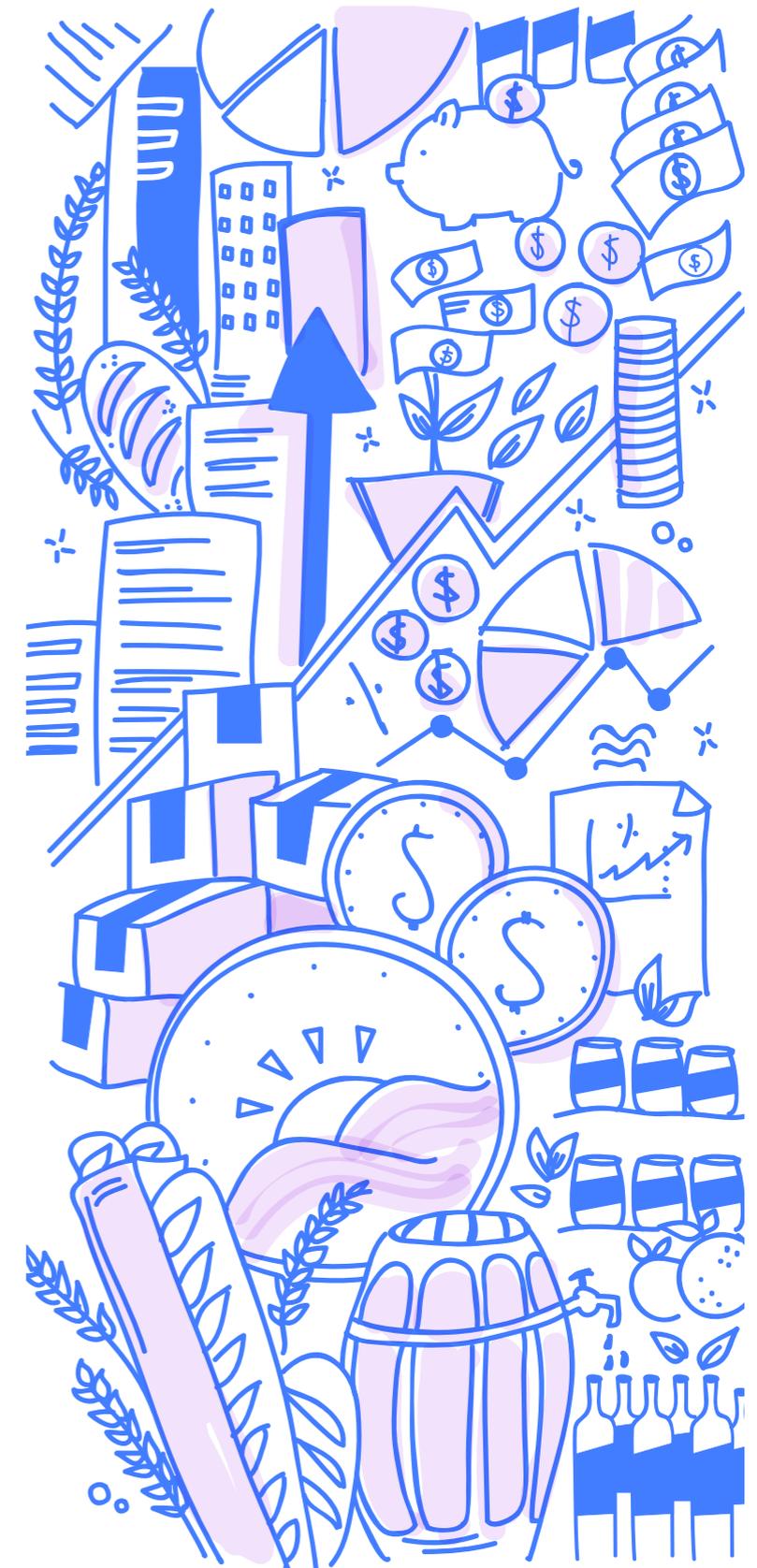
OUR ECONOMIC RESULTS
CONTRIBUTE TO THE
FOLLOWING SUSTAINABLE
DEVELOPMENT GOALS:



Material topics

FIFCO identifies 8 material topics in order to double business sales and profitability. Throughout the Economic Dimension, we report on the results of each of our businesses and show how they are in line with our commitment to lead with brands that make the world a better place to live and achieve world-class economic performance.

- 1 Economic value generated
- 2 Sales and Utilities
- 3 External economic impact
- 4 Product quality
- 5 Impact of our suppliers
- 6 Impact of our customers
- 7 Purchases from local suppliers
- 8 Leadership and market participation



Three questions for Carlos Manuel Rojas

CFO | FIFCO



What is the economic context in which FIFCO operated during 2017?

The environment in which we operated during the year was challenging. In regards to Costa Rica, we found a consumer cautious in their consumption decisions, and during the period the country suffered the onslaught of two important climate events. The US business also suffered a deceleration in the craft beer segment. With the results of the first semester we saw lower profits compared to the previous year and therefore we took corrective measures in costs and expenses, which would allow us to mitigate the effect. In the annual results we can see that the measures taken worked: total sales and operating profit at FIFCO level increased compared to the previous year. This increase is of special relevance since for the past few years the company had been reaching historical sales records.

What are the main achievements of the Finance \ and Administration area for 2017?

There were important achievements for 2017 during this fiscal period. As a main point, the finance department was reorganized, shifting from a business-oriented structure to a process-oriented one in order to increase the capture of synergies, standardize business processes, and generally improve the service level. Meanwhile, we implemented a new budget matrix model with an initial capture of more than \$15million in productivity initiatives in a 12-month period. By budgeting the company's expenses with zero-base budgeting

and managing resources in a more effective manner, this model manages to reduce inefficient, duplicate and / or non-priority processes, while aligning the organization's operational efforts, offering better visibility and an open forum to discuss and define organizational priorities. During this year we also carried out one of the largest refinancing processes in the company's liabilities portfolio. We achieved the negotiation of three large operations for the group, which will allow for better rate, term and cash flow conditions, as well as allowing us to implement important investment projects. The achieved result generates significant financial savings accumulated throughout the life of these loans and also positions FIFCO as a participant in the international financial market. The financial conditions that were negotiated are comparable and even better than those received by the benchmark food and beverage companies in the world.

What does the "Simple FIFCO" agenda mean? What advantages does it bring to the company?

Simple FIFCO, or "Simple by Design" as we like to call it, is a corporate vision that, by redesigning processes and redefining structures and productivity initiatives, seeks to transform the way we do business, to be more agile and practical in our management, facilitate decision making by being closer to our internal and external customers, and consequently operate at a lower cost.

Business drivers and context

Our resources

Committed collaborators

Being united by a corporate purpose translates into better work conditions, in the development of our business, obtained results and in the way in which we as an organization face challenges.

Our brands

Our brands become the vehicle to interact with our consumers. Preference of our brands ensures business sustainability. The commercial and marketing plans for our brands are in line with the strategy and corporate goal of being category captains and market leaders.

Innovation with purpose culture

With programs such as Entrepreneurs and “Vos 2.0” aimed at our collaborators, we foster innovation and efficiency in our products, processes and services, simultaneously generating value in the three dimensions in which we operate.

Financial discipline

A culture of savings and financial discipline guarantees the appropriate creation of economic value, coupled with a conscious use of supplies and materials.



External factors

Global economy / Macroeconomic variables / Competition

We face a globalized and increasingly competitive world, with constant political and economic changes that generate uncertainty. The company must remain attentive and anticipate changes to adapt with increasing speed to the needs of consumers and macroeconomic variables such as interest rates, exchange rates, competition and taxes, among others.

Price of key supplies

The price of our supplies has a direct impact on our competitiveness. Throughout the year we kept open a negotiation agenda with our suppliers, always looking for benefits for both parties. The cost of certain supplies decreased resulting in greater competitiveness and very conservative price increases, enabling higher competitiveness for the portfolio, as well as efficiency in the production lines.

Regulations and political environment

As a company with operations in several countries and that participates in various categories and industries, FIFCO is exposed to multiple regulations and legal contexts. Participation in Chambers and other trade associations is key to timely control critical issues for the company's operations. It must be emphasized that the company does not receive financial aid granted by government entities for its operations. Illegal trade, and the creation of new taxes are relevant issues for operations based in Costa Rica. In Guatemala, the political environment is a relevant factor to consider, contributing to a lack of confidence and uncertainty among consumers and the business sector in general.

Natural resources

Like all companies, FIFCO depends on the availability of natural resources such as water and energy to operate. As a result, FIFCO promotes a rational use of natural resources, for which it establishes rigorous goals and programs in environmental matters, specifically regarding: post-industrial waste, post-consumer waste, water resources and energy/greenhouse gas emissions (GHG).

Our relationships

Consumers

The ability to identify the needs, preferences and priorities of our consumers guarantees loyalty towards our brands and the company as a whole. The ability to anticipate and offer products of the highest quality that come with added value, acknowledged by our consumers, validates the sustainability of the business.

Customers

Fair business relationships that seek to create value and “win-win” situations ensure the growth of our brands. In this period, we did not apply the traditional survey to reveal the Customer Satisfaction Index; instead, we are reformulating the format and content of the tool to be applied in 2018.

Shareholders

The administration seeks to have a transparent and assertive relationship with its shareholders, systematically sharing the company’s performance in the three dimensions in which it operates: economic, social and environmental.

Collaborators

Collaborators at FIFCO are the engine and heart of the company. Ensuring their wellbeing is a corporate priority. Creating spaces and feedback mechanisms allows us to identify opportunities to improve and better manage these relationships, which results in high performance of the organization as a whole.

Suppliers

The company builds valuable relationships with its business partners, key allies in the company’s value chain. We seek the growth and development of our suppliers through different programs, such as the Sustainable Purchasing Program, which accompanies our suppliers in the implementation of improvements in social and environmental matters.

Communities

Secure, vibrant and successful communities play a crucial role in our business. The company promotes the welfare and progress of the communities where it operates.

Spending percentage by type of supplier

Operation	Local supplier	International supplier
Costa Rica	64%	36%
Guatemala	60%	40%
United States	85%	15%

Note: The local supplier is the one that provides a product or service to the organization and is located on the same geographic market where the final product is produced.

Main economic performance indicators

MAIN FINANCIAL INDICATORS

(In millions of colones)

	as of September 30. 2017	as of September 30. 2016	Variation %
Results			
Net sales (without direct taxes)	673,790	664,181	1.4%
Sales cost	333,359	334,984	-0.5%
Gross profit	340,431	329,197	3.4%
Operating profit	120,434	111,663	7.9%
Net profit	69,219	71,649	-3.4%
Net Profit Attributable to Shareholders	54,784	55,932	-2.1%
Shareholders Dividends	26,889	23,906	12.5%
Balance Sheet			
Current Assets	212,094	213,274	-0.6%
Long Term Asset	714,192	673,234	6.1%
Total Asset	926,286	886,508	4.5%
Short Term Liability	162,517	166,659	-2.5%
Long Term liability	349,732	333,575	4.8%
Total Liability	512,249	500,234	2.4%
Working Capital, Net Investments and Onerous Obligations	83,952	99,888	-16.0%
Total Equity	414,037	386,274	7.2%
Net Equity, Attributable to Shareholders	364,592	340,565	7.1%
Net Social Capital (in Outstanding Shares)	93,081	93,734	-0.7%
Indicators per share (in colones)			
Number of outstanding shares (in thousands)	930,812	937,340	-0.7%
Operating Profit	129.39	119.13	8.6%
Net Income Attributable to Shareholders	58.39	59.38	-1.7%
Dividends	28.75	25.50	12.7%
Carrying Value	391.69	363.33	7.8%
Net Income			
Beverage Sales	566,302	564,512	0.3%
Food Sales	72,931	68,594	6.3%
Real Estate Sales	31,559	27,903	13.1%
Others	2,998	3,172	-5.5%

MAIN FINANCIAL INDICATORS

(In millions of colones)

	as of September 30, 2017	as of September 30, 2016
Tangible Assets		
Real Estate, Plant and Equipment, net	292,581	245,353
Investments in Associates	57,293	56,236
Financial Reasons		
Operating Profit		
on Net Sales (without direct taxes)	17.9%	16.8%
on Total Equity	29.1%	28.9%
Net Income		
on Net Sales (without direct taxes)	10.3%	10.8%
on Total Assets	7.5%	8.1%
Net Income Attributable to Shareholders		
on Net Equity	15.0%	16.4%
on Net Social Capital	58.9%	59.7%
Dividends		
on Net Income Attributable to Shareholders	49.1%	42.7%
Cash Flow Ratio	1.31	1.28

CONSOLIDATED RESULTS
(YEAR ENDING SEPTEMBER 30. 2017 AND 2016)
(In millions of colones)

	2017	2016	Variation	
			Absolute	%
Net Sales	673,790	664,181	9,609	1.4%
Cost of Sales	333,359	334,984	(1,625)	-0.5%
Gross Profit	340,431	329,197	11,234	3.4%
Operating Expenses	219,997	217,534	2,463	1.1%
Operating Profit	120,434	111,663	8,771	7.9%
Other Expenses (Revenue). net	18,695	10,097	8,598	85.2%
Profit Before Taxes	101,739	101,566	173	0.2%
Income Tax	32,520	29,917	2,603	8.7%
Net Income	69,219	71,649	(2,430)	-3.4%
Minority Interesto	14,435	15,717	(1,282)	-8.2%
Net Income Attributable to Shareholders	54,784	55,932	(1,148)	-2.1%

CONSOLIDATED BALANCE SHEET AS OF SEPTEMBER 30, 2017 AND 2016
(In millions of colones)

	September		Variation	
	2017	2016	Absolute	%
ASSETS				
Cash and Cash Equivalents	35,768	63,246	(27,478)	-43.4%
Investments in financial instruments	9,639	2,656	6,983	262.9%
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Current Assets	212,094	213,274	(1,180)	-0.6%
Long-term receivables	6,828	6,653	175	2.6%
Investment properties	44,939	56,944	(12,005)	-21.1
Investments in associates and others	57,293	56,236	1,057	1.9%
Property, plant and equipment, net	292,581	245,353	47,228	19.2%
Intangible assets	186,387	182,924	3,463	1.9%
Goodwill	92,644	90,497	2,147	2.4%
Other assets	1,603	3,001	(1,398)	-46.6%
Deferred income tax, asset	31,917	31,626	291	0.9%
Long Term Asset	714,192	673,234	40,958	6.1%
TOTAL ASSETS	926,286	886,508	39,778	4.5%
LIABILITIES				
Short-term bank loans	28,525	28,084	441	1.6%
Current portion bank loans to LP	25,448	30,372	(4,924)	-16.2%
Current portion bonds payable to LP	5,000	-	5,000	0.0%
Accounts payable	54,012	55,837	(1,825)	-3.3%
Accumulated expenses and other obligations	31,057	30,474	583	1.9%
Income tax payable	6,824	10,975	(4,151)	-37.8%
Other taxes payable	7,986	7,686	300	3.9%
Advances received from clients	3,665	3,231	434	13.4%
Short Term Liability	162,517	166,659	(4,142)	-2.5%
Long-term bank loans	237,746	217,090	20,656	9.5%
Standardized bonds payable	50,250	55,250	(5,000)	-9.0%
Deferred income tax, liability	60,923	59,496	1,427	2.4%
Financial instrument maintained for risk management	813	1,739	(926)	-53.2%
Long Term Liability	349,732	333,575	16,157	4.8%
TOTAL LIABILITIES	512,249	500,234	12,015	2.4%
EQUITY				
Capital in Common Shares	93,734	93,967	(233)	-0.2%
Less: Treasury Shares	653	233	420	180.3%
Capital in Outstanding Shares	93,081	93,734	(653)	-0.7%
Additional Paid-In Capital	54	54	-	0.0%
Reserves	58,895	52,917	5,978	11.3%
Retained Earnings	212,562	193,860	18,702	9.6%
Equity attributable to Parent Company	364,592	340,565	24,027	7.1%
Non-controlled interests	49,445	45,709	3,736	8.2%
TOTAL EQUITY	414,037	386,274	27,763	7.2%
TOTAL LIABILITY AND EQUITY	926,286	886,508	39,778	4.5%

Comments on financial results

Net sales

Consolidated net sales grew 1.4% mainly due to the results of the real estate business, which grew 13.1% product of property sales, as well as better hotel rates. In the food segment, sales grew 6.3% due to the results of the beans and tomato sauce categories in the United States and Central America, respectively, as well as higher bread volume in owned and franchised stores. The beverage segment remains in line with the previous year due to the growth of the beer and flavored alcoholic beverages business in Central America, being offset by a decrease in the Wine & Spirits business which continues to be affected by contraband, and the beverage business in the United States mainly as a result of a downturn in the craft beer category.

Cost of Sales

Cost of sales decreased -0.5% due to the effect of efficiencies in raw material procurement and productivities in all manufacturing plants and the results of the portfolio mix (highest growth of food vs. beverages).

Operating Expenses

Operating expenses increased 1.1%, below gross profit growth, mainly in sales, distribution and marketing as part of the support required by the business to promote its brands in all markets and categories, net efficiency initiatives, process simplification and expenditure rationalization mainly in the beverage businesses in Costa Rica and the United States.

Operating Profit

Operating profit increased 7.9%, mainly due to the beverage business in Central America, as well as the real estate business in Costa Rica.

Other Expenses (Revenue) Net

Other expenses (income) increased 85.2%, mainly resulting from a 7.590 million colones installment payment made to the IFAM in relation to the material cases that were in court proceedings, which were entirely closed; and a decrease in Associates' profits due to lower profits in Cervecería Panamá as a result of greater competition and the effect of outstanding non-recurring income in INCECA during the previous period.

Net Income Attributable to Shareholders

Net income closed with a decrease of -3.4% due to the effect of outstanding expenses associated with the installment payment to the IFAM and lower profits of the Associates, despite the increase in the operating results of the beverage businesses in Central America and the real estate business in Costa Rica.

Comments on main Balance Sheet variations

Current Assets

Current assets decreased -0.6% due to a lower level of cash (used to a large extent for equity investments in line with the master plan), partially offset by a higher level of accounts receivable for commercial dynamics, as well as the reclassification of properties available for short-term sale.

Long Term Assets

Long-term assets grew 6.1% as a result of investments in Property, Plant and Equipment mainly associated with the Manufacturing Master Plan in Costa Rica and the modernization of the Rochester plant, as well as progress in the construction of Hotel W in Reserva Conchal.

Short-term liabilities

Short-term liabilities decreased -2.5% mainly as a result of a lower accumulated income tax balance.

Long-term liabilities

Long-term liabilities increased 4.8% as a result of refinancing liabilities, as well as the increase in debt associated with financing the construction of Hotel W in Reserva Conchal.

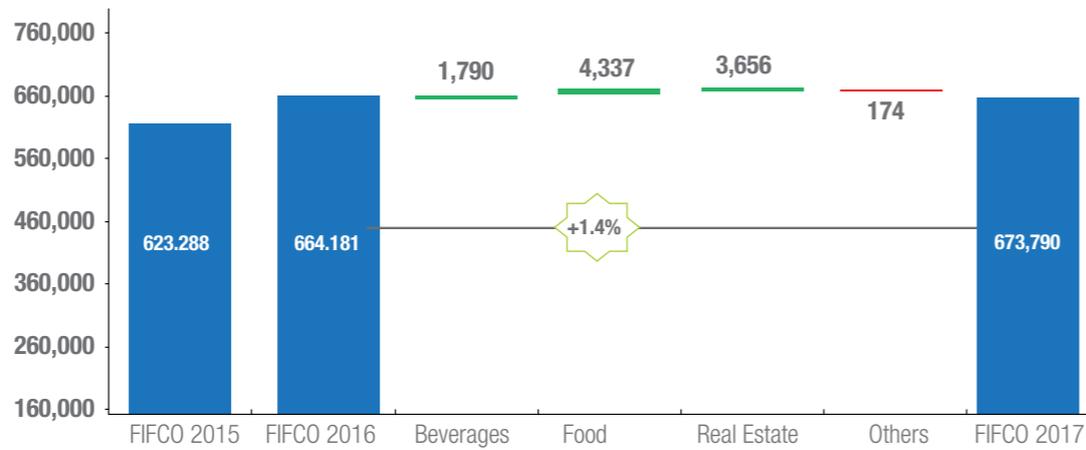
Equity Attributable to Parent Company

The equity attributable to the Parent Company grew by 7.1%, due to the accumulation of profits, as well as an increase in reserves resulting from updated investments in associates and the transfer of different businesses to the company's operating currency.

Commercial performance

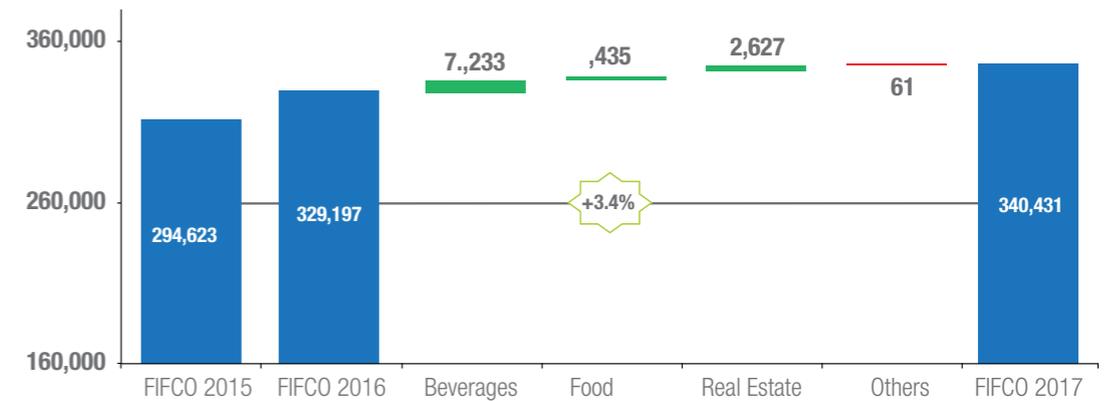
FIFCO I Net Sales per Segment

Million Colones



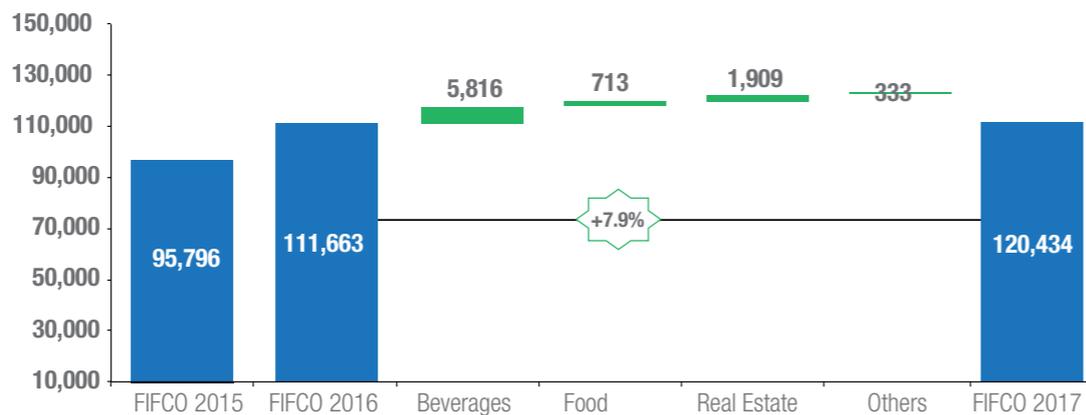
FIFCO I Gross Profit per Segment

Million Colones



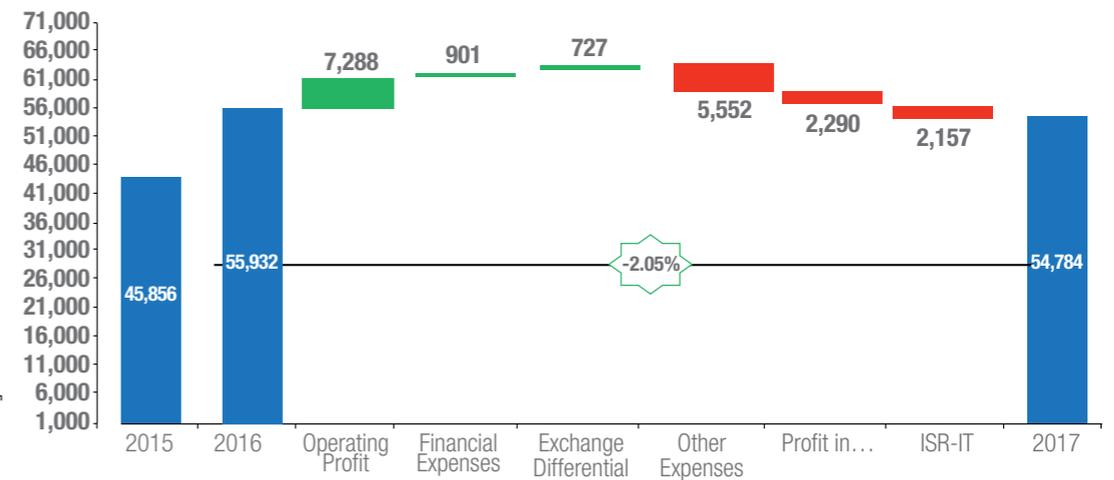
FIFCO I Operating Profit per Segment

Million Colones



FIFCO I Net Income Attributable to Shareholders

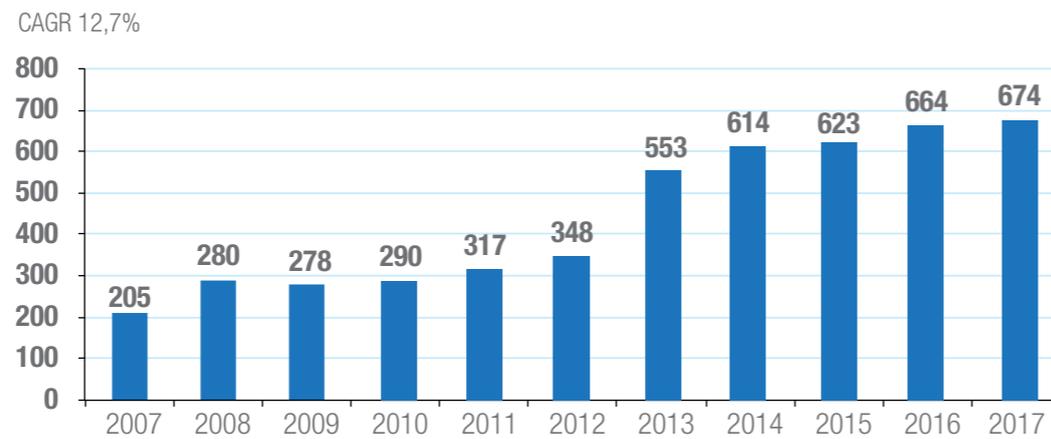
Million Colones



FIFCO | Historical of commercial performance

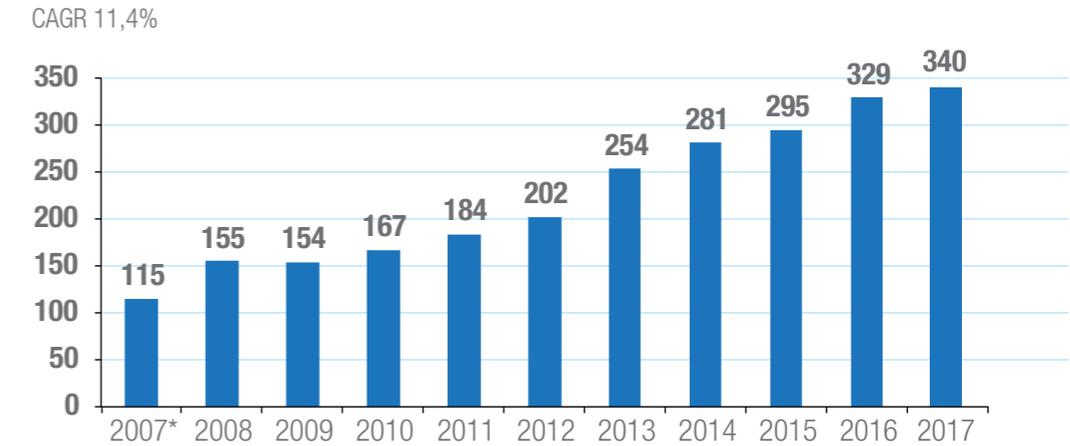
Net sales

In million colones (¢)



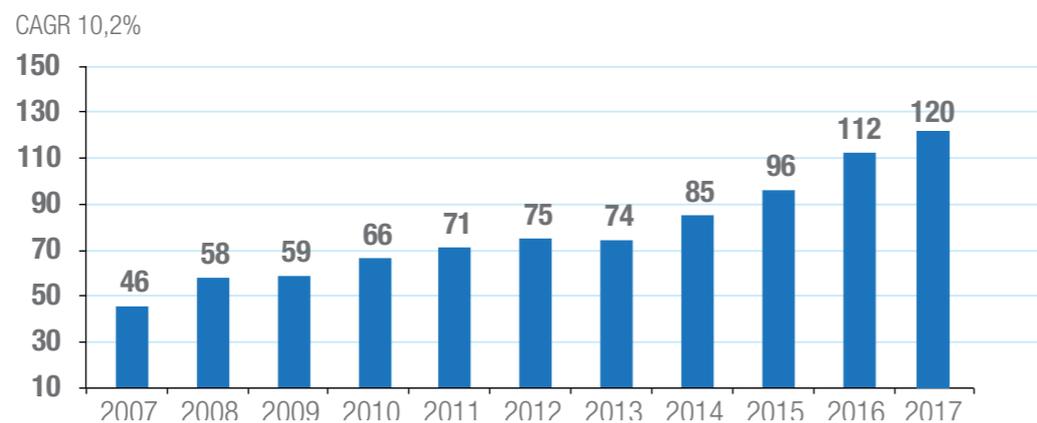
Gross profit

In million colones(¢)



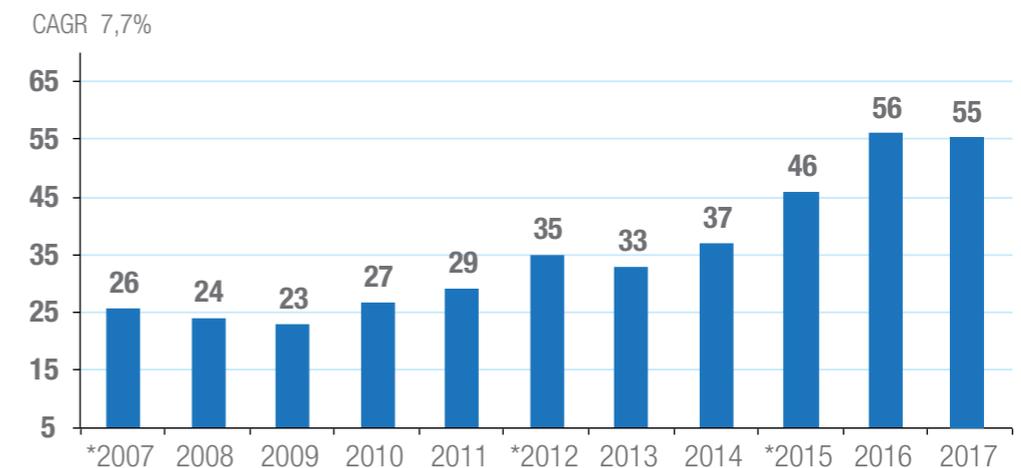
Operating profit

In million colones (¢)



Adjusted net income

In million colones (¢)



Source: AC Nielsen 2016

*Comparable, except for extraordinary changes

Main results and milestones for the period

COMMITMENT #7 FOR 2020:

Lead with brands that make the world a better place to live

In this section we discuss the results and milestones for each of our businesses and the progress made by our brands in order to meet one of FIFCO's 7 goals for 2020: to lead with brands that make the world a better place to live, an initiative called "FIFCO Air Brands".

By 2020 we want our main brands to be as light as air, that their life cycle does not produce negative environmental or social footprints, but rather add positive value to the world. Brands that achieve this status or that are heading towards it are FIFCO Air Brands.



Three questions for Rolando Carvajal

DIRECTOR OF FOOD AND BEVERAGES DIVISION | FIFCO



In general, how was the economic performance of the Beer, Flavored Alcoholic Beverages, Soft Drinks and Wine and Spirits units?

This year has been challenging for some business units, however, we reached record sales numbers in Beer and Flavored Alcoholic Beverages, growing in comparison to the previous year. The Soft Drinks unit increased its sales volume and presented economic growth in EBITDA. Meanwhile, the Wine and Spirits division suffered a decrease with respect to the previous year, product of portfolio normalization and wholesale channels inventory agenda. In addition, we dealt with contraband, which is a substantial obstacle for this division, with prices varying up to 80%. The Food unit reported efficiencies and significant growth in the Costa Rican and United States markets.

Mention some milestones for these divisions

- Beers achieved a historical sales record during a very challenging year; zero accidents at the Plant or inoperative injuries. The first expansion stage for Planta Cerveza was completed with a new line of cans that is already operating. First world execution in points of sale and launching of the Customer oriented program. We made Imperial the first Water Positive beer in the world.
- In Soft Drinks, growth in volume and market share and significant generation of productivities.

- Leadership in the sangria segment, growth of + 40% in the Diageo “Reserve” and “Premium” portfolios and second edition of “El Camino del Vino” (“The Wine Road”), the largest wine fair in the region.

How was “sustainability” incorporated into the business agenda?

The launch of the “FIFCO Air Brands” initiative allowed brands to show their sustainability agenda in a way that’s clearer for the consumer. In environmental matters, this year, Imperial was declared the first water positive beer in the world, the production capacity in glass for soft drinks was improved and Tropical and Cristal containers continued to use 100% recycled plastic, in addition to significant reductions of water and energy consumption in production processes. Through the company’s recycling program and Agua Cristal’s campaign #YoLoJunto (#IPickItUp), we’re moving forward with the agenda to achieve 100% post-consumer package recycling, improving post-consumer recycling indicators (from 60% to 65% versus last year). In social matters, we significantly reduced sugar content in our beverages, and substituted ingredients for more natural, organic and preservative free options.

Florida Food and Beverage

Despite a highly competitive year, Florida Food and Beverage grew in operating profits, sales, and EBITDA.

The environment reveals consumers' preference for various products and services in the market. As a result, the business agenda is more focused on innovation and gaining consumer knowledge, while continuing to take advantage of the opportunities offered by the current market.



| Innovation

2017 offered consumers more than 45 product innovations in all business units. New products, reformulations, new presentations and improvements in procedures and services were some of the factors carried out by the innovation agenda. Innovation was essential for all categories to continue offering new consumption opportunities.

Innovations recap and impact

	Beer and FAB		Soft Drinks		Food	
	2016	2017	2016	2017	2016	2017
Total number of innovations or projects (this includes label and/or image changes, reformulations, new packaging, new materials, new products, new presentations, etc.)	8	17	17	25	22	31
Total number of launches (only new brands or new products in existing brands, SKU unit)	20	33	14	14	10	24
Total sales volume percentage (based on the total number of launches)	3.57%	1.23%	1.2%	1%	1.2%	1%
Sales value percentage	3%	1.1%	1.3%	1.3%	1.1%	2.13%
Number of projects in progress	23	13	45	37	16	22

Note: SKU's = number of presentations launched

Beer and Flavored Alcoholic Beverages (FAB)

The Beer and Flavored Alcoholic Beverages Unit (BAS) achieved a historical sales record, presenting moderate growth compared to the previous year.

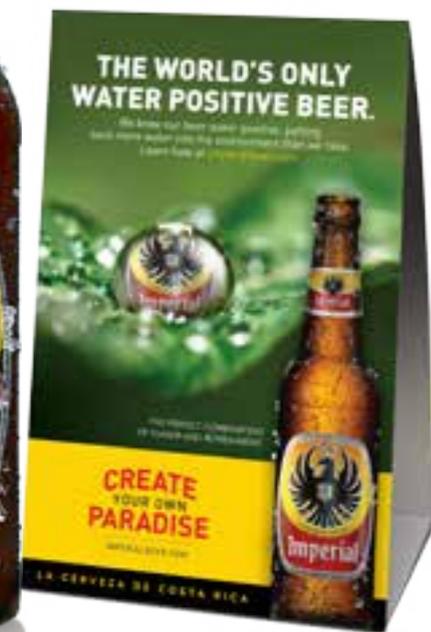
Considerable preference for our brands was a constant, however, there were situations that generated business challenges such as a decreased consumption in “On Premise” channels (bars and restaurants) due to weather conditions, traffic in the streets, and road repairs, among others (in Costa Rica). Therefore, the “Off Premise” channel (supermarkets, mini supers, etc.) where price is a very relevant factor for the consumer, increased its participation.

| Beers

Imperial, the first water positive beer in the world

As part of its comprehensive sustainability agenda, Imperial reached a global milestone by becoming the world’s first water positive beer. This means that it measures 100% of its water footprint, reduced water consumption during its production up to 3.16 million hectoliters in the last 12 years, and compensates the remaining water footprint by 10% above neutrality, protecting water basins and generating positive value with the support of community water projects.

More information
www.laprimeradelmundo.com.





Four great moments

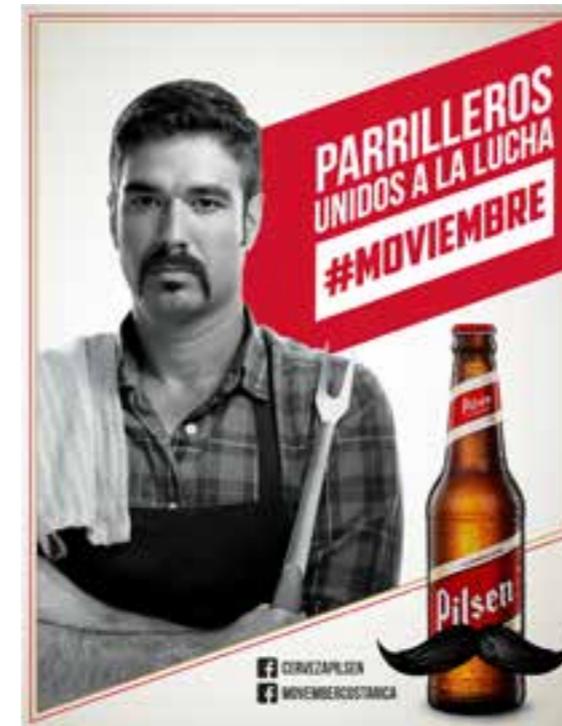
During the year, Imperial had four great moments with its end of the year campaigns “Abrazá el 2017” (Embrace 2017) and “Mi Verano es Imperial” (My Summer is Imperial), even receiving an Effie award for packaging design in summer presentations. In addition, during this period the already famous “Barra Imperial” (Imperial Bar) enjoyed an excellent reception from consumers at the civic celebrations in Palmares, and it was the first time that the brand offered a space with cutting edge technology lights, sound and structure, in addition to the new “El Patio Imperial” (Imperial Deck), which provided a more relaxed atmosphere. Finally, the brand closed the year with the campaign “Me la merezco” (I Deserve It) inviting consumers to enjoy a “Pura Vida” moment with friends.





Pilsen

For third consecutive year Pilsen launched its “Movember” campaign, which fights against prostate cancer. During this period it will be launching the campaign “Parrillera Republic” (Grill Republic) which promotes Smart Consumption alternating beer with food and by introducing limited editions of “Tattoo” cans designed by consumers, Pilsen is conquering the market, which has been loyal for a long time. This year the brand donated \$30,000 to remodel the oncology ward at Hospital México, where more than 600 people receive attention every day.



Together in the fight against cancer

This year the brand donated \$ 30,000 for the remodeling of the oncology ward of Hospital México, where more than 600 people benefit from it daily

Donation for the oncology ward, Hospital México, Costa Rica.

Bavaria

Lager-style beer with 3 selected malts, Cared, Munich and Pale. With a vibrant reddish color, it has a subtly toasted and slightly caramelized flavor. This beer was created under the limited edition concept, however, due to its excellent reception by Costa Ricans, it's here to stay. This brand will be available in Honduras starting this period.



Tu mejor verano

The campaign "Tu mejor verano" (Your best summer) by Bavaria Chill received the "Volcán de Bronce" award in the Audiovisuals, Best Photography category, awarded during the Volcán Festival, a prestigious advertising awards event.



Heineken

For the first time in many years, the Heineken brand launched a brand campaign in the Costa Rican market. This campaign shared the secrets behind this iconic premium beer and what makes it so special. In addition, during the renowned fashion event "Mercedes Benz Fashion Week San Jose", Heineken launched its version of Heineken Mini that promotes a new consumption opportunity by coming in a

250ml presentation which is not only smaller, but more accessible for the final consumer, and promises to be #FriaHastaElFinal (#ColdUntilTheEnd). Finally, Heineken joined the global strategy from Costa Rica, implementing Champions League activations and successfully hosting a Heineken Beach Party with more than 1,000 people. This brand reported a growth of 10.6%.

Heineken reported a growth of 10.6%.



The Micro Brewing Company

This business closed the period with a 22% growth in sales volume and doubling its points of sale (POS) coverage compared to the previous year, reaching a total of 700 new retail stores.

Six beers were launched during this period, of which we highlight the “Coffee Shaman” that supports a SME in Tarrazú, Costa Rica, which provides raw materials for its production. It continues with an important agenda of innovation and efficiencies at the production level.

22%
growth in
sales volume

200%
points of sale
coverage

Genesse enters Costa Rica

The segment of imported beers had a positive performance, boosted by the introduction of Genesee beer produced in the United States, to the Costa Rican market in March 2017.



| Flavored Alcoholic Beverages

Smirnoff Ice incorporates two new flavors to its portfolio by launching the new Passion Fruit and Grapefruit Smirnoff Ice Electric with 4.8% alcohol, in a 350ml can presentation.

Bliss innovates as well with its Summer editions: Watermelon, Calypso and Aloha, all in a sleek can presentation.

Bendito Té was the most important innovation of this unit as it opens a new category of alcoholic beverages. Tasting of iced tea with lemon, it is “blessed” because it contains 5% alcohol. It comes in a 350ml can or bottle and is sold in the Costa Rican market.



Exports

Imperial continues to make great achievements, focusing on its expansion plan in the United States, paying special attention to two key markets in 2017: Denver and San Diego. We consolidated a team of brand ambassadors, and for the first time Imperial managed to go on the air with a comprehensive media plan (Public Relations, outdoor advertising, magazines, events, tastings, etc.).

The brand achieved extraordinary results in both cities, with growth in sales against the previous year in both markets: 9% in Denver and 54% in San Diego. The flavored alcoholic beverages category continues with its regionalization strategy and during 2017 it was possible to launch Bliss and Bamboo in 3 new countries: Guatemala, El Salvador and Panama.

Wine and Spirits

Florida Wine and Spirits reached important milestones during the year.

Some highlights include: the first edition of the largest wine fair “El Camino del Vino” (The Wine Road), Smirnoff Ice Electric product launch, promotions that offer mixology and the wide range of wines offered by the portfolio, which shows that in the last 5 years, it has grown from 350 to 1,400 wine brands. The trend towards Cabernet Sauvignon, Merlot and Malbec strains continues to consolidate in the market, creating an opportunity for blends, and complementing the innovation agenda.

This year we saw consumers’ preference for “sangria”, a growing trend that explores new origins. Spirits and craft beers also had interesting opportunities in the market.

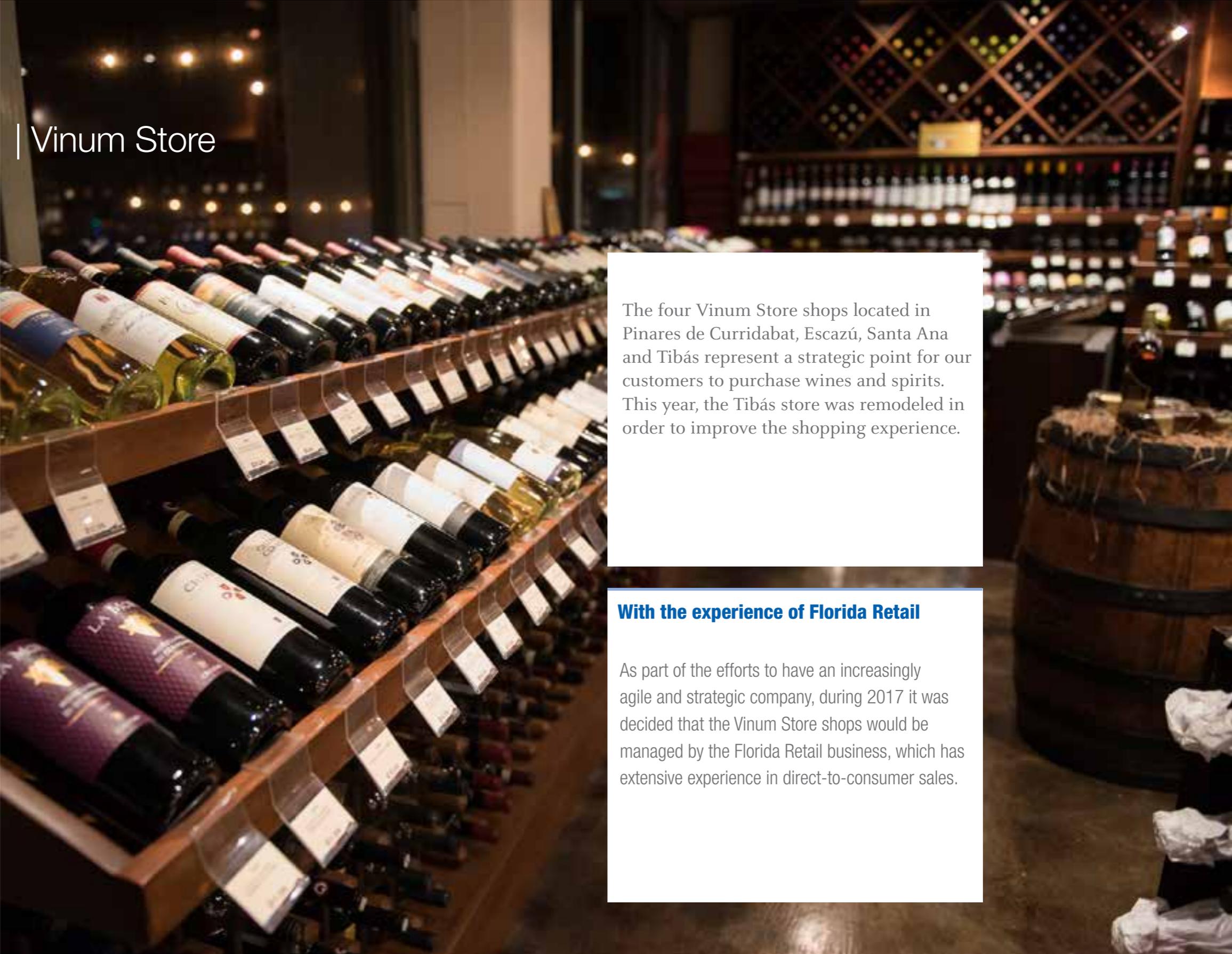
Diageo recognized this division with the “Leadership in Innovation” and “Leadership in Out of Trade Execution Standards” 2017 awards.



The fight against contraband

This illegal method of marketing goods continues to develop in Costa Rica, accounting for 22% of the market and generating great challenges mainly for the spirits division, since they offer the products at half price or lower. One out of every two bottles in Costa Rica is illegal. In order to reduce this impact, we strengthened the spaces for collaboration between the private and public sectors, by signing an executive decree, which formalizes the participation of Chambers representing the industry within the *Comisión Interinstitucional de Lucha al Contrabando* (Inter-institutional Commission for Fight Against Contraband). In addition, we reached an agreement with the Ministry of Finance to identify the legally imported product from the contraband, promoting a different way of investigating and controlling the market, facilitating operations at points of sale and distributors.

To continue shedding a light on this informal market for authorities and the public opinion is key for the alcoholic beverage industry as a whole.



| Vinum Store

The four Vinum Store shops located in Pinares de Curridabat, Escazú, Santa Ana and Tibás represent a strategic point for our customers to purchase wines and spirits. This year, the Tibás store was remodeled in order to improve the shopping experience.

With the experience of Florida Retail

As part of the efforts to have an increasingly agile and strategic company, during 2017 it was decided that the Vinum Store shops would be managed by the Florida Retail business, which has extensive experience in direct-to-consumer sales.

Three questions for Kris Sirchio

DIRECTOR OF NORTH AMERICAN BREWERIES | FIFCO



What are the year's three main achievements?

The extension of the Seagram's Escapes franchise: with a new capital investment in a coal tower, we have improved the base product used to manufacture Seagram's Escapes. This allows for an innovative, consistent and better tasting product that ages well. The launch of ABV Seagram's Spiked Escapes allows NAB to go from playing in 6% of the FMB (Flavored Malt Beverage) market to 90% of the market. The expansion of the Seagram's Escapes franchise will cross over new geographies, segments and channels. Another achievement is **the modernization of the Genesee brewery.** In recent years, FIFCO has invested almost \$100 million to improve capacities and efficiencies at Genesee Brewery. The new brewing equipment and the cold block will reduce costs and improve the quality of the products we manufacture. In addition to savings, modernization will also reduce the brewery's environmental footprint. Finally, **achieving a triple bottom line culture:** in the last three years, volunteer participation has increased from 51% to 90% with more than 10,000 accumulated hours in the 2016-2017 period. Most of these hours are in line with our social and environmental footprints. Noticing the change in behavior and attitude internally while creating a greater strategic impact in the community has been one of our greatest achievements. In addition, we are taking advantage of our triple bottom line culture to strengthen relationships with distributors, retailers and consumers in key geographies.

How does NAB incorporate sustainability into the business agenda?

Sustainability is the core of everything we do at NAB. In the last two years, we have made drastic changes to not only measure and reduce our footprint, but also create positive value in our community with strategic investments to improve waterways and urban green spaces, promote recycling and eliminate waste in our streets. As we move forward in leaps and bounds in all of our facilities and consistently achieve 120% of our goal, NAB has made great strides on its path towards the creation of a triple bottom line company. For example, in the last three years, we have saved 176 million gallons of water, reduced carbon emissions by 11,000 tons and diverted more than 98% of landfill waste. That's a reduction of 700,000 tons of waste. We want to achieve 100% compliance with the Smart Consumption objective, extending social and environmental practices to our brands. Finally, improving the score in the Great Place to Work survey; this year we increased 12 points versus the previous year.

What is the highlight of 2017?

NAB has reached 17% EBITDA according to the Compound Annual Growth Rate (CAGR) of the last three years. In addition, we applied the first study with stakeholders to understand the environmental and social needs of the community. We have improved the volunteer program by investing more hours, money, strategic activities and partnerships with NGOs. Finally, by positioning our triple bottom line strategy, we have improved the relationship with our customers and consumers.

North American Breweries (NAB)

During the past three years, NAB has been on the rise, providing an average growth of 17% year after year.

The reported period turned out to be more challenging, facing a difficult and competitive beer market, the whole plan could not be carried out, but the achieved results are in line with the trends. Consumers have changed their trend, preferring beers, wines and liqueurs with flavors and brands that offer them experiences.

Flavored malt beverages grew at half a digit, while the growth of Mexican imports increased considerably. The growth of craft beers and premium brands decelerated, while for the first time in many years, the value segment is growing. The main breweries captured part of the volume lost in other segments of the beer industry.

Innovation during the period was paramount, including the new Seagram's Escapes Spiked, which led the brand to grow from 6% participation of the flavored malts segment to 90%. This brand has continued to grow during the last 8 years, paying special attention to the "Fab 5", or flavors most valued by consumers.

For their part, Magic Hat received praise for the beer's qualities in a publication of The Boston Globe. In addition, changes in packaging have increased the excitement of consumers for both Magic Hat and Pyramid.



Soft Drinks and Dairy Products

The Soft Drinks and Dairy unit had a good performance in this period, generating economic growth in EBITDA and volume compared to the previous year, managing to do so in a very challenging commercial context.

This division closed the period with significant efficiencies at the production level, while facing a highly competitive market.

Several innovations were key during the year, since they expanded the category's portfolio. The new Maxxx Energy Watermelon, zero sugar, and the new Tropical Herbals Moringa were some of the leading products this period. This latest innovation was the result of the "Entrepreneurs" program that took place in 2016, in which collaborators from the Distribution Department created a Tropical with moringa, developing the project in collaboration with the marketing, innovation and development team.

During the period, Tropical won the "Volcán de Oro" award, in the audiovisual and musicalization category for the "Verano" (Summer) campaign. In addition, the brand launched a regional campaign adapted for the Costa Rican and Guatemalan markets for the first time.

Jet launched its new red fruit flavor, which is conquering the malts market. On the other hand, this period marks the first year that Mú! products are produced by Grupo Lala and marketed by FIFCO.



Gatorade IronMan 70.3

Gatorade was the official sponsor of the first Gatorade Ironman 70.3 Costa Rica where it played a key role in hydration and assistance to the thousands of athletes who showed up to the competition, positioning itself as the main hydration brand in the massive event.

FIFCO Air Brands Beverages

Being consistent with our corporate purpose and values, the unit shows greater focus on products and packaging, offering healthier options and packages that are less damaging to the environment and society. Some highlights are Imperial beer (water positive), and the improvements made on Kern's and Ducal product recipes, Tropical, and nutritional education volunteer initiatives.



#YoLoJunto (#'IIPickItUp) from Agua Cristal

In December 2016, Agua Cristal (bottled water brand) launched its #YoLoJunto (#'IIPickItUp) campaign, an environmental movement to motivate Costa Ricans to be responsible for the trash littering the country's streets and public spaces. The campaign was present on some beaches during the holiday season, offering recycling stations for visitors. At the beginning of the period, this brand won 2 gold "Effies" for its campaign.

Industrias Alimenticias Kern's

The Food business presents double-digit growth versus the previous year in the Costa Rica and the United States markets, thanks to good business management and the great reception of innovative products such as Pot Beans and Silk Beans.

Other important geographies such as El Salvador and Nicaragua also grew by 23% and 7% respectively, allowing our brands to remain regional leaders. The Guatemalan market was affected by low-price competition, and changes in the inventory policy of intermediaries due to tax corrections.



2017 highlights

- **Level of Customer Service - 98.7%**
(94.5% Previous Year)
- **Double-digit growth** versus previous year in volunteer hours (strategic causes, both social and environmental)
- **58% improvement** in the disposal of solid waste indicator in the manufacturing plant.

The unit registers double-digit growth in both the beans and Ketchup categories, retaining a significant market-share in both. During the reporting period, significant operating and raw material usage productivities and efficiencies were recorded, with double-digit growth in EBITDA versus the previous year. Kern's brand launched the new 100% fruit juices and Ducal the new "Ducal Fortified Beans", as part of the agenda to offer healthier products. This brand also reported significant growth in the United States.



Three questions for Javier Sibaja

DIRECTOR OF FLORIDA RETAIL | FIFCO



What are the period's most important milestones for the division?

Florida Retail evolved as a specialist retail division, assuming the management of four important points of sale for the company: the three Vinum Stores and the new La Birra Store (Beer Store) located just outside FIFCO headquarters. In addition, we renovated every Musmanni bakery (183 in total, including opening new bakeries with a new image) and bread sales increased 8.3% versus the previous year. Lastly, we finalized the transition of "Musmanni Mini Super" convenience stores to the new brand "MUSI". Operating profits grew 16.1% with respect to the previous year, having excellent control of expenses and increasing other incomes by 35%. We managed to enter Wal-Mart Costa Rica and Nicaragua, increased the volume of exports to Puerto Rico and incorporated a 360 model with Rey Supermarkets in Panama.

What challenges are you facing?

Positioning the MUSI brand as the new format for convenience stores is a challenge, however, it has been well received by consumers. The country's economic situation and unpredictable weather conditions also affect the business. We believe that we are going in the right direction,



where innovation and consolidation of formats play a very important role in overcoming these challenges.

What role does sustainability play?

We are working on an agenda for our products to be "Air Brands", with Melcochón leading the way. We have made important progress in the formulations; less fat, sodium and sugar in our products, as well as increasingly sustainable packaging. In addition, this year our plant was declared Carbon Neutral again.

Florida Retail

Convenience stores

Offering proximity, fair prices, prompt attention and convenient products (or ready-made combos) are some of the ways in which our MUSI stores operate in the market. With a beverage sales approach, this year 100% of our convenience stores migrated from the Musmanni Mini Super brand to the MUSI brand, compared to 3 renovated stores in the previous period. We grew 12.1% in the format's most important product categories, such as alcoholic beverage sales, which grew by 28.5% with a 100% participation of our suppliers in the different business programs and a 2% decrease in operating expenses.

Five of the 77 stores were declared Carbon Neutral, a status granted by the INTE 12-01-06: 2016 standard from the Costa Rican Institute of Technical Standards, in order to become increasingly environmental friendly points of sale. To achieve this, these MUSI underwent a process that included measuring their sources of emissions, reducing them and compensating them by purchasing Costa Rican Carbon Units. These funds, administered by FONAFIFO (National Forestry Financing Fund), are invested in reforestation and forest protection in the country. During the year, we opened 6 new MUSI points of sale.



Five of the 77 stores
were declared
Carbon Neutral

MUSI Store | Trejos Montealegre neighborhood, San Jose, Costa Rica (Carbon Neutral)

Musmanni Bakeries

In 2017, 100% of the Musmanni bakeries completed their migration from the point of sale image to a kind of “oasis”, a warmer, modern and more welcoming space, where the consumer may even sit down and enjoy a coffee right there. This business had a 5.5% growth in EBITDA versus the previous year, which represented 22.7% of total sales.

Musmanni participated in the “Franchise Expo 2017” with a high traffic of visits that resulted in the entry of two new franchisees. Business dynamics focused on strengthening the emotional bond with our consumers have been implemented. During the year, we opened 16 new Musmanni points of sale.



Innovation of the year: 100% recyclable paper bag

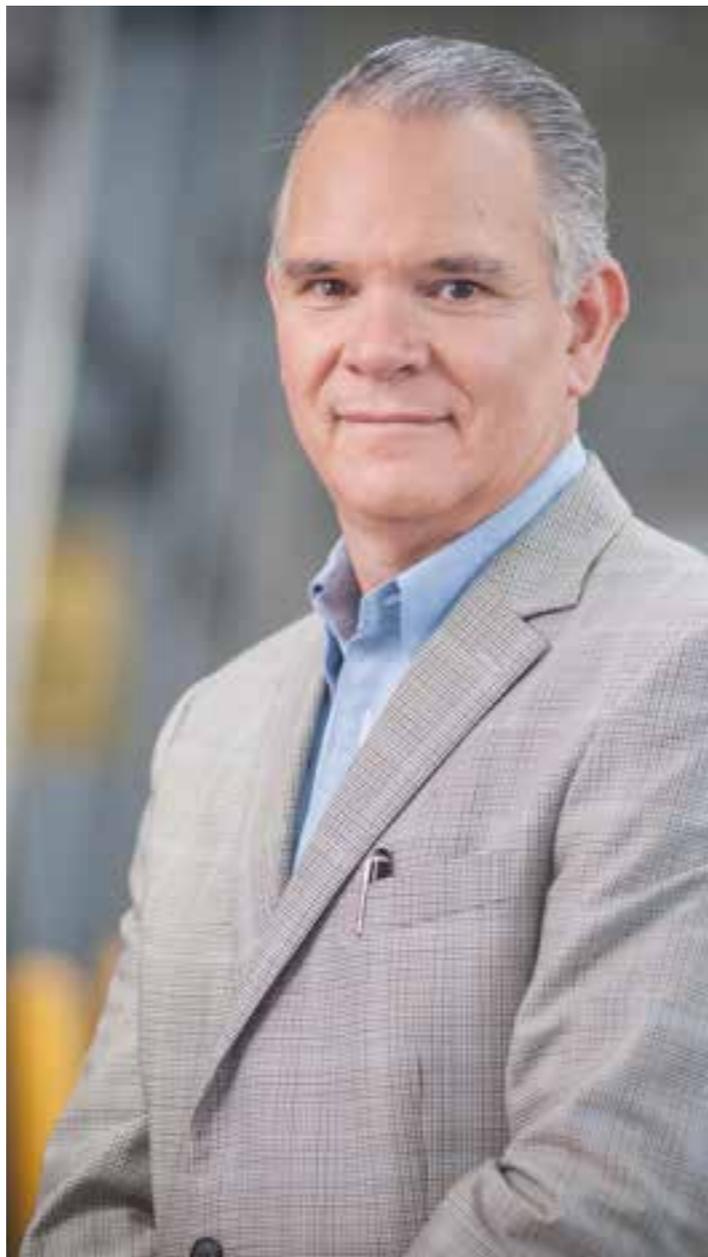
As part of our brands' efforts to become lighter every day (FIFCO Air Brands), in 2017 Musmanni decided to launch the new 100% recyclable paper bag to deliver “Melcochón” bread to the more than 220 points of sale in the country, this being the best selling bread nationwide.

Although its cost is 2.5 times higher than the plastic bag, it is not transferred to the consumer. Looking to the future, we intend to migrate all plastic product delivery bags to paper bags.



Three questions for Helmuth Sauter

DIRECTOR OF FLORIDA HOSPITALIDAD | FIFCO



State the year's main economic achievements for the division

This year we had achievements in the three dimensions. Highlights for the economic dimension are that we closed above the budget, we started the construction of the new Hotel W in line with the budgeted amount, we innovated with the new "On Premise" format and as part of our strategic focus, we signed a sales contract for the North Peninsula terrain.

What were the main milestones in the social and environmental dimensions?

In social terms, we ranked #2 nationwide in the Great Place to Work survey under the category of companies with less than 1,000 collaborators, we inaugurated the new EBAIS (medical care center) for the community of Brasilito, we increased the number of graduates under the Dual Education program and we managed to achieve a high percentage of local hires. The Wildlife Refuge obtained a perfect score and AyA (Aqueduct and Sewer Authorities) began the construction of the Nimboyores aqueduct with the funds donated by the division in the previous period. In addition, Reserva Conchal was the best-ranked business during the public stakeholder consultation process carried out during the recording period, with respect to its social and environmental performance.



Regarding collaborators, what are the greatest achievements?

This year we ranked second nationwide in the Great Place to Work survey in the category of companies with fewer than 1,000 employees. In addition, we continued with the Dual Education program, which grows every year, giving new collaborators the opportunity to enter the business. The local labor recruitment percentage is quite high, contributing at the same time to the community that surrounds us.

Florida Hospitalidad

Hotel W

In this period we began construction on the new Hotel W, after completing the bidding process, hiring construction firms and obtaining the construction permits. The first movements of land and construction began in line with the approved schedule and budget.

Reserva Conchal, real estate project

This business managed to reach the residential sales contribution margin according to the proposed budget, and the properties located in front of the “Recycling Center” were sold to the Accelera Project (aimed at small and medium-scale industries).



Westin Golf Resort & Spa Hotel Playa Conchal

Hotel rates increased by + 3% during the reporting period, resulting in an increase of the GOP (Gross Operating Profit) versus the previous year. Hotel occupation showed a slight increase despite the 7% drop in the arrival of tourists to the area in the accumulated October 2016- August 2017 period compared to the previous year. This year, we implemented an important expenditure control, which resulted in very good performance indicators. During the period, the hotel inaugurated its latest “on premise” point-of-sale innovation known as “El Bar Imperial”, where guests can enjoy live music, beer and national food in a relaxed, warm environment, full of a very Costa Rican essence.



Florida Capitales

COMEGUA

During this fiscal period, this operation did not have economic growth but moves forward with its innovation agenda to face the challenges of 2018.

INCECA Brewery

During the year, INCECA presented almost double-digit growth in beer and moderate growth in soft drinks versus the previous year, with a positive EBITDA. The increase in sales in convenience stores was with double-digit growth. Regarding the environmental and social agenda, this operation was certified water neutral and offered 6,700 workshops on smart alcohol consumption to 187,000 people, including minors.

El Barú Brewery

During the fiscal period Barú Panama Brewery did not have economic growth, however it's worth mentioning its innovations : Panama Artic beer and Soberana Ultra.



Quality and safety

Quality and Safety of our products

100% of the products produced by FIFCO are submitted or evaluated to verify their impact on the health and safety of our customers. This verification process uses different methodologies such as: Internal Integrated Audits, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices, production lot checks, physicochemical and microbiological analyzes, all detailed in the respective management systems. We systematically seek improvements in the formulation and development of our products in terms of quality and safety.





Responsible product labeling

100% of our products produced and marketed during the 2016 period, provide correct and accessible information on their labels or packing boxes, in accordance with current legislation and regulations established by the Ministry of Health, Ministry of Economy, Industry and Commerce and Central American Technical Regulations, among others. Each package details:

- Name of the food
- List of ingredients
- Nutritional information (when applicable)
- Net content
- Name and address of the manufacturer
- Country of origin
- Batch identification
- Expiration date
- Product benefits
- Customer service phone number
- Recycling Program logo

The industrial bakery products of the Florida Retail operation are packaged in bulk for further processing and therefore are not subject to pre-packaged food labeling regulations. However, all boxes have a label, with the name of the product, the date of production, the recommended expiration date, the batch number, serial box number and net weight. In addition, customers are provided

Information required on the label

Criteria	2017	
	Must report	Must not report
Origin of the components of the product or service		NAB
Content, especially with regards to substances that may have some environmental or social impact	IAK, Cristal, ECSA, Dairy	NAB
Safety instructions for the product or service		NAB
Elimination of the product and environmental or social impact		NAB

with technical data sheets for each product, explaining the ingredients and allergens in it, the preparation method and storage recommendations.

At Industrias Alimenticias Kern’s (IAK) 100% of product labeling complies with the Central American regulation, RTCA (Central American Technical Regulation) for General Labeling, Nutritional Labeling (which is voluntary), Food Additives and Net Content. At North American Breweries the products comply with the relevant labeling legislation for that geography.

Consumer safety and health

During the period, we identified a case of non-compliance with the regulations regarding product labeling and the health and safety of consumers with Green Tea Light. Following the recommendations of the Costa Rican Consumer Commission the company made the required modifications on the label, aiming to offer much clearer and detailed information to the consumer.

The Florida Retail bakery plant underwent the ISO-9000 recertification audit, obtaining two minor nonconformities. In relation to the claims, 115 claims were received, that is 18% less, and the percentage of cases recognized to customers through NC due to quality issues, decreased from 0.06% to 0.03%. All the claims were addressed and analyzed taking the pertinent corrective measures.

Industrias Alimenticias Kern's and North American Breweries production units presented no breaches of the regulations or voluntary codes related to the health and safety of products and services.

Our commitment with consumer safety and health

- 1** Develop initiatives that promote access to economically accessible and healthy foods, promoting wellbeing in the communities
- 2** Develop products with low contents of sodium, trans and saturated fats and added sugar
- 3** Develop products that contain fiber, vitamins, minerals and other functional food additives
- 4** Increase the number of products that contemplate a lower social and environmental impact in our portfolio

Consumer privacy

The First Contact Center that handles consumer claims and complaints, received on average over the period, 7,532 calls per month, compared to 6,682 calls per month during the previous period; averaging 91% effectiveness versus 96% goal, 94% Service Levels versus 90% goal and 3% dropouts versus 5% goal. During the 2017 period there are no substantiated claims regarding the violation of privacy and the leakage of customer data.

FIFCO evaluates its complaints mechanisms through monthly indicators that are presented to the different businesses. Additionally, we participate in internal and external audits of this process.

Toll-free Customer Service numbers

800-CERVEZA

800-CRISTAL

800-TROPICAL

800-PEPSIYA

Information on label

Number of claims for economic, social and environmental impacts				
Type of claim	2014	2015	2016	2017
Products (customers)	325	312	606	609
Products (consumers)	859	836	1.471	1.301
Logistics (customers)	N/A	N/A	433	474
Damage to property	N/A	N/A	54	30
Environmental	N/A	N/A	52	19
Bad driving	N/A	N/A	53	33
Contraband	N/A	N/A	97	81
Total	N/A	N/A	2	3
Total	1.184	1.148	2.768	2.520

During the period none of FIFCO's business units have been subject to administrative or judicial sanctions related to environmental issues in the countries in which we operate. Regarding complaints, particularly to do with the operation of the treatment plant in Guatemala, despite fully complying with local legislation regarding the quality of the discharge and noise emissions, several complaints have been received for noise and generation of odors, some based on the operation of the treatment system itself. Regardless of this, an improvement and community approach plan has been developed and implemented to address this issue, with good results so far, improving the relationship with the neighboring communities. This plant has a new activated carbon odor treatment system, both in the treatment plant and boilers area, built voluntarily by the organization to improve control and prevent emissions from these process areas.

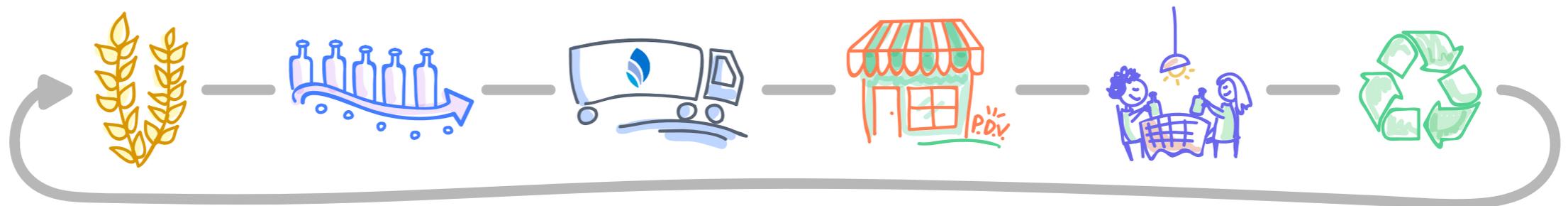
In regards to the Florida Retail industrial operation, a lawsuit filed by a neighbor against the previous owner of this operation is in conciliation proceedings before the Administrative Environmental Court in Costa Rica. Since FIFCO acquired this operation, no environmental incidents have been reported; on the contrary, under the new administration this facility has obtained the ISO 14001 environmental certification and Carbon Neutrality INTE 06-12-01, which allows us to control the elements and prevent environmental impacts that may derive from this operation.

The impacts of the operation of North American Breweries are mainly environmental in the case of the Genesee Plant, due to emissions, waste that goes to landfills and water consumption. The company is making efforts to minimize these, such as saving 136 million gallons in the last three years and the alliance with NGOs like Genesee River Watch, Natural Conservancy, among others, to protect the areas and restore the natural habitat.



Sustainability in the value chain

For 7 consecutive years, we have incorporated FIFCO's value chain into our sustainability strategy, so that they can improve their environmental and social performance and reduce their footprints. For this purpose, FIFCO developed and implements the Sustainable Purchasing and Customers Programs.





Sustainable Purchasing



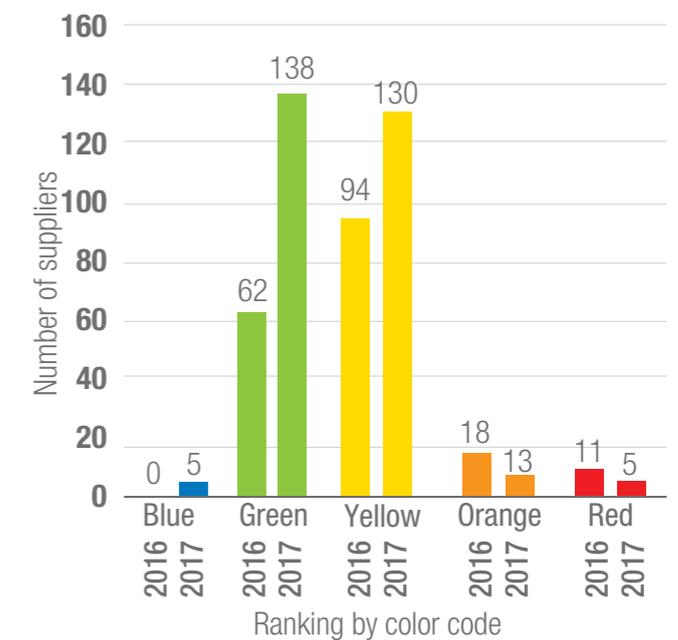
This program is developed by the company’s Environmental and Procurement teams develop this program. Both make sure that the company’s suppliers reduce their environmental and social footprints. The suppliers that are part of this program are subject to different evaluations or audits, based on the ABC Sustainability procedure, taking into account social (child labor, Human Rights, ethics, occupational health, among others) and environmental (water and energy consumption, greenhouse gas emissions, waste generation, etc.) criteria. As of 2015, our suppliers’ suppliers were taken into account to move further ahead in our value chain. To learn more about the program methodology, see our FIFCO 2015 Integrated Report, pages 98 and 99.

Significant improvements were made to the program and the tools used in 2017 in order to keep it in line with the company’s strategy and up to date with the new legal requirements applicable to the area of sustainability. Within the evaluation methodology FIFCO decided to adjust the requirements towards the fulfillment of the Sustainable Development Goals dictated by the UN (2015). In addition, as part of FIFCO’s 2020 objectives, it defined that it will lead with sustainable brands that generate light environmental and social footprints. In accordance, the methodology was adjusted to evaluate and motivate suppliers to work

towards the reduction and mitigation of their environmental and social footprints. A supplier’s performance is based on the work performed in line with the measurement, reduction, mitigation and positive value of their footprints in the different areas of sustainability.

Depending on each supplier’s performance, we determine the required follow-up and deserved acknowledgement based on progress (FIFCO “sheets” determine status and performance). Likewise, a new category was created with a score that exceeds 100 points, recognizing those whose effort goes beyond legal issues and base compliance, categorizing them as world-class companies.

Ranking of 2016-2017 evaluations



Supplier sustainability ranking

Red	Orange	Yellow	Green	Blue
Score ≤ 59	Score ≥ 60 y ≤ 69	Score ≥ 70 y ≤ 89	Score ≥ 90 y ≤ 100	Score ≥ 101
Fail	Conditioned	Pass with opportunities	Pass	World class
Doesn't apply				



2017 main results | Suppliers

- During this period, FIFCO reported purchases of more than \$426M. Of this amount, 32% correspond to suppliers included in our Sustainable Purchasing Program (11% led by women). 34% of the suppliers evaluated at the time of the audit proved to be certified in one of the following management systems: environment, safety, quality, food safety, human resources or civil security.
- 100% (516) of the new suppliers, signed and accepted FIFCO's Environmental Policy and Responsible Supplier Code.
- Relationship with three suppliers was severed due to scores below 60 points and their inability to show immediate improvements and pay attention to the requirements. The other two suppliers who are still classified red for non-compliance with legal requirements are working on correcting the issues and we follow-up constantly to make sure their performance improves.
- 5% of the companies implement inclusion programs for at risk populations.
- We offered four training workshops to more than 100 suppliers on topics such as: Volunteer Program, Quality and Food Safety Requirements; Product Environmental Footprint and Environmental Indicators Report, and the FIFCO Opportunities Program so they can replicate the programs in their own companies. Two suppliers replicated the volunteer program, accumulating 124 hours of social aid.
- We developed the "Entry Requirements Manual" (social and environmental requirements) for suppliers that offer 20 products or services.
- Despite a more rigorous audit process in comparison to the previous year, suppliers improved their scores by 67% as a result of monitoring and compliance with the action plans.

Suppliers included in Sustainable Purchasing

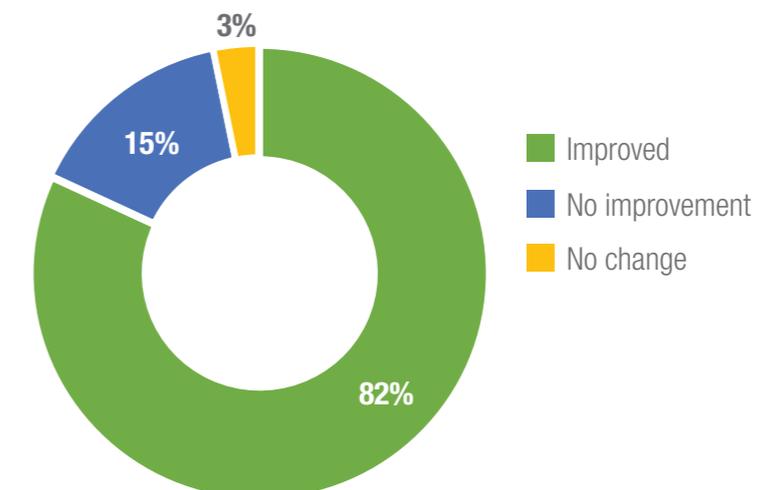
Business Unit	2011	2012	2013	2014	2015	2016	2017
Florida Bebidas	24	48	44	67	137	178	157
IAK		4	6	8	15	17	15
Musmanni			5	4	7	6	52
Reserva Conchal				9	10	31	69
Total	24	52	55	88	172	232	293

Note: the number of suppliers included is cumulative year after year, but there may be suppliers that exit the program that are not accounted for.

FIFCO | Number of new suppliers

País	2015	2016	2017
Costa Rica	488	393	547
Guatemala	183	122	98
El Salvador	7	1	3
Grand total	678	516	648

FIFCO | Percentage of suppliers that show improvement, 2017





2017 main results | Supplier's suppliers

In 2017, according to the adjustments made to the suppliers evaluation tool, we defined a section to evaluate the suppliers that replicate the sustainable purchasing program in their value chain. This is rewarded as extra points in the evaluation. Out of a total of 213 suppliers evaluated, 10% of the suppliers in the Sustainable Purchasing program (a total of 29 companies) are following FIFCO's example, and have a program they use to evaluate their own suppliers at an economic, social and environmental level. There were some that have started evaluating their suppliers, but only covering economic indicators, excluding the environmental and social aspects, for which the action plan now establishes a tool adaptation. Several suppliers evaluated within

the program were identified to be suppliers of suppliers, which means that the current scope allows us to indirectly evaluate part of FIFCO suppliers' value chain.

2018 Challenges

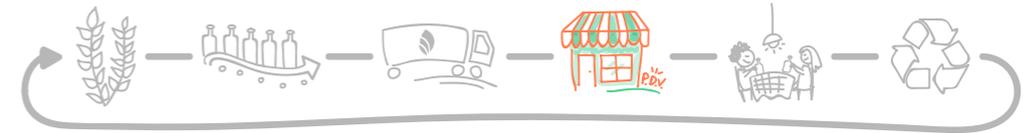
- Outsource audits for 50 suppliers to increase the coverage of the program.
- Develop the first ABC of sustainability for North American Breweries suppliers.
- Environmental Indicators Report provided by suppliers of ingredients and materials for the six 2020 FIFCO AirBrands: Imperial, Cristal, Pilsen, Melcochón, Ducal, Tropical.

- 1,800 volunteer hours with FIFCO suppliers.
- Compensation of carbon footprint by suppliers, for example: compensation of mass transit carbon footprint, by the supplier.
- Keep the training program on sustainability issues for suppliers, offering at least 4 massive trainings

FIFCO | Suppliers included in the program according to performance and business category, 2017

Entities	Active suppliers	Invoicing US\$	ABC Invoicing	OB17 Sample	ABC	Included suppliers	OB17 sample	Category	FBEB	%	IAK	%	RC	%	Hotel Westin	%	Florida Retail	%	Total
FBEB	2,193	284,505,605.00	84,514,008.00	29.7%	113	157	7.2%	Blue	2	1%	0	0%	0	0%	1	3%	2	4%	5
IAK	560	63,789,688.00	16,722,549.00	26.2%	13	15	2.7%	Green	75	48%	7	47%	16	43%	15	47%	25	48%	138
Florida Retail	498	42,971,090.00	19,504,417.00	45.4%	36	52	10.4%	Yellow	72	46%	5	33%	19	51%	15	47%	21	40%	132
RC	343	18,406,181.00	8,156,383.00	44.3%	28	37	10.8%	Orange	6	4%	2	7%	2	5%	1	3%	2	4%	13
Hotel Westin	432	17,119,515.00	7,485,147.00	43.7%	23	32	7.4%	Red	2	1%	1	13%	0	0%	0	0%	2	4%	5
Total General	4,026	426.792.079,00	136,382,504.00	32.0%	213	293	7.3%	TOTAL	157	100%	15	100%	37	100%	32	100%	52	100%	293

Note: FBEB (Florida Bebidas), IAK (Industrias Alimenticias Kern's), RC (Reserva Conchal). This table shows the total number of active suppliers during 2017 and invoicing for that year. The first column OB17 Sample indicates the program's scope at an economic level, while the second specifies the scope in terms of number of suppliers included with respect to total active suppliers. Finally, starting with the tenth column, the number of suppliers is indicated according to the performance category and business unit and the percentage covered by the audits.



Sustainable customers

As with the Sustainable Purchasing program aimed at the company’s suppliers, three years ago FIFCO began the Sustainable Customers program to ensure that this public improves its economic, social and environmental performance and is in line with the company’s corporate strategy. Results are being formally reported for the third time this period, since the first year was a pilot plan. The Sales team initiated the process to communicate the program and invite customers to participate.

For the 2017 evaluation, we decided to work with Florida Bebidas clients in conjunction with the Customer oriented program developed by FIFCO’s Human Resources department. The role played by the Sustainable Clients Program is more active in terms of sustainability, making a diagnosis at the points of sale in the following areas: social practices in human rights, infrastructure, quality and food safety, occupational health and safety, relations with the community and environmental practices. Subsequently, a development program that includes training is defined to help customers improve their performance in the areas of sustainability. The estimated time to implement the program with each customer is three years, which involves advice on business management and sustainability. As in previous years, Florida Retail unit customers continue to develop the Sustainable Customers program.

Customer Sustainability Ranking:

Red	Orange	Yellow	Green	Blue
Score < 60	Score 60 - 69	Score 70 - 89	Score 90 - 100	Score ≥ 100
Fail	Conditioned	Pass with opportunities	Pass	World class
Not applicable				

On 2017 the program focused on customers who have considerable opportunities for improvement from a business, legal and other sustainability issues perspective. Therefore, the initial performance is low, but we expect there to be a significant improvement in performance as they continue to receive training and advice throughout the program.

Main results | Sustainable Customers 2017

- We evaluated six Florida Bebidas customers, three waste management companies that belong to FIFCO's Post-Consumer Recycling program, four Vinum stores, 50 Florida Retail customers (bakeries and convenience stores) and developed action plans for all of them, which are to be implemented during the following fiscal year.
- Florida Bebidas customers that are participating in the program, have a performance of: 50% "to develop" and 50% "satisfactory". Of the waste management companies visited, two achieved "outstanding" status and one "to develop". Vinum stores have a "satisfactory" and "exemplary" performance; Florida Retail customers achieved "to develop" and "in development" scores.

Customer oriented program

The customer oriented program was launched during the recording period. This project aims to create meaningful relationships that promote business and human development. Some benefits for participants are: access to funding from the Development Banking System and simpler procedures and paperwork, support in infrastructure, equipment or furniture renovation; as well as counseling and training to strengthen the company at an economic, social and environmental level. This project was developed in partnership with BAC Credomatic, FUNDES, COFINSA, an architecture firm and Florida Bebidas. The biggest challenge for the next period is to include and positively impact more customers.

2017 Progress

- Anthropological study of 24 families/customers
- Assessment of 64 different points of sale
- Creation of a comprehensive model
- More than 75 customers in the pilot plan
- Customers with liquor license are included in the plan (initial goal: 120 customers from the Greater Metropolitan Area)

“

“Every venture generates frustration and headaches, it is a daily race and the lack of liquidity is one of the biggest challenges, either because you had to access more commercial lines of credit or not; the fact is that, it is simply not possible to separate the business from the personal, there is always a very important link

Egérico Segura

manager at *Super La Despencita*, who was able to refund a business debt and get counseling for his team, thanks to the program.

Internal Social Dimension Our People





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Internal Social Dimension

Our People

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Three questions for Scarlet Pietri

HUMAN RESOURCES DIRECTOR | FIFCO



What have been the main achievements for the Human Resources Department in 2017?

- a. We reviewed our organizational structure in order to gain insight for the business areas that face great challenges on the way to 2020. This revision allows us to create conditions leading to the standardization and combination of simpler and more efficient processes in FIFCO's supply chain. Create conditions stemmed from structural design that enable collaboration.
- b. Installed the capacity to manage change in our businesses in Costa Rica and Guatemala and put it into practice.
- c. In terms of leadership, we promoted the role of facilitator of non-natural teams instead of the traditional managerial role.
- d. We promoted collaborative work in diverse teams and the co-creation of solutions with customers and consumers.
- e. In terms of alignment, we co-created the conditions for FIFCO to manage the strategy and development of a business ecosystem that operates harmoniously towards FIFCO 2020.

What actions are being taken to be a Great Place to Work by 2020?

We focus our efforts on bringing tools that promote collaboration, that favor the development of internal learning networks that enable an intelligent organization where knowledge flows quickly, that experiments and pursues more disruptive ideas, and where changes are tackled in a positive way, favoring decision making in real time and forcefully impacting the results.

What role does the leadership model play in 2017?

The leadership model defines the behaviors that enable our culture, therefore its continuous implementation favors: collaboration, diversity, experimentation and learning, and the implementation of innovative initiatives that increase execution and business results.

Our goal: To be champions with our employees

As part of FIFCO's commitment to generate value for each of its stakeholders, in 2016 the company defined its goal for 2020 with respect to collaborators: to be champions with our employees. It is through FIFCO's purpose, values and leadership model, that we address an agenda that promotes our collaborators' comprehensive professional and personal development.

Our people

A total of 6,441 collaborators work for FIFCO in its operations in Costa Rica, Guatemala, El Salvador and the United States. Our workforce is a fundamental part for the creation of economic, social and environmental value. As a result of the 2017 organizational restructuring process, people whose roles were duplicated were let go in order to simplify the way in which we operate and be an increasingly agile and efficient company.



FIFCO – Total collaborators (full-time, temporary and part-time)

Country	2014	2015	2016	2017
Guatemala and El Salvador	452	686	711	722
United States	1,120	1,123	1,073	1,061
Costa Rica	4,525	4,515	4,797	4,658
TOTAL	6,097	6,324	6,581	6,441

Material topics

There are many relevant factors when we talk about our company's most important resource: the collaborators. However, FIFCO has focused on six material topics internally, which are prioritized in order to move towards the fulfillment of two of the 7 commitments for 2020 and pursue the following Sustainable Development Goals: Good Health and Wellbeing, Gender Equality, Reduced Inequalities and Partnerships for the Goals.

- 1 Organizational alignment
- 2 Talent management
- 3 Comprehensive Wellbeing
- 4 Labor relations
- 5 Human Rights



Three questions for Mariel Picado

DIRECTOR OF LEGAL SERVICES | FIFCO



How do you apply the leadership model?

When we started applying the leadership model in the company, I saw that it allowed me to connect with something that is very linked to my essence: creativity. This has led me to explore and learn new things, to find new ways, to experiment, to make mistakes and get up again. Hence I have decided to exercise a new kind of leadership, embarking on a new journey not only personally, but also with my team and with other people in the company, since, by building on the essence of each other, I have learned to draw from the diversity of talent and thought.

What advantages have resulted from adopting and replicating the leadership model in your team?

Through the leadership model, I have learned to work in a different way. I have learned to work collaboratively, creating ecosystems in which the interaction of different people generates an incredible dynamic. When we interact with each other, everything starts moving very fast, we all share knowledge, different points of view and we start generating new ideas and new solutions. To work in this way has been invaluable. It has allowed me to:

- Focus on the strategic, always being clear on the path to reach the final goal
- Confront an idea, improve it, validate it and enrich it as a group, finding new ideas and solutions that are even different from the ones I had originally thought about
- Identify the risks beyond what I myself could have seen
- Have all the information and knowledge at hand, in order to make the right decisions at the right time

How would you summarize your experience in a sentence?

Working, exploring and learning in collaboration with others has made this journey more interesting.

Main results and milestones of the period

COMMITMENT #4
FOR 2020:



**Eradicate poverty
inside our company**





FIFCO Opportunities

During 2017 FIFCO continued with its FIFCO Opportunities program. This program, which was born in May 2014, seeks to eradicate extreme poverty within FIFCO's workforce, starting with collaborators in the Florida Bebidas unit and then extending it to the Florida Retail and Reserva Conchal businesses.

This initiative answers to two of the UN Sustainable Development Goals: Reduced inequalities and partnerships for the goals.

Data from the initial evaluation showed that 3.2% of the population surveyed lives in the poverty line.

Through public-private alliances, we were able to improve the quality of life of hundreds of collaborators, as well as the quality of life of their families; facilitating access in four basic areas: housing, education, healthy living and financial services. At the moment it is only implemented in Costa Rica, however, as a result of the new commitment for 2020, starting next period the program will be extended to our operations in Guatemala impacting 50 people directly and 150 indirectly, and to the business in the United States in the future.

THIS INITIATIVE ANSWERS TO TWO OF THE UN SUSTAINABLE DEVELOPMENT GOALS



Second generation

In 2017, we began the process to recruit the second generation of FIFCO Opportunities in Costa Rica, which will impact 50 employees directly and 150 people indirectly.

2017 Results

114 = 548

EMPLOYEES IMPACTED

PEOPLE INDIRECTLY.

- 100% of the population participated along with their partners in the workshops on life, financial and legal skills.
- 72% of the participants have Financial Sponsors who are volunteer collaborators.



FIFCO Oportunities impact

Country	Costa Rica 2016	Costa Rica 2017
Housing	<ul style="list-style-type: none"> • 12 remodeled homes • 5 homes built • 6 being built • 13 cases under study • 1 Housing Fair • 18 cases for 2016, financial improvements in process to proceed with housing bonds 	<ul style="list-style-type: none"> • 14 remodeled homes • 16 homes built • 7 cases under study • 11 cases for 2016, financial improvements in process to proceed with housing bonds
Education	<ul style="list-style-type: none"> • 64 school allowances • 2 scholarships • 15 wives of collaborators trained 	<ul style="list-style-type: none"> • 64 school allowances
Finances	<ul style="list-style-type: none"> • Debt readjustments: 3 of 8 required • Indebtedness: 4 families reduce debts by 100% • Beginning process with sponsors and financial plans in Florida Retail and Reserva Conchal 	<ul style="list-style-type: none"> • 45 families with financial stability • All businesses with sponsors and financial plans • 69 families with monthly financial counsel
Health	<ul style="list-style-type: none"> • 67 families with general medical exams • Support in emergency issues for children of collaborators and for collaborators affected by traffic accidents • Granting food allowances in Florida Retail and Reserva Conchal • 98 families with food allowances 	<ul style="list-style-type: none"> • 52 families with general medical exams • Support in emergency issues for children of collaborators and for collaborators affected by traffic accidents • 114 families with food allowances



Number of people impacted according to area and business unit, cumulative

Area	Florida Bebidas	Florida Retail	Reserva Conchal	Total
Education	42	14	8	64
Housing	26	0	4	30
Healthy Living	41	0	11	52
Finances	68	20	26	114

Main results and milestones of the period

COMMITMENT #2
FOR 2020:



**Be recognized as
one of the best
places to work**



| Organizational alignment

Since our collaborators are our most important resource, special attention has been given to the management and consolidation of the company's leadership model and to the development of their skills, promoting imagination and entrepreneurship during the process.

Costa Rica

During this period, the company launched the program "Vos 2.0", a program designed to install the capacity to manage change within the leaders of the organization. The methodology used during this international certification consisted of acquiring the skill by managing projects of different natures; 46 projects were executed throughout a 6-month period. A total of 15,000 hours were invested in the "Vos 2.0" program with the participation of 180 company leaders from Costa Rica and Guatemala.

During this period, we also imparted trainings on the following topics: onboarding process for new collaborators, leadership, English, Lean Management, GED, Emergency Brigades, Occupational Health, Quality, Food Safety, Environment, Sales, Customer Service, Group Coaching, Apics, Leadership Model, Finance for Non-Financial People, Road Safety, Driving School, new Labor Procedural Law, Marketing and innovation among others.

Guatemala

For this business, we promoted training programs on best manufacturing practices, thermal processes, inventory management and planning, soft skills, motivational talks and values for all personnel, among others. In addition, we offered a technical metrology program to the operational staff. It is important to note that IAK does not offer programs to aid in the transition when a collaborator leaves the

company and there is no training related to Human Rights.

United States

The focus has been on the development of collaborators by providing training within the company itself, as well as external courses to advance their professional development. In addition, courses for online professional development were given and the Cicerone development program to certify our experts in the beer industry continued. Training for employees who are paid by the hour is less formal than for full-time employees. This operation does not provide assistance for the transition of employees who retire or withdraw from the company for other reasons. In this operation, 332 hours (compared to 388 hours in the 2016 period) were dedicated to training activities on policies and procedures related to human rights aspects relevant to the

organization's operations. 99% of employees of North American Breweries received a refresher on these topics.

Training hours

Level	2014	2015	2016	2017
Operatives	40,205	30,148.33	66,954.88	59,971
Middle Management	7,838	6,563.12	8,901	11,178
Management	2,012	1,232.99	978	2,355
Total Hours	50,055	37,944.44	76,833.88	73,504

Average Annual Training Hours

Location	Operative				Middle Management				Management			
	Female		Male		Female		Male		Female		Male	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
Costa Rica	26.61	15.87	17.1	84.12	34.94	29.63	2.61	70.36	3.71	24.32	0.38	75.67
Guatemala	0.1	2.2	1.17	4.68	8.45	24.2	53.32	14.19	1.4	8.9	6.56	66

Note: : In NAB, training hours are not quantified, however 50 different courses were offered during the period with 827 people participating (some of them participated in several courses), compared to 336 in the previous period.

| Talent management

THESE INITIATIVES ANSWER TO 3 OF THE SUSTAINABLE DEVELOPMENT GOALS



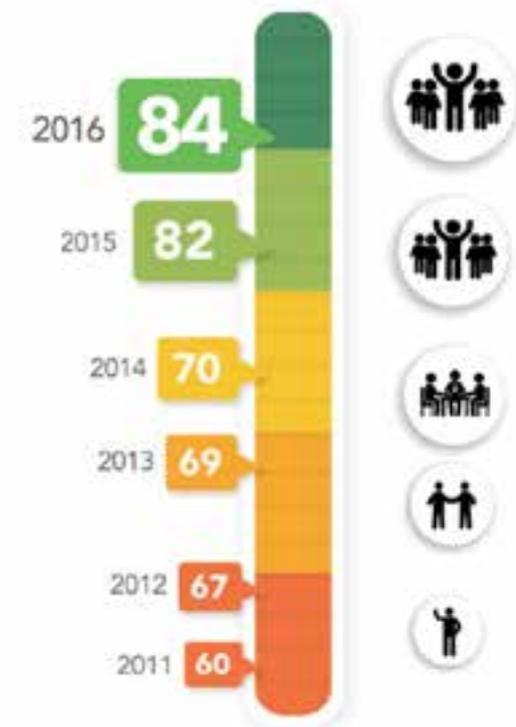
In 2017 FIFCO focused its efforts on redesigning the organizational structure in such a way that it allows it to achieve the necessary agility to reach its 2020 goals. In this sense, we conducted a detailed effort to identify the number of levels and the adequate equipment composition needed in each area. As a result, complementary areas were merged, structures were standardized, the synergies between businesses were strengthened and the execution scope for some managerial positions in the organization was redefined.

The new organizational structure is therefore less hierarchical and simpler in its design and will allow FIFCO to: focus on business areas facing great challenges for 2020, create conditions for the standardization and combination of simple and efficient processes throughout the supply chain and encourage collaborative work between empowered teams with leaders closest to the decision-making process, which will accelerate the organization's responsiveness in more competitive and changing market environments.

In order to strengthen the 7 commitments we made with society, during the period FIFCO continues to work on enhancing working conditions to develop the company's talent. As a result, in 2017 Florida Bebidas ranked as the #1 company to work in Costa Rica, in the category of more than 1,000 employees, while Reserva Conchal placed #2 nationwide, in the category of companies with less than 1,000 employees. The results of the Great Place to Work survey correspond to 2016, since the 2017 survey was applied at the end of the period and the results will be ready for the 2018 Integrated Report.

These results are leveraged in the implementation of standardized leadership practices within the company, such as: one-on-one individual meetings, monthly group meetings and quarterly microclimates, public acknowledgements associated with values and a consistent celebration of achievements.

Leadership evolution According to the Great Place to Work Survey



How did we do it?



ONE ON ONE MEETINGS



GROUP ALIGNMENT



PUBLIC RECOGNITIONS
RELATED TO THE
COMPANY'S VALUES



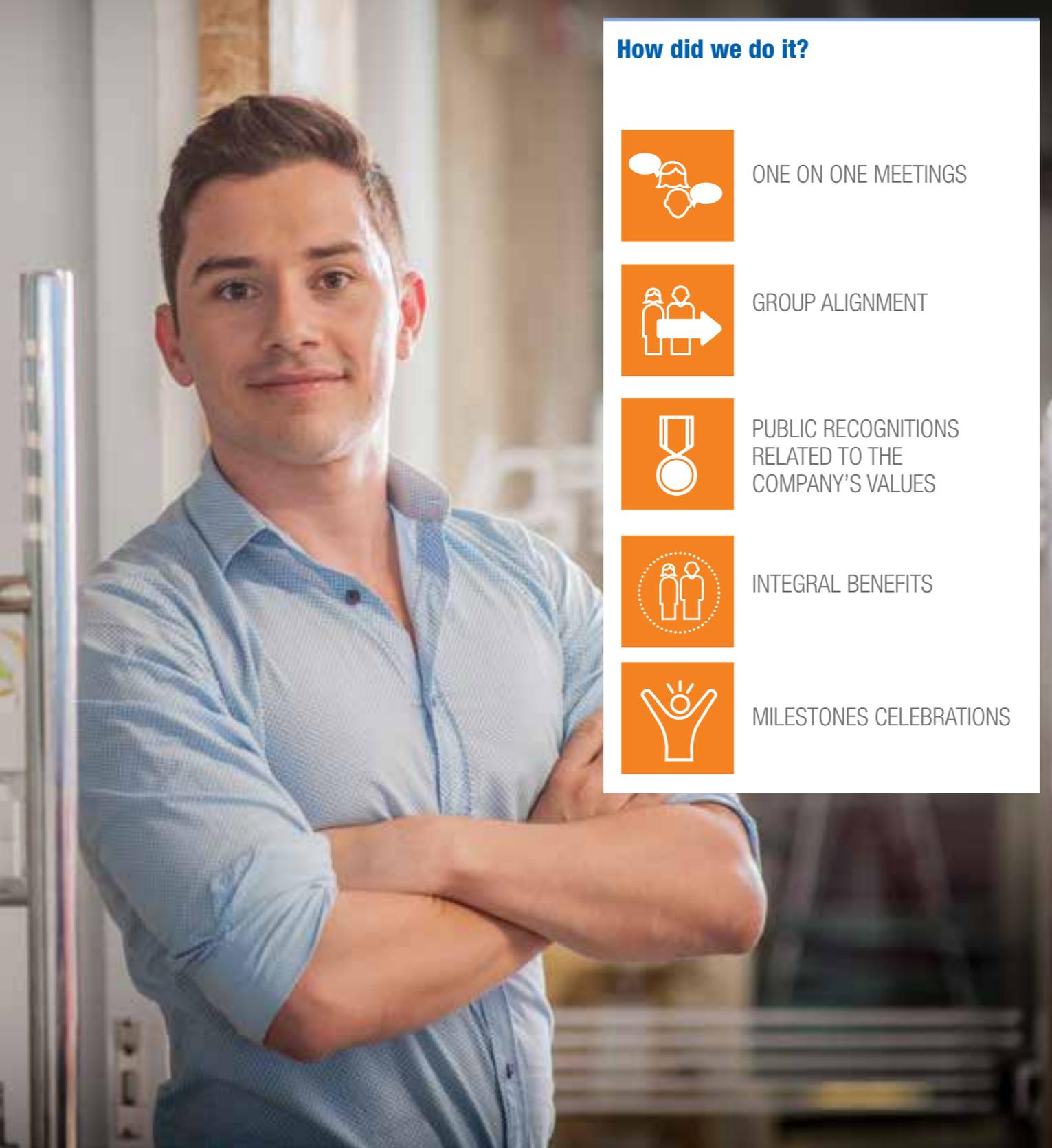
INTEGRAL BENEFITS



MILESTONES CELEBRATIONS

In FIFCO, the determining factor in the construction of large work environments is based on implementing the leadership model, which enables collaboration, experimentation, entrepreneurship and balance in people's lives.

For its part, the North American Breweries operation focuses its efforts on promoting discipline in the sales team business execution. For this purpose, it has invested in transferring to the Diamond model based on the best practices in the industry, and initiated the adherence process, which it expects to complete in 2018. Likewise, the Supply Chain area has worked on the development of organizational capacities that boost the investment made in modernizing manufacturing facilities. To achieve this, it has redesigned its organizational structure, promoted the mobility of internal talent and incorporated new members that complement the team. To strengthen the transition, there has been a constant flow of communication contents and establishment of discussion forums and real time consultation channels.



| Comprehensive wellbeing



The company is committed to ensuring a safe work space while promoting our collaborators' overall wellbeing and quality of life in physical, emotional, psychological and financial terms.

To achieve this, we created the “Estar Bien” (Be Well) program in 2015, which aims to offer employees comprehensive assistance in physical and mental health issues. The Human Resources Department leads this program's agenda.

During 2017, the program was re-launched with a new logo design and the presentation of 4 pillars to offer an increasingly comprehensive program. These are: Be Safe, Be Healthy, Be Fit and Be Happy. This was done in order to differentiate the services offered by the program and classify each initiative according to the objective to be achieved, all under the “Estar Bien” (Be Well) umbrella.



THE COMPREHENSIVE WELLBEING AGENDA CORRESPONDS TO SUSTAINABLE DEVELOPMENT GOAL #3



BE SAFE

It is a priority for FIFCO that all collaborators work in safe spaces and conditions that do not compromise their physical or mental health. Each country has different objectives with respect to Health and Safety in the workplace due to the level of maturity of the programs and the infrastructure of each operation.

It is important to highlight that the formal joint health and safety committees for management and collaborators cover 100% of Costa Rican collaborators. In addition, the brigades offer assistance to the communities in case an internal emergency results in damages to third parties. These committees help and control occupational health and safety programs.

In Guatemala, the committees operate at a management level and represent supervisors and operatives, as well as themselves. 79% of the workers are represented in the formal joint health and safety committees, this applies to full-time, administrative and operative collaborators; these committees still don't represent part-time or temporary collaborators. Finally, in the case of the United States, the Labor and Administrative committee as well as the Safety committee, represent 75% of the total workforce. Both committees have representatives from the main departments.

In Costa Rica there is a Corporate Occupational Health and Safety Policy for the Florida Bebidas and Florida Retail Units, which is available on the intranet in the policies and procedures section, in addition to the National Mental Health policy.

Occupational Health and Safety- Collective Agreements

Occupational Health and Safety issues covered by collective agreements with unions do not apply to the operation in Costa Rica, as there are no unions in our businesses in this country.

Guatemala

Local formal agreements with the union cover matters related to health and safety by 100%. This is stipulated in the Collective Agreement on Working Conditions.

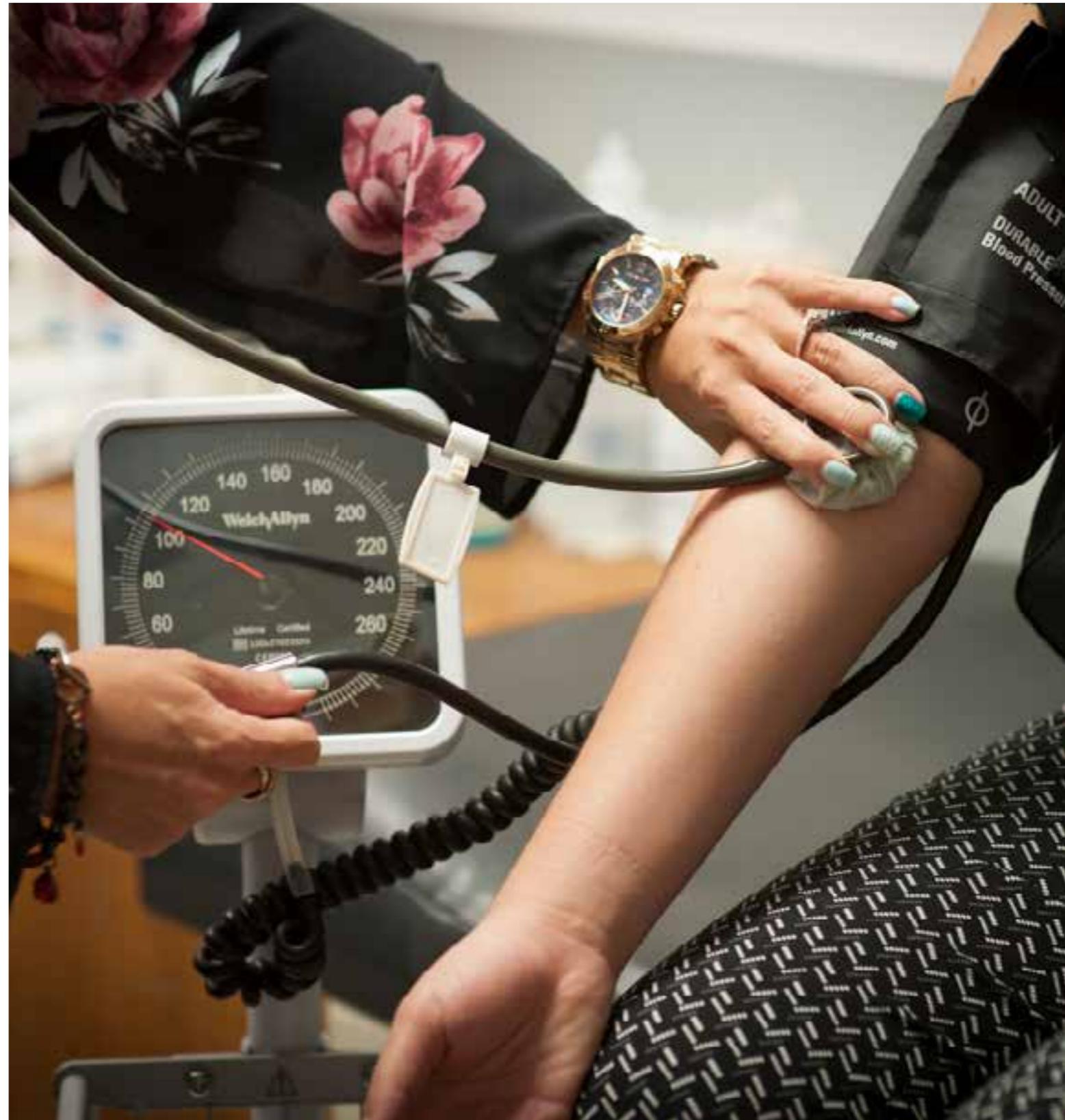
United States

There are formal agreements with unions that cover health and safety issues. Some topics covered in these agreements include the use of personal protective equipment, joint health and safety committee between collaborators and management, involvement in the Safety Committee, participation in health and safety audits and accident investigation, and training and compliance mechanisms available through the management and joint work committee.



BE HEALTHY

During the period, provided medical services expanded to include: free nutritional service in 7 medical offices in Costa Rica. With the support of nutritionists, we improved the food options served in the corporate cafeterias, focusing on offering an increasingly healthy and balanced diet, incorporating breakfasts and vegetarian options in the menu. In addition, we started providing laboratory exams since non-communicable diseases (obesity and diabetes among others) are classified as the #1 health problem in Costa Rica. Taking into account that FIFCO has operations in different parts of the country and in areas far from the Greater Metropolitan Area; and in order to expand the medical services to rural facilities, the program “Estar Bien” (Be Well) innovated by offering patients a medical consultation via Skype. In addition, the “shock therapy” service was implemented to treat injuries.





BE FIT

During 2017 we continued to offer exercise classes as in previous years, and invested in the construction of a new fitness center looking to offer a wider class schedule as well as not having to depend on the weather to be able to give the classes. Efforts regarding this pillar began more than 11 years ago, making it the most consolidated pillar of the program, and leading FIFCO to comply with world-class accident rate indicators.





BE HAPPY

This pillar aims to offer pleasant and friendly spaces for collaborators. During the period we have sought to improve cafeteria infrastructure to make these pleasant spaces to eat and relax. In 2017 we began remodeling a new cafeteria in our facilities in Coyol de Alajuela, Costa Rica, to make it FIFCO's first "happy space", setting the tone for all other cafeterias and relaxation spaces. In addition, we inaugurated the renovated cafeteria located in the Distribution Center in Heredia, Costa Rica.

To offer moments of celebration and joy, this pillar started an event called "Under the Stars" for collaborators to share a pleasant and fun moment with family and friends. We held three such events during this period, raising funds with ticket and drinks sales to help collaborators or relatives who are going through a special situation and require financial assistance.

Collaborating with our people

Thanks to "Estar Bien" (Be Well) we were able to offer support to a collaborator's niece who suffers from a degenerative disease, and her health has improved considerably, to the point where she has started walking.



Costa Rica

In the case of the business units located in Costa Rica, the objectives and goals were:

1. Continue with the pillar “Be fit”, developing a new space to increase the capacity to offer fitness classes.
2. Expand the nutritional counseling program to clinics and make it available for all collaborators.
3. Prevent chronic diseases and motivate a culture of healthy habits and health monitoring, by extending the laboratory tests service.
4. Provide psychological support to collaborators with an emotional and / or mental need.
5. Provide a physical therapy service to reduce musculoskeletal injuries in collaborators exposed to ergonomic risks and improve chronic injuries with shock therapy service.

Currently in Costa Rica the program covers:

- Medical services
- Nutritional services
- Psychological services
- Physical therapy
- Laboratory exams
- Physical wellness agenda

Guatemala

The initial evaluation was completed in order to implement a comprehensive program.

United States

United States

In U.S.A. there are comprehensive wellbeing and work-life balance policies. In line with this commitment to promote a good balance, policies regarding flexible schedules and work from home have been improved, as well as the spaces to rest and areas in the offices.

Some goals and actions for Comprehensive Wellbeing were:

1. Improve the physical health of collaborators.
2. Implement initiatives to improve the work-life balance for our collaborators.
3. Energize employees through better working environments that encourage collaboration.
4. Celebrate achievements more.

5. Regarding personal development, we started to refocus on professional development. The goal was to empower collaborators to increase their skills.
6. Increase enthusiasm for corporate values and purpose.
7. The compensation strategy as a whole was revised to be more in line with the corporate strategy in order to provide a more appropriate level of compensation to collaborators. In addition, we started an acknowledgment program for those who go “the extra mile”.

| Labor Relations

For FIFCO, sustaining a harmonious working relationship with its collaborators is a priority. As part of this, the efforts made and results obtained in matters such as remuneration, benefits, freedom of association and trade union management are detailed below.

Costa Rica

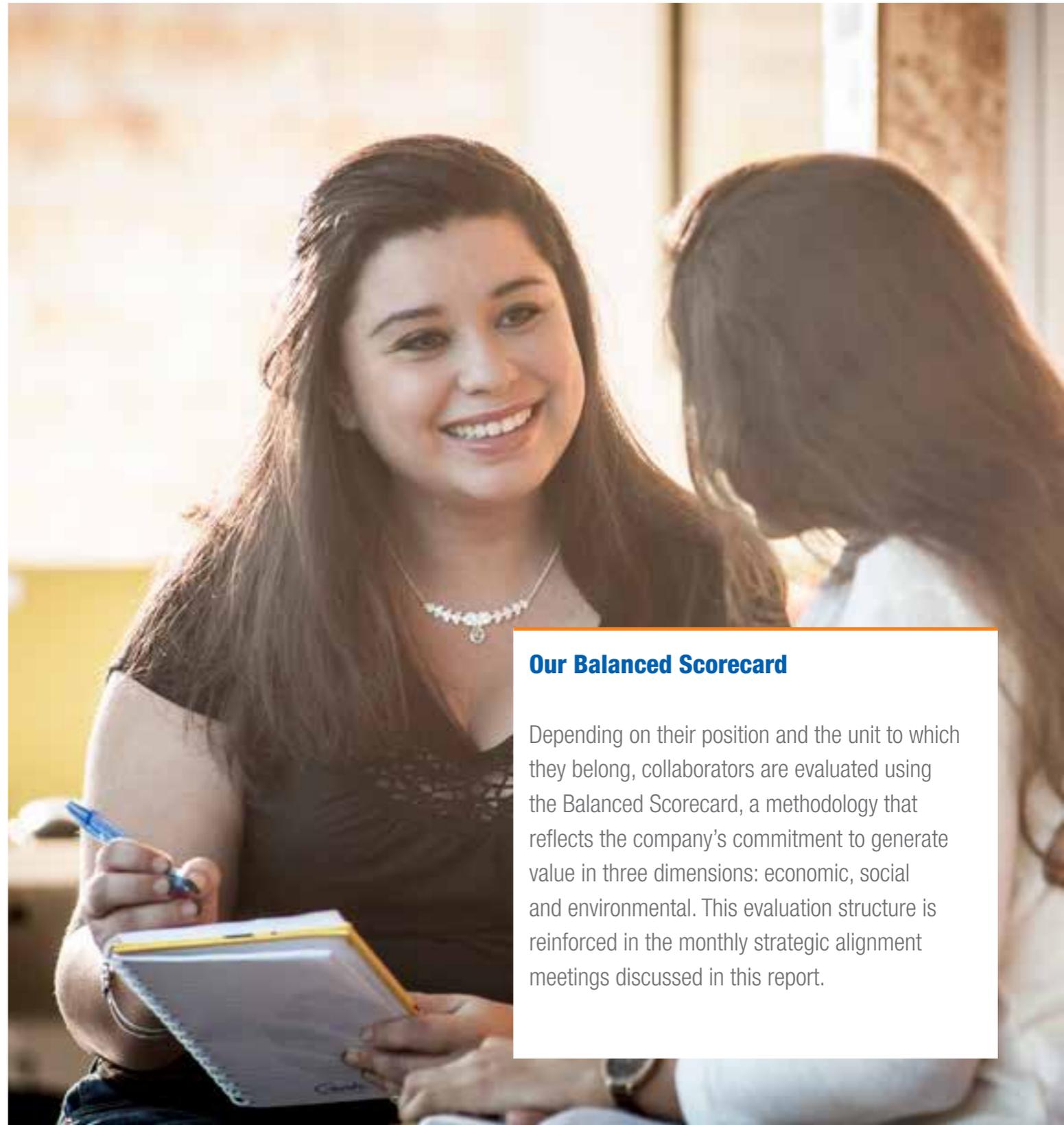
Compensation was increased only once during the year by 1.14%. This was applied equally for all levels of the organization.

Guatemala

The annual percentage increase is the same for both the highest-paid person and the average person in the payroll, 4.3% versus 4.2% the previous year.

United States

: The General Manager received a raise of 1.5% (compared to 3% in the previous period), however collaborators received 1.5% this year versus 3.9% the previous period.



Our Balanced Scorecard

Depending on their position and the unit to which they belong, collaborators are evaluated using the Balanced Scorecard, a methodology that reflects the company's commitment to generate value in three dimensions: economic, social and environmental. This evaluation structure is reinforced in the monthly strategic alignment meetings discussed in this report.

Benefits for collaborators

Costa Rica

- Cafeteria service
- Company doctor
- Life insurance (applies to Florida Bebidas top-level leadership and management; Florida Retail top-level leadership, management, supervisors and professionals; and Reserva Conchal management)
- Medical insurance (applies to Florida Bebidas top-level leadership and management, and Florida Retail and Reserva Conchal management)
- Disability or invalidity coverage
- Maternity and paternity leave
- Retirement fund
- Shares (applies only to Florida Bebidas managers)
- Performance Bonus (applies to all except Reserva Conchal supervisors, professionals and operatives)
- Scholarships for higher education
- Employee Solidarity Association
- Diversified education programs
- Advanced salary payment
- Advanced severance payment (applies only to Florida Bebidas)
- Car allowance (applies only to Florida Bebidas and Florida Retail managers)
- Royalty or discount on products
- Wellbeing Program

- Housing Allowance (applies only to Reserva Conchal and to those candidates who transfer from San José)

Guatemala

Through the union, its members receive food allowances, medical and dental services, holiday bonus and universal compensation, among others. In addition, the staff enjoys:

- Staggered vacations and 20 days (by law it's 15 days)
- Cooperative
- Productivity bonus
- Eye care (only for full-time staff)
- Dental care
- Company doctor
- Medical insurance (administrative staff level 13 and up)
- Assistance due to the birth of a child
- Assistance due to death
- School support and bus service (operational staff)
- Education grants
- Health fairs extended to family members
- Cafeteria service
- Life insurance

- Advanced salary payment
- Product discount
- Holiday bonus (20% for administrative staff since February 2010, and it varies for operative staff according to the Collective Agreement chart)

United States

- Health insurance
- Dental Insurance
- Vision insurance plan
- Flexible spending accounts
- Employee assistance programs
- Disability insurance
- Life and accident insurance
- Retirement savings plan
- Paid time off
- Paid vacations
- Union license
- Free time to volunteer

Freedom of association

DISCLOSURE GRI 102-41

We respect the freedom of association established by local labor legislation, as well as the agreements ratified by the International Labor Organization (ILO) in the countries where we operate. In the case of Costa Rica, the company recognizes the great value of the Solidarity Movement and its important contributions to the development of the country. During the year, no strikes or labor disputes were reported in any of the countries in which FIFCO maintains operations.

FIFCO has its own organizations of this type; membership is voluntary.

Voluntary affiliation organizations

Percentage of affiliated employees

Country	Type of agreement	2015	2016	2017
Costa Rica	Asociación Solidarista de Empleados de Reserva Conchal y Afines (ASORESERVA)	95%	96%	97%
	Asociación Solidarista de Empleados de Panificadora Nacional (ASEPAN)	73%	77%	76,49%
	Asociación Florida (ASOFLORIDA)	85,27%	85,4%	77%
	Asociación Solidarista de Vinos y Destilados (ASOHI)	85,27%	85,4%	84%
Guatemala	Kern's Workers Union	39%	39%	39,88%
United States	There are 5 different unions	28%	32%	32%

About the trade unions

If there are operational changes that affect collective agreements, members are notified within an established minimum of weeks. In the operation in Guatemala, a collective agreement specifies that the period of notice, consultations and negotiations is 8 weeks. In the United States, no prior notice is required for the non-union environment; usually if

there are any changes in operations, notice is given between two to four weeks prior to the event. In the case of Costa Rica, this does not apply because there is no union. In FIFCO, notice periods are applied according to each country's labor legislation, regardless of whether or not these are due to organizational changes.

| Human Rights

THIS INITIATIVE
RESPONDS TO TWO OF
THE UN SUSTAINABLE
DEVELOPMENT GOALS



FIFCO supports and promotes respect for Human Rights both in its direct operation and in its value chain.

The company takes as reference the **United Nations International Bill of Human Rights**, composed of three instruments: Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights. In addition, FIFCO takes into account the principles established in the **United Nations Global Compact**.

Defining the Human Rights policy

In 2017 we created an interdisciplinary group that analyzes the Human Rights most relevant to the company. This group received training on Human Rights during the reporting period, and redacted a preliminary draft of the policy, which is being edited and reviewed, in order to have final approval from the Board of Directors by the next fiscal period.

Our **Code of Ethics and Business Conduct**, embodies the corporate commitment to Human Rights, by pointing out, among other issues, prohibitions and disciplinary measures applied in case the following situations arise:

- Discrimination by gender, ethnic group, sexual orientation, age, political or religious beliefs, different abilities or capabilities, marital status, among others.
- Abuse and / or physical, psychological mistreatment or forced labor.
- Harassment, molestation and / or sexual abuse.

Likewise, the Code recognizes the rights of all children to be protected against economic exploitation, and the company respects the laws of each country where it operates with regards to the minimum hiring age.

In Guatemala, in accordance with the Collective Agreement of Industrias Alimenticias Kern's Workers Union and the

laws of the country, the company has open positions for the children of collaborators to participate under apprenticeship contracts. In this way, young people between 16 and 18 can participate as apprentices in various areas of the company. In the reporting period, the operation covered 6 positions in this category.

With respect to our Commercial Chain, the programs "Sustainable Purchases" and "Sustainable Clients" contemplate social variables related to compliance and respect for human rights.

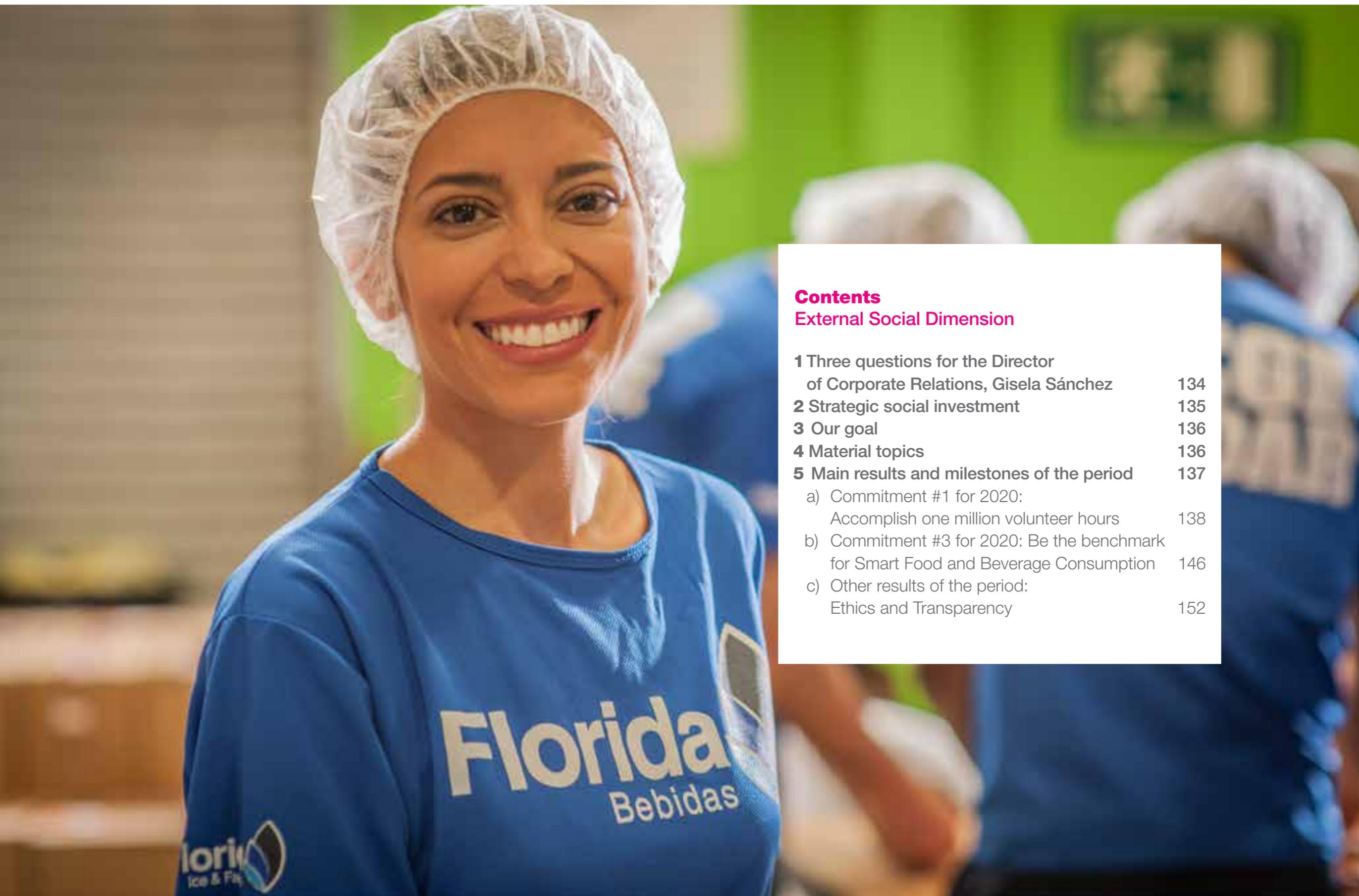
During the recording period, we started the plan to create the Gender Equality agenda, highlighting the hiring of women in the sales team. This year, FIFCO signed the letter of intent for gender equality promoted by the INAMU (National Women's Institute of Costa Rica).



San José Declaration

During the period and for second consecutive year, FIFCO signed the commitment against sexual discrimination and in favor of the promotion of Human Rights, known as the “**San José Declaration**”, along with 20 other companies in Costa Rica. To see the 10 principles covered in this statement, refer to page 133 of the FIFCO 2016 Integrated Report.





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Three questions for Gisela Sánchez

CORPORATE AFFAIRS DIRECTOR | FIFCO



What are the main achievements in terms of sustainability for 2017?

This year has been very important or has shown very important social and environmental progress towards FIFCO 2020 goals. We invested 7.5% of the net profit attributable to shareholders in strategic social and environmental projects, we took important steps in our volunteering agenda, as well as the Comprehensive Smart Consumption agenda, we made Florida Bebidas Carbon Positive and Water Positive, and Cerveza Imperial is the first water positive beer in the world. We also achieved a level of recycling comparable to leading countries, and launched FIFCO Air Brands.

How does FIFCO's sustainability strategy evolve?

Our strategy evolves from processes to brands, and with this we extend our impact far beyond our company, throughout our value chain. Our latest innovation, FIFCO Air Brands is related to this. In March 2017 the company presented the new strategy to make its brands "lighter". Through "**FIFCO Air Brands**" the company seeks to make its main brands "as light as air", so that during their life cycle there will be no environmental or social footprint, but rather they will add positive value to the world.

How does the company's strategy relate to the United Nations Sustainable Development Goals?

The company defines its Triple Bottom Line strategy, understanding which are our operation's main footprints, both in positive and negative terms. At the same time, it identifies the main local and national problems (using official data and tools like the Social Progress Index) while seeking an alignment with global initiatives such as the Sustainable Development Goals. The SDGs become a very important guide for those initiatives that are strategic given the line of our business. As an example we have initiatives and programs like Florida Opportunities (SDG 1) and Nutrivida (SDG 2). Due to the diversity of our businesses, we contribute in a relevant way to several SDGs, such as: No Poverty, Zero Hunger, Good Health and Wellbeing, Decent Work and Economic Growth, Clean Water and Sanitation, Climate Action, and Partnerships for the Goals, among others. Each of our initiatives has a critical route or work plan where the impact is measured annually.

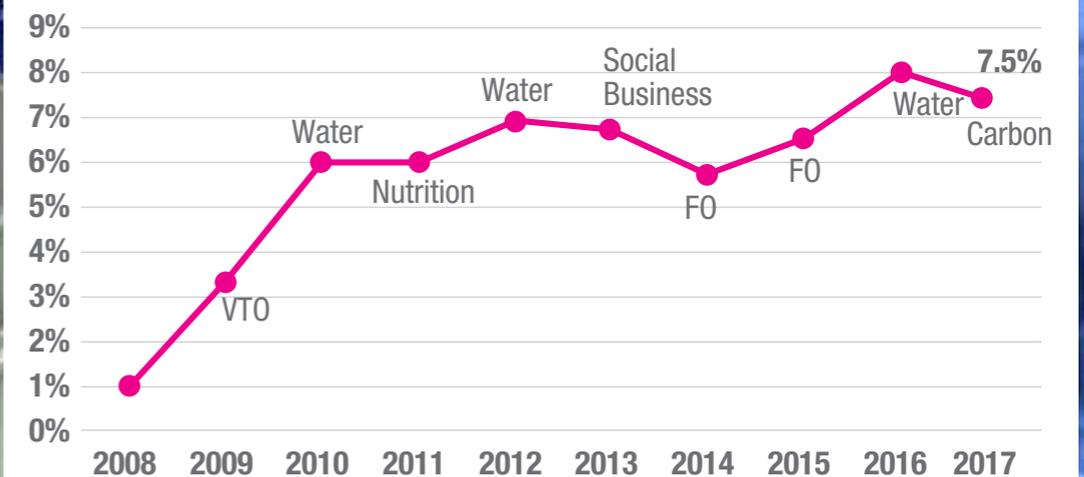
Strategic social investment and local communities

FIFCO shares a better way to live with the world through different programs and initiatives.

As a corporate citizen, we go beyond philanthropic contributions and mitigating our operational footprints by focusing on social investment in our communities and contributing to national and global causes in a strategic way. We do this through three main initiatives that contribute to 12 of the 17 UN Sustainable Development Goals: the “Elegí Ayudar” (Choose to Help) volunteer program, the social enterprise Nutrivida and the “Dual Education” program at our Reserva Conchal operation. The volunteering program was chosen as a part of the company’s commitments for 2020; however, all the efforts we make are in some way linked to Commitment #7 - to lead with brands that make the world a better place to live.



Percentage of our profits spent on social investment

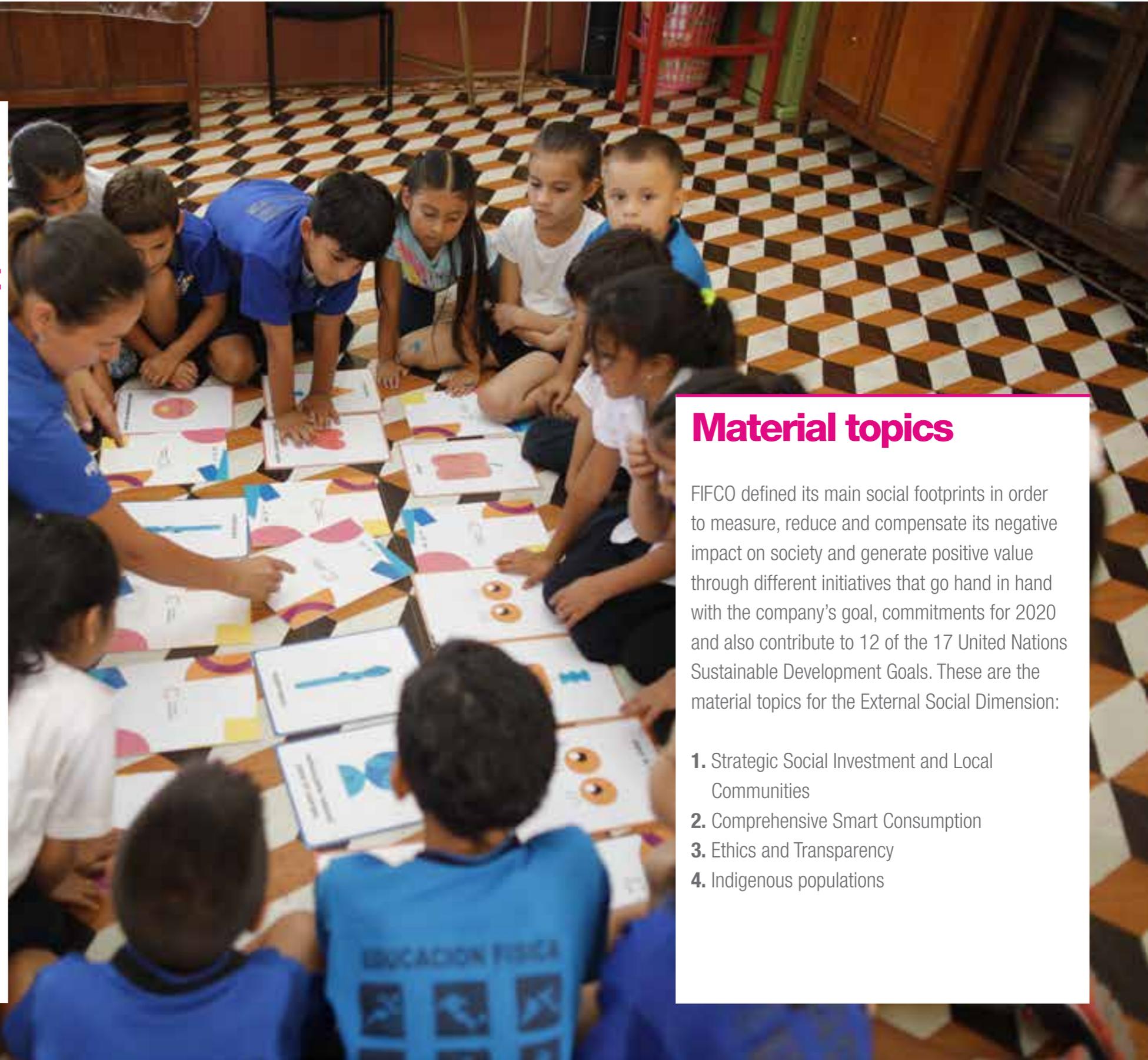


Our goal: To be champions in topics related to Community and Smart Consumption

As our FIFCO 2020 vision establishes, the company is committed to the promotion of Smart Consumption, as well as to the development of the communities in which we operate.

It is through our strategic social investment that we address both agendas to fulfill our commitment to be a benchmark for Smart Food and Beverage Consumption worldwide, leading with brands that make the world a better place to live. Compared to the previous year, in 2017, 7.5% of the profits are invested in social and environmental projects.

7,5% is invested
in environmental
and social
projects
OF OUR NET PROFIT



Material topics

FIFCO defined its main social footprints in order to measure, reduce and compensate its negative impact on society and generate positive value through different initiatives that go hand in hand with the company's goal, commitments for 2020 and also contribute to 12 of the 17 United Nations Sustainable Development Goals. These are the material topics for the External Social Dimension:

1. Strategic Social Investment and Local Communities
2. Comprehensive Smart Consumption
3. Ethics and Transparency
4. Indigenous populations

Main results and milestones of the period

COMMITMENT #1
FOR 2020:



**Accomplish
one million
volunteer hours**



**ELEGI
AYUDAR**

THIS PROGRAM CONTRIBUTES TO 9 OF THE UN SUSTAINABLE DEVELOPMENT GOALS



Volunteer program “Elegí Ayudar” (Choose to Help)

The FIFCO Volunteer Program “Elegí Ayudar” is implemented in the three countries where we operate. Nine years after its launch, and having been a pioneer program in Costa Rica and Guatemala, in 2017 FIFCO set the goal of accumulating 1 million volunteer hours by 2020.



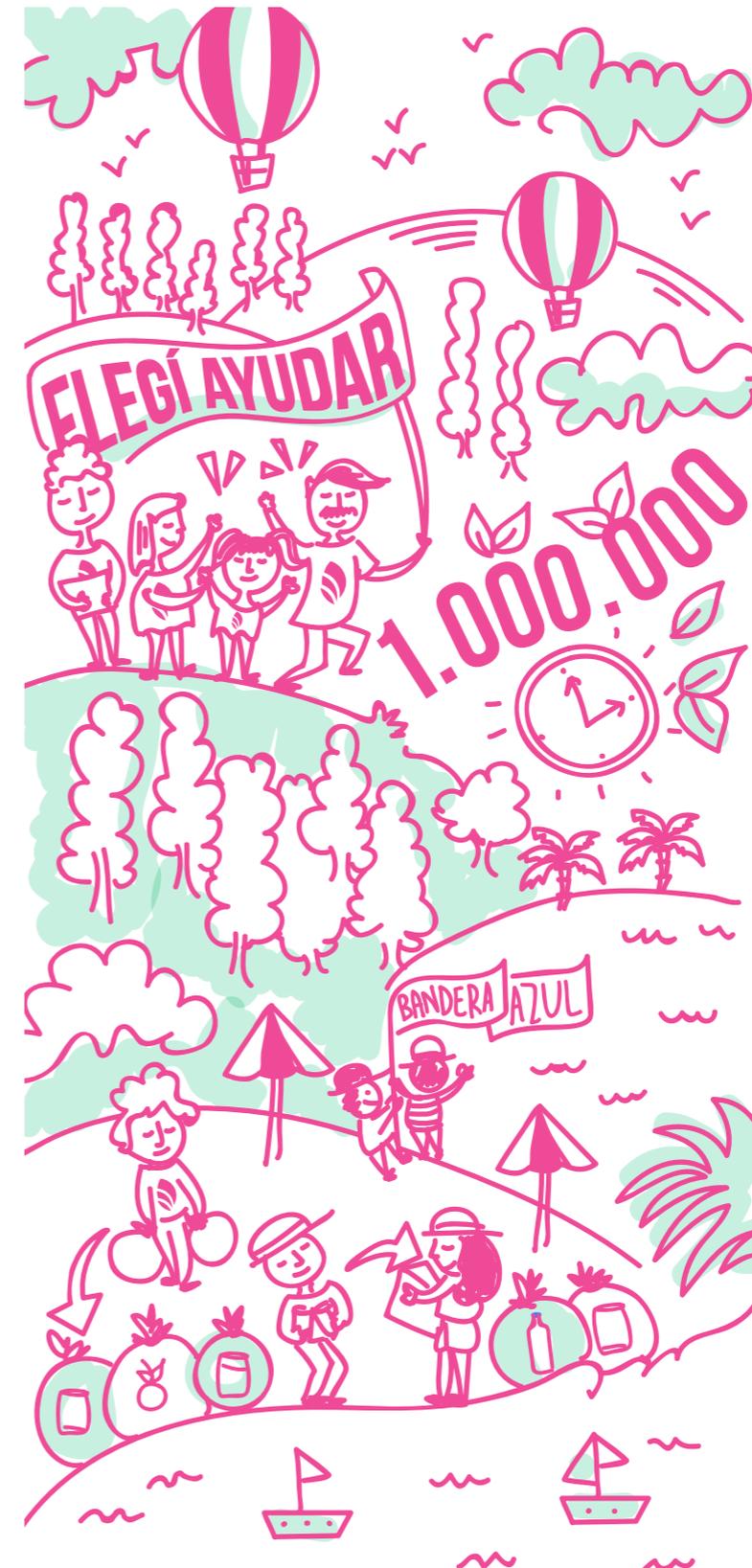
ELEGÍ AYUDAR

67,040
of volunteer work during
2017

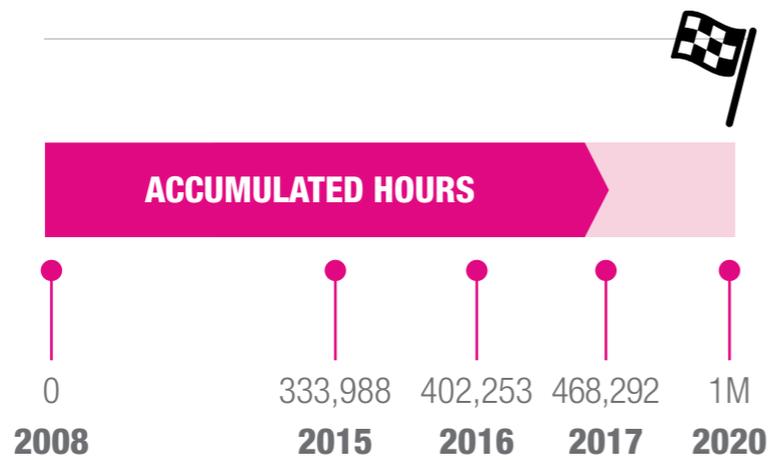
34% of the hours were invested in environmental projects vs. 38% in 2016

61% of the hours were spent on social issues vs. 62% in 2016

93% of the total FIFCO population volunteered vs. 82% in 2016



WE HAVE REACHED
47% of our 2020 goal



Resultados Elegí Ayudar 2017

Year	Florida Bebidas	Industrias Alimenticias Kern's	Florida Hospitalidad	Florida Retail	North American Breweries	External Publics Shareholders, Suppliers, Customers and Community)	Total
2008 – 2009	24,950	-	-	4,630	-	-	24,950
2009 – 2010	46,274	-	-	46%	-	-	46,274
2010 - 2011	48,798	-	-	5,096	-	-	48,798
2011 – 2012	47,126	4,351	2,950	152	-	-	54,427
2012 – 2013	45,895	4,971	3,431	5,248	2,416	-	56,713
2013 – 2014	38,836	4,736	3,113	644	3,096	-	50,782
2014 – 2015	40,548	4,460	2,724	4,604	4,268	5,637	57,637
2015 – 2016	41,502	5,116	3,008	4,604	5,248	7,798	62,672
2016 - 2017	40,183	5,303	5,258	4,604	5,368	9,204	67,040
Total	374,112	28,937	20,484	20,396	22,639	1,174	468,292



Volunteering is a great opportunity for a shareholder to help and give back to the community. What does a shareholder do for a company other than going to the assembly and receiving the dividends? Nothing. Getting up early and arriving at the offices in Rio Segundo at 6:00 a.m. on Saturdays is worth it.”

Thomas Kranefoer
 FIFCO shareholder

Projects by Business Unit

Business Unit	Social Volunteering	Environmental Volunteering
Florida Bebidas	<ul style="list-style-type: none"> • Talks and campaigns on Smart Consumption and life balance in schools and high schools • Nutrivida tasting events • Support in Nutrivida production • Legal talks and financial advice for FIFCO Opportunities members • Construction of Parque Echeverría 	<ul style="list-style-type: none"> • Beach cleaning • Awareness campaigns in education centers, parks and communities on environmental issues and dengue breeding sites • Maintenance of conservation areas
Florida Hospitalidad	<ul style="list-style-type: none"> • Donation and preparation of land to build EBAIS in Brasilito (community healthcare center) • Land donation for a fire station in Huacas Santa Cruz, Guanacaste • Support for Food Bank • Support for Dual Education program • Repairs and improvement of school infrastructure • Raising awareness through the Leatherback Turtle Festival 	<ul style="list-style-type: none"> • Beach cleaning • Preservation of the Playa Conchal Mixed Wildlife Refuge • Educational tours • Race for the environment
Florida Retail	<ul style="list-style-type: none"> • Support for Food Bank • Beach cleaning • Improvements in community parks and educational centers' infrastructure • Alliance with SIFAIS to provide social training (* Integral Artistic Training System for Social Inclusion) 	<ul style="list-style-type: none"> • Teaching children about waste • Cleaning trails in national parks • Alliance with SIFAIS * to provide environmental training
IAK Guatemala	<ul style="list-style-type: none"> • Support for Food Bank • Meals for children in children's centers 	<ul style="list-style-type: none"> • Cleaning areas • Creation of gardens in partnership with Fundación Esperanza de Vida
NAB United States	<ul style="list-style-type: none"> • Support for Food Bank 	<ul style="list-style-type: none"> • Planting trees • Garbage/waste collection • River maintenance and conservation

THIS INITIATIVE CONTRIBUTES
TO THE UN SUSTAINABLE
DEVELOPMENT GOALS



Nutrivida

Costa Rica reports that 29% of children under 2 years of age have a zinc deficiency, and between 40% and 70% of babies between 6 months and 2 years old in 18 cantons of the country have an iron deficiency (anemia).

The lack of zinc in children increases the risk of suffering from diseases such as diarrhea, pneumonia and malaria, while iron deficiency can increase maternal mortality and reduce the cognitive capacity of girls and boys. According to experts, undernutrition during the first two years of life can put children's lives at risk, as well as compromise their physical, motor and cognitive development. The opportunity to improve children's nutrition is more important during the first thousand days of life, from pregnancy (nine months before birth), until the child turns 2. This is the period in which children require better nutrition for their development.



According to the IMAS (Joint Institute for Social Assistance), most of this target population is located in segment E (made up of the population referred to as the poor class, with monthly incomes of less than 100,000 colones per month, equivalent to \$198 per month). To achieve this goal we have developed 9 fortified food products of high nutritional quality: a baby cereal, instant chicken soup with noodles and vegetables, 2 chicken broths and 4 orange, apple, peach and lemon flavored powdered drinks as well as a NutriPack, a package with a full meal containing soup and drink.

Currently, the products are sold directly by Nutrivida in supermarket chains, institutional channel (public and private), which represents more than 90% of its sales. With Distribuidora La Florida, we reach some open market points (minisupers, grocery stores and independent supermarkets) and on premise channel. Sales are also managed through the Red de Vendedoras Mamás Pro Nutrición (Pro Nutrition Moms Network).

New products

Innovation of the products launched during the previous period (**Nutrivida Peach and Lemon Tea** and **Max Broth**) represents 50% of the company's sales volume, making it a healthy bet that will be maintained throughout 2018.

MANU Network

The MANU Network suffered a decrease in participation for several reasons, and during 2016, we analyzed the actions necessary to raise this network again and benefit more families in the country. At the beginning of the reporting period, we established an alliance with the Inter-American Development Bank in order to invest in a strategic plan to make the MANU Network grow in Costa Rica, with a total of 600 women in the network by the end of 2019. The pilot plan began during the period, with 7 women participating, and the objective to expand the model during the new fiscal period.

Nutrivida impact

Pillar	2014	2015	2016	2017	TOTAL
Total sales, tons	16.7	37.9	59.5	57.2	171
Total meals served	773,028	2,561,560	7,752,644	8,759,647	19,846,879
Total meals donated	104,476	402,134	556,646	302,00	1,365,256



Nutrivida donations 2017

- Asociación de Niñas Hogar Montiel
- Maxi Palí Pavas Nutrition Day
- Templo Iglesia Católica Diócesis Alajuela
- Casa Hogar San Lázaro
- Food Bank
- Fundación Sunem
- Fundación Lifting Hands
- Hogarcito Infantil de Guápiles
- Fundación Lloverá Comida
- Creando Sonrisas
- Costa Rican Red Cross
- Asociación para la Atención Integral Paciente Terminal
- Hogar Santiago Crespo
- Asociación Manitas Llenas de Esperanza
- Asociación Obras del Espíritu Santo
- Asociación al Niño con Cariño
- King Ocean Services



“Buy one, donate one” campaign

The “Buy one, donate one” campaign that Nutrivida implemented in the previous period was well received by consumers, knowing that when they buy a product, the company donates a meal to some organization in need. This led to a 20% sales volume growth in supermarkets. Now, this modality is part of Nutrivida’s daily operating philosophy to drive social impact.

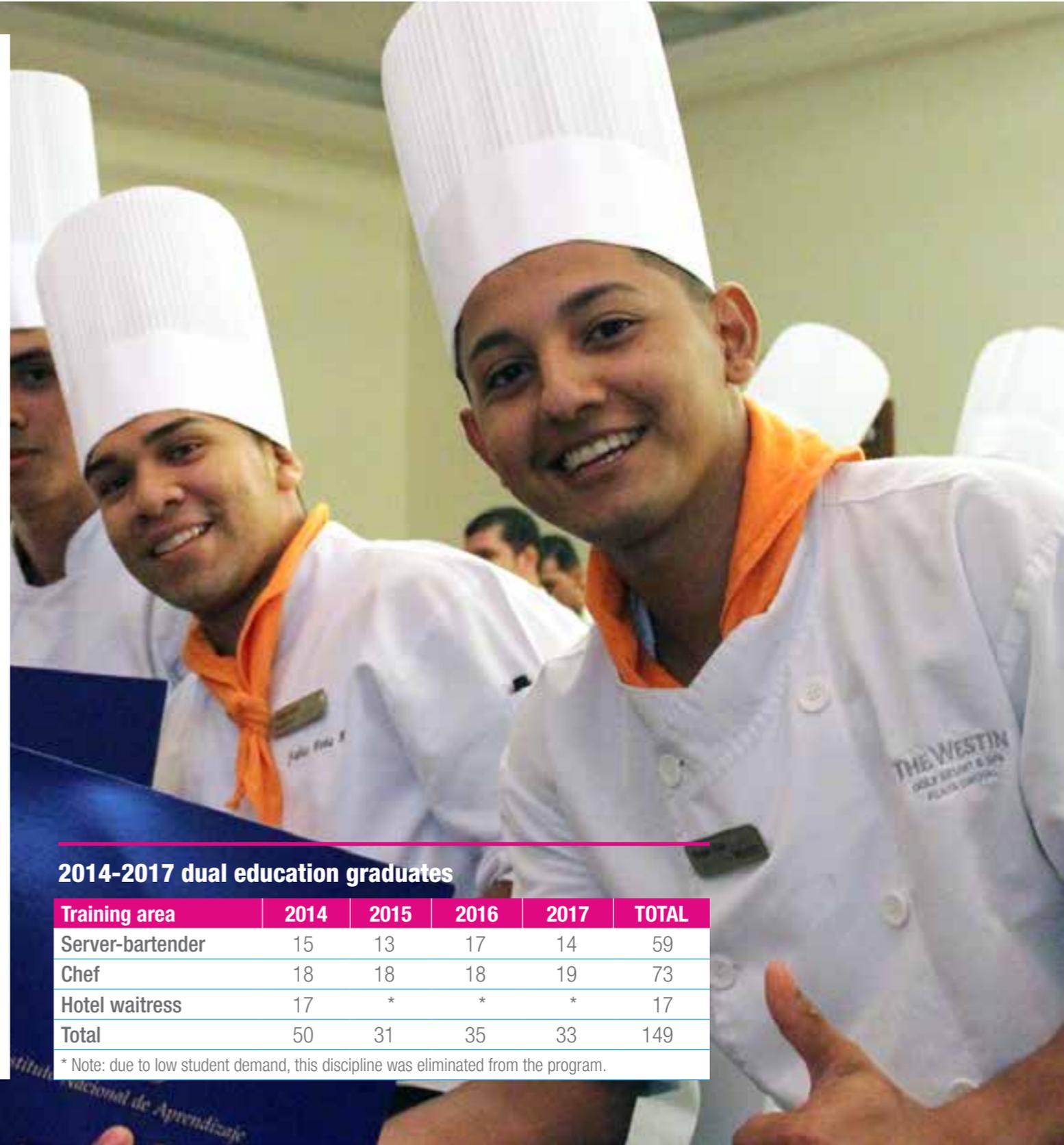
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Dual Education Program

The learning opportunities offered during this period were: professional-technical degree in food and beverage services (server-bartender) and hotel cuisine technician (Chef B). Reserva Conchal has been a pioneer in developing the Dual Education program in the province of Guanacaste, Costa Rica; however, as of 2017 other real estate projects in the area have replicated the same concept.

In the 2017 period, 33 young people graduated as part of the dual training program compared to 35 in 2016. An important percentage will be hired by the Westin Hotel in their areas of specialty. Some students have expressed interest in continuing their studies, specializing even more in their disciplines, or obtaining a job in another tourist company in the region. We do not have the 2017 hiring percentage by the hotel or other businesses in the area for this report, however, in the previous period the hotel hired 100% of culinary students and 89% of those who studied for server-bartender.



2014-2017 dual education graduates

Training area	2014	2015	2016	2017	TOTAL
Server-bartender	15	13	17	14	59
Chef	18	18	18	19	73
Hotel waitress	17	*	*	*	17
Total	50	31	35	33	149

* Note: due to low student demand, this discipline was eliminated from the program.

In the search for a specialized and comprehensive training, parallel to the regular training modules, complementary training sessions were incorporated in topics such as women's empowerment, fruit-based cocktails, etiquette and protocol, Smart Consumption of alcohol, and others.

The selection process to complete the student groups for 2018 began in August 2017, with the incorporation of 60 new students, who have already started lessons (40 for server-bar-tender and 20 for culinary school). At the beginning of 2018, we will recruit 20 additional students for the culinary program, to fulfill the expected total of 80 new young people from the community participating in the dual education program. This increase in the number of students is made with the objective to meet the staff demands of the new W Reserva Conchal Hotel, which will open its doors at the end of 2018.



Thank you Reserva Conchal for giving me the opportunity to grow and be better every day, thanks to the INA (National Learning Institute) for giving me the opportunity to forge a better future with greater possibility to work on my personal improvement and that of my family”

Kristel Cubero

Dual Education Student, 2017
Hotel Westin Playa Conchal

Main results and milestones of the period

COMMITMENT #3
FOR 2020:



**Be the benchmark
for Smart Food
and Beverage
Consumption**



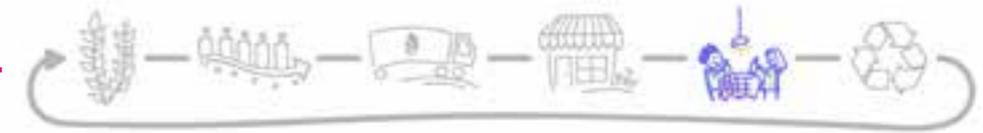
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Comprehensive Smart Consumption

During 2017 we made important advances in the Smart Consumption (SC) agenda, not only to implement initiatives for the adult public focused on education and promotion of responsible drinking habits, but to expand its reach and promote smart consumption of other products in our portfolio, in line with the 2020 commitment. In this way, the SC program migrates to a more comprehensive platform that includes education on healthy lifestyles, consisting of a balanced diet and physical activity. We began implementing the Comprehensive Smart Consumption (CSC) agenda this period, contemplating food products, alcoholic and non-alcoholic beverages.



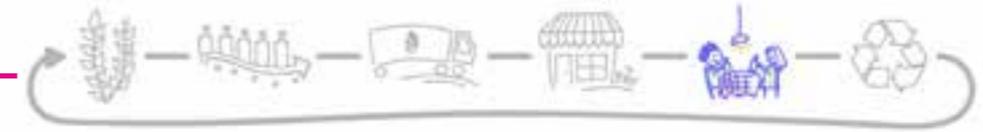


Year's Achievements

Projects	2016	2017
	Smart Consumption (SC)	Comprehensive Smart Consumption (CSC)
	Results	Results
Massive Smart Consumption campaign and fanpage on Facebook	<p>Launch of “#EsMejorPlan” campaign</p> <ul style="list-style-type: none"> +445 thousand people impacted +17 million web impressions +24,600 likes on Facebook fanpage 	<p>Continuation of “#EsMejorPlan” campaign</p> <ul style="list-style-type: none"> +202 thousand people impacted through digital media, +43 thousand “clicks” +11 million web impressions
E-learning “Responsabilidad en Acción”	<p>Lanzamiento en 7 puntos de venta con una capacitación vivencial</p>	<ul style="list-style-type: none"> +40 thousand likes on Facebook fanpage, +3 million people reached and +3 million content impressions 75 people trained through 2 experiential talks and an activation to promote the digital course Those trained include the group of INA students that are also part of the Westin Reserva Conchal Hotel dual education program. A focus group was applied to identify improvements for E-Learning platform, which will be re-launched in 2018.
Experiential Training Courses: SC Ambassador, CSC and Smart Snacks	<p>Launch through a new digital platform (E-Learning)</p> <p>Direct approach to consumers through experiential platforms (cooking classes and gastronomic tours).</p>	<ul style="list-style-type: none"> 154 people trained in the SC Alcohol Ambassador course, all of them from FIFCO Wines and Spirits, the first company unit to be 100% trained. CSC talk for 38 rural warehouse collaborators.



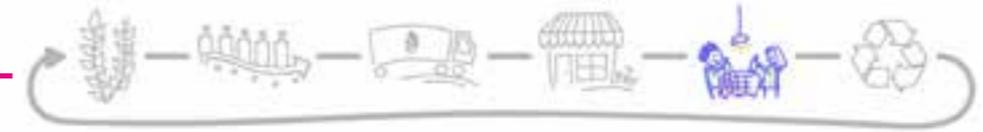
The three campaigning tips were “Split your drinks in more nights”, “Drink slowly”, and “More friends than bottles”.



Year's Achievements

Projects	2016	2017
	Smart Consumption (SC) Results	Comprehensive Smart Consumption (CSC) Results
“I Learn to Drive”	<ul style="list-style-type: none"> • Launch of user-friendly digital course • 30,934 people passed the course <p>Fanpage on Facebook reached 71,900 fans</p>	<ul style="list-style-type: none"> • A focus group was applied to identify improvements for the E-Learning platform, which will be re-launched in 2018. • 8,934 people passed the course. • +99 thousand fans on Facebook fanpage, +9 million people reached and +3 million impressions. • At the end of the year, we implemented a media strategy to make FIFCO’s activities in favor of road safety education known to the public. 13 news stories were published both in digital media and in the written press, television and radio, with publicity ROI of \$19.109.
Participation in education, culture and gastronomy fairs	<ul style="list-style-type: none"> • FID and TEDx • Gastronomic fairs in the GAM • “La Avenida” gastronomic and cultural fair • 10,000 people impacted in all activities 	<ul style="list-style-type: none"> • International Design Festival: we chose to participate again with a Smart Consumption stand due to the large number of young adults involved in the festival. • Regarding the annual TEDx event, Smart Consumption was present with the screening of “#EsMejorPlan” campaign spots during the 3 days of the event, reaching 6,000 in this case. • We also participated in: gastronomic festivals (alcohol), Oktoberfest, World Food Day organized by the FAO (stand), National Congress of Nutritionists of Costa Rica. <p>More than 12 thousand people impacted in all activities.</p>

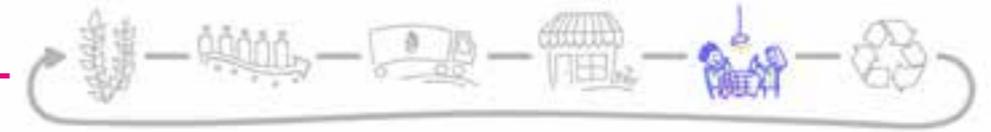




Year's Achievements

Projects	2016	2017
	Smart Consumption (SC) Results	Comprehensive Smart Consumption (CSC) Results
Participation in brand and alcoholic product events	<ul style="list-style-type: none"> Continuity and expansion of SC presence in alcoholic beverage brand events Scope: +14,500 people 	<ul style="list-style-type: none"> Significant increase in the presence of SC in the events held or sponsored by our alcoholic beverage brands (25 in total). Media strategy during Palmares festivities to raise awareness about alcohol SC. 18 news stories were published in online media, print media, radio and television for \$12,896 in publicity. Scope: +37,000 people
Events to promote other consumption opportunities	<ul style="list-style-type: none"> Incorporation of wines and spirits 8 events to promote new consumption opportunities, aimed at internal and external audiences: 2 Beer City Tours, 2 Wine City Tours, 2 Beer Live Cooking and 2 Wine Live Cooking. 	<ul style="list-style-type: none"> 2 events to promote new consumption opportunities for institutions such as the Costa Rican Chamber of Food Industry (CACIA), Costa Rican Chamber of Restaurants and Bars, INA (National Learning Institute), Chefs Association, Chamber of Hotels, ICT (Costa Rican Tourism Board) and various culinary schools, increase alliances and share information with the industry (Beer Live Cooking) and another dedicated to internal and external audiences (Wine City Tour). We reached 80 people.
Strategic alliances and agreements	<p>We kept the agreement with both the MEP and the INA, and a strategic alliance was created with the Ministry of Security Public Force</p>	<ul style="list-style-type: none"> The agreement with the MEP (Ministry of Public Education) was maintained. Strengthened outreach initiatives with the Ministry of Health through CACIA. Reached out to UCR and UNA universities to work on two projects on Healthy Lifestyle and Nutrition in the near future. FIFCO became part of the "International Life Science Institute" ILSI Mesoamerica to work on: nutrition, health and healthy lifestyle.





Year's Achievements

Projects	2016	2017
	Smart Consumption (SC) Results	Comprehensive Smart Consumption (CSC) Results
	Zero Alcohol in minors	Zero alcohol in minors + comprehensive food and beverage agenda
Touring education centers	Event that promotes zero alcohol consumption in minors for students. Scope: 4,660 students from 15 public and private schools.	<ul style="list-style-type: none"> • As of this year SC not only speaks to minors about zero alcohol consumption but also about healthy and balanced nutrition and physical activity through the "Healthy Circuits" program in collaboration with the Ministry of Public Education. • The event was led by 91 volunteers from FIFCO trained in the subject, who invested 712 volunteer hours • Reached 5,355 students from 11 GAM public education centers, located in at risk areas. • As a result of this event, we celebrated World Health Day in one of the education centers, with coverage from 10 media outlets and \$17,961 in publicity
Talks to parents in education centers (to promote and raise awareness about zero alcohol consumption in their children)	<ul style="list-style-type: none"> • 32 volunteers • 392 hours of talks • 16 education centers • 1,287 parents 	<ul style="list-style-type: none"> • 4 volunteers • 20 volunteer hours • 4 education centers • 137 parents • Important to mention inclusion of a rural education center
Zero sale of alcoholic beverages to minors in the points of sale (volunteering with the objective of raising awareness in the closed product channel)	<ul style="list-style-type: none"> • 27 volunteers • 280 hours training points of sale • 281 GAM points of sale 	<ul style="list-style-type: none"> • This volunteer activity did not take place, but the materials placed during the previous year remain.
Training seminar (with international expert on alcohol and adolescence)	<ul style="list-style-type: none"> • 40 professionals were trained in the same areas as 2015 • Press tour 	<ul style="list-style-type: none"> • This seminar was not held.



"Healthy Circuits Program"

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Advertising self-regulation

Florida Bebidas, including the Wines and Spirits Divisions, develops all its commercial communication (brand advertising, activities and promotional materials) following the guidelines established by the **Advertising Self-Regulation Code of the Asociación de Productores e Importadores de Bebidas Alcohólicas de Costa Rica** (APIBACO).

Additionally, **as part of the organization, Latin American brewers and in line with the World Health Organization (WHO)**, on page 139 of the FIFCO 2016 Integrated Report, we expressed our commitment to work in nine areas that promote responsible actions regarding the sale of alcoholic beverages.

Other results of the period

| Ethics and Transparency

Ethics and transparency are an integral and crosscutting part of FIFCO's operation. Integrity and honesty, which are the core of the business, permeate each action, project and relationship.

Our **Code of Ethics and Business Conduct** addresses the topic in a conclusive manner, by specifying the behaviors expected from our collaborators, existing reporting and complaint mechanisms, as well as how to deal with corruption.

The organization has created a management post responsible for the Code of Ethics represented by the Corporate Auditor. Members of the governing body, collaborators and business partners receive training on the code of ethics and the most important policies for the company. These trainings are offered systematically every 2 years;



DISCLOSURE GRI 205-3

THIS INITIATIVE CONTRIBUTES
TO THE UN SUSTAINABLE
DEVELOPMENT GOALS

in addition to the training received during the on-boarding process. 442 newcomers in Costa Rica and 292 in Guatemala have been informed about the policies and procedures to combat corruption, representing 12% and 57% of active employees, respectively. A total of 547 registered suppliers in Costa Rica, 98 from Guatemala and 3 in El Salvador, signed the Responsible Supplier Code; a document that includes the main sections of the Code of Ethics.

All members of the governing body, collaborators and business partners are required to read and sign the Code of Ethics and a receipt to be filed in the company official's dossier. This code applies to all units in Costa Rica, El Salvador and Guatemala; NAB is governed by its own code.

The business units in Costa Rica and Guatemala were evaluated regarding issues of corruption. Ten potential cases of corruption were detected in Costa Rica (compared to 6 in the 2015-2016 period). Of these, one was for product misappropriation, seven for misappropriation of funds and two for receiving benefits from suppliers/customers. We proceeded to dismiss the collaborators involved and did not renew the contract

with two business partners. In the case of Guatemala, no situations were detected.

FIFCO's Code of Ethics and Business Conduct includes the following topics:

- Responsibilities: ethics and communication, compliance with regulations, protection of company assets, integrity and accuracy in accounting records, fair and diverse labor practices, discrimination and harassment, employment of minors, personal conduct.
- Representing the company before clients and external groups: fair and treatment of customers and suppliers; political proselytism; public appearances.
- Privacy and confidentiality: confidential information, privacy regarding stock market information, of customers and collaborators.
- Conflict of interest: commercial transactions with third parties, gifts and recreational activities, investments, external business activities, use of the company's name or facilities, corporate opportunities.
- Other important provisions: antitrust laws, commitment to the environment and occupational health, communicating suspicious activities and/or evidence of money laundering.
- Code implementation, penalties.

Complaint mechanisms

Four official areas have been defined to receive inquiries on ethical-legal conduct and issues related to the integrity of the organization:

- 1) **Personally:** either before the Department of Internal Audit, Security or Human Resources (applies to all FIFCO).
- 2) **Through the existing reporting form** available on the intranet in the Ethics section (applies only to Costa Rica and Guatemala).
- 3) **Confidential ethics line:** : this line is handled by a supplier and calls may be anonymous, for which it has become the reporting tool most used by the organization's employees (applies only to Costa Rica, Guatemala and El Salvador).
- 4) **Through other areas of the organization:** they are received by the areas and transferred to the Audit Department for due investigation (applies to all FIFCO).

With respect to inquiries or calls, these are transcribed and directed to the Audit Department, where they are given the corresponding follow-up in a maximum period of 15 days. Sometimes, queries are forwarded to the Human Resources area, when it is within their area of competence; finally, the response is sent to the person who made the query.

FIFCO staff is aware of the existence of this confidential ethics line, and also they know that they can make inquiries directly to authorized personnel in the area of ethics and Human Resources.

As part of the on-boarding process, staff is trained on the subject, emphasizing on and guaranteeing process confidentiality. As a policy established within the Code of Ethics, no retaliation will be taken against any person who files some type of complaint.

Formally notified complaints

Formation	2016	2017
Complaints about Human Resources	6	7
Complaints about breaches of the Code of Ethics	14	23
Total complaints	20	30
Total complaints resolved at the end of the period	13	29

Environmental Dimension

**CARBONO
positivo**



Contents

Environmental Dimension

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Our goal: Reach neutrality and go beyond, achieving a positive balance in water, emissions and waste

Achieving neutrality in water, emissions and waste is a goal that FIFCO established for its operations some years ago, but it is in 2016 that the company decides to go further and starts working towards achieving a positive balance concerning its environmental footprints by 2020.

That is, not only reduce and compensate our footprints to reach neutrality, but add additional compensation to achieve a positive impact. In this period, FIFCO is committed to generating positive value in water, emissions and waste as well as accomplishing 100% recycling of the packages placed in the market by 2020.

To achieve this, we focus not only on our production process, but we also involve our value chain in order to guide our suppliers and customers to have better social and environmental practices, achieving an increasingly comprehensive operation through the Sustainable Purchases and Sustainable Customers program. Our goal is to produce and market sustainable products that integrate positive environmental and social elements in their life cycle and thus lead with brands that make the world a better place to live.



Material topics

In order to address the impact of environmental footprints throughout our value chain, FIFCO directs its actions through four strategic projects and a fifth area which we call “biodiversity”, due to its relevance in our Reserva Conchal operations. These are the main topics in regards to the environment:

1. Materials and resources
2. Water
3. Industrial waste
4. Climate change
(energy, emissions and carbon neutrality)
5. Post-consumer recycling
6. Biodiversity
(relevant to the Florida Hospitalidad Operation)

Environmental path



This year during the XIII Edition of the National Environment Fair, FIFCO was acknowledged by the MINAE (Ministry of Environment and Energy) and the Costa Rican Government for its consistency and environmental trajectory.

Main results and milestones of the period

| Materials and resources

Managing the materials used to manufacture our products in a responsible and efficient manner is part of the commitments assumed by FIFCO in its Environmental Policy.

For the food and beverage operation, we categorize our resources as follows:

- Raw materials and supplies: water or materials dissolved in the product.
- Containers: aluminum cans, plastics, glass, among others.
- Packaging: cardboard boxes, plastic, pallets, etc.
- Auxiliary materials: cleaning products, lubricants, for the production process and that are not part of the final product.

DURING THE PERIOD WE USED
1,724,993,373.58 → 96%
KILOGRAMS OF MATERIALS % ARE RENEWABLE MATERIALS



| Recycled materials

To replace virgin materials, in some cases we use recycled raw materials. For example, 30% of aluminum cans are composed of recycled material, 20% of glass containers and 25% of plastic boxes. The Cristal water bottle is made with 100% recycled plastic.

| Renewable materials

Sustainable packages

As part of FIFCO's 2020 strategy, Florida Bebidas has a sustainable packaging strategy aimed specifically at plastic containers used in the soft drinks unit. This 360 strategy has four areas of action to ensure our products' impact on the world is consistently smaller.

Areas of action:

- 1.Materials:** increase efforts to pack soft drinks in recycled plastic containers, lighter (reducing weight of plastic preforms) or made from bioplastics.
- 2.Returnable:** produce and promote soft drinks with returnable glass and plastic containers.
- 3.Post-consumer recycling:** continue working on the recycling agenda, to recover the containers placed in the market.
- 4.Awareness and education:** to have consumers with increased awareness and greater criteria to choose sustainable packages.

Progress in the sustainable packaging agenda

- Cristal water bottle made from 100% recycled plastic.
- 99.9% of Tropical containers are made from recycled plastic.
- We expect to have containers with 25% recycled plastic for family sized carbonated drinks and 50% for individual ones.
- Since 2010, we have reduced 700,000kg of plastic, as a result of reductions in the weight of plastic preforms (goal for 2020: 1,200,000kg).
- Research on bioplastics to have a starch-based packaging alternative to replace PET-type plastic by 2018-2020.
- Cristal recycling awareness campaign #YoLoJunto
- 16 environmental talks at education centers on the importance of recycling
- Elimination of the plastic bag for “melcochón” bread that is sold in Musmanni bakeries and Musi stores, resulting in the reduction of 42 tons of plastic that were not used in 2017.



COMMITMENT #5
FOR 2020:



**Be a water, waste
and carbon positive
company through
our brands**



| Water



Water is one of the most important resources in our production processes and that is why FIFCO has paid special attention to measuring, reducing and compensating this resource for many years.

Total water withdrawal by source

	2015	2016	2017
Superficial	7.76%	24.19%	31.46%
Municipal aqueduct	1.66%	1.39%	1.39%
Harvested rainwater	0.02%	0.03%	0.1%
Groundwater	90.56%	74.39%	67.04%
Total	100.00%	100.00%	100%

Water sources

To service the food and beverage operations in Costa Rica, water is collected from several sources; the most innovative is rainwater harvest, which was introduced two years ago and is used by five Distribution Centers in Costa Rica. We use spring water for the products, groundwater for production processes and the aqueducts supply other Distribution Centers and administrative areas. In the case of Guatemala, as well as Reserva Conchal, 100% of the water sources are underground, while the Florida Retail Plant and NAB use water provided by the local aqueduct.

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FIFCO's food, beverage and bakery operations reached water neutrality through the "Water Neutral" project, and have maintained this status since 2012. The rest are in process, measuring and reducing their consumption. To learn more about our Water Neutrality strategy, see the 2015 Integrated Report page 161. The Costa Rican Institute of Technical Standards is the entity that verifies our products' water footprint; so far we made important progress in this process with Agua Cristal and Cerveza Imperial.

Measurement and control

To measure our footprint and control it, we take into account water usage plus the water included in the products (food and beverages). Our goal is to reduce annual water consumption and the amount of water needed to produce 1L of beverage/food. Thanks to internal projects to raise awareness about the rational use of water, reusing, recycling and consciousness, it was possible to reduce water consumption by 1 million hectoliters compared to the previous year.

Our products' largest water footprint throughout the value chain comes from obtaining and producing raw materials, containers and packaging. Due to this, we have made great efforts, especially with our main beer brand (Imperial), to measure, reduce, compensate and add positive value throughout the brand's value chain, in order to have a product that does not generate negative impact, a methodology that led to Imperial being certified as the first water positive beer in the world.

The **Florida Retail** production plant has increased its water consumption because an increase in production led to there not being enough water generated for the condensers, which obligates the operation to use fresh water to cool the equipment.

Water consumption per business unit

Florida Bebidas eand Industrias Alimenticias Kern's

	2016	2017
Hectoliters of water used (annual)	21.6 millions	20.2 millions
Liters of water used per each liter of beverage/ food produced	4.05	3.82

Florida Retail

	2016	2017
Hectoliters of water used (annual)	212,660	261,970
Hectoliters of water used per each ton of sold product	11.52	13.43

Florida Hospitalidad (Hotel Westin)

	2016	2017
Water used (annual)	8.37 million hectoliters	682,037 m ³
Percentage for human consumption	47%	49%
Percentage for irrigation	53%	51%

The **Florida Hospitalidad** hotel increased water for human consumption, but reduced the amount of water used for irrigation, balancing total consumption with respect to the previous year. Water consumption in the project's houses and condominiums is not measured for FIFCO's purposes since the owners assume the responsibility of consuming in moderation.

In addition, progress was made in the use of reused water to irrigate the golf course. The desalination plant is operating normally, but due to high rainfall, its use has been minimal. The phenomenon of "El Niño" has been reversed, positively influencing the recharge of coastal aquifers where the project is located.

Reduction

Reducing water consumption is an essential step to reach neutrality and then advance to becoming “water positive”. During this period, some milestones and findings in the water consumption reduction process are:

- Cerveza Plant recorded a 15% reduction in water consumption in the period versus the previous year.
- Soft drinks and Pepsi plants increased their consumption in absolute terms, due to new water requirements in the production process. Despite this, Pepsi Plant prevailed as the most efficient operation in terms of water consumption with world-class results (1.87 hectoliters of water consumed per liter of beverage produced) for the second consecutive year.
- Warehouses and logistics operations registered a behavior similar to that of the previous year.

Some of the **main initiatives** implemented that led to these results are:

- Reusing water from the wastewater treatment system landfill in the sludge press at the Cerveza Plant.
- Reducing water consumption when rinsing pipes at the Cristal Plant.
- Optimization of the cleaning cycles of Cerveza fermentation pipes and tanks.
- Reducing water consumption from 30hl of hot water to 10hl, from an average eight cleanings per week in Cerveza Plant’s brewing area.
- Reducing water consumption in the thrusts during the Preparation Tanks’ emptying process at Cristal Plant.
- Optimization of the cleaning procedure in Pepsi Plant production lines and syrup and sugar tanks.
- Construction of a new rainwater-harvesting tank at the San Carlos deposit in Alajuela, Costa Rica.

Improvement in produced water consumption

In general terms, water consumption per unit produced improved by 5% compared to the previous year.

All food and beverage operations in Costa Rica maintained the reduction trend in consumption per unit produced, reflecting the importance and the organization’s commitment to the reduction pillar within the Water Neutrality strategy.

The Florida Bebidas, Costa Rica operation has recycled or reused a total of 141,830 m³ compared to 126,855 m³ in 2016. This represents 8% of total water captured.

THIS REPRESENTS

8% of total water captured.



Compensation

Florida Bebidas continues to externally compensate its water footprint by protecting water basins through the Payments for Ecosystem Services (PES) mechanism, which is managed by the National Forestry Financing Fund (FONAFIFO), an institution attached to the Ministry of Environment and Energy of Costa Rica (MINAEC). Florida Bebidas covers a specific aquifer recharge area in the Alta del Barva Basin in the province of Heredia, in order to recognize the forest's environmental services.

For more information about our water footprint compensation, refer to the 2015 FIFCO Integrated Report.

Effluent treatment

The wastewater treatment systems in all facilities are in continuous and normal operation. The new wastewater treatment system for the Cerveza Plant was built during this period, expanding the facility's treated wastewater flow and treatment capacity. Wastewater from the Westin Golf Resort & Spa Playa Conchal continues to be used to irrigate the golf course, which also reduces the project's total fresh water consumption. With respect to industrial wastewater from the Florida Retail industry operation, these are not discharged to any receiving or sewage body; on the contrary, they are reused internally in the cooling systems.

To see the water discharge according to quality and destination, see GRI Standard 306-1.

Water basins protection | 2017

- **Florida Bebidas protects:**
 850 hectares in the Alta del Barva Basin and the Osa Peninsula
- **Reserva Conchal protects:**
 80 hectares in the Matapalo and Lajas river basins in Guanacaste.



Waste: Post-industrial waste and Zero Waste



In search of a circular economy

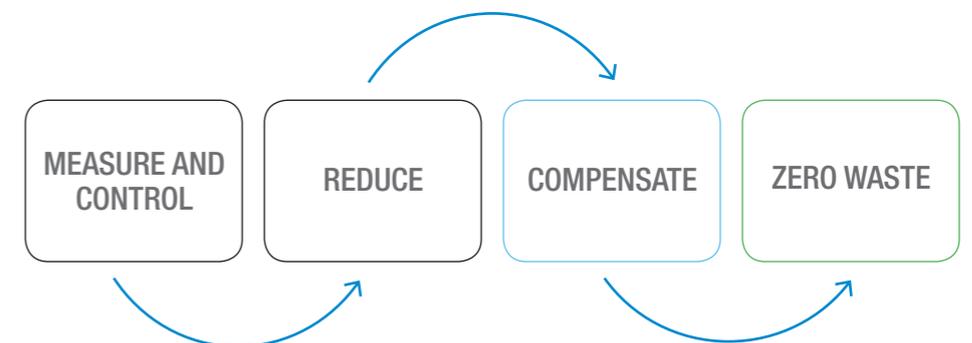
FIFCO continúa con su estrategia de Cero Desechos para el periodo 2017 y se mantiene a través de la identificación, clasificación y separación en la fuente de residuos valorizables en todas sus instalaciones, con un manejo adecuado de los residuos post-industriales (en las plantas de producción) y post-operacionales (bodegas de almacenamiento, oficinas administrativas y tiendas propias, operaciones de servicios comerciales, etc.). La estrategia de residuos de FIFCO está basada en primera instancia en la eliminación y disminución de los residuos generados y posteriormente se prioriza entre la reutilización y reciclaje (físico, químico y térmico) sobre otras opciones de disposición final como rellenos sanitarios y otros sitios de disposición autorizados, siempre que sea posible. Esta iniciativa se implementa mediante tres etapas: medir y controlar, reducir y compensar.



THIS INITIATIVE CONTRIBUTES TO THE UN SUSTAINABLE DEVELOPMENT GOALS



Waste Strategy Stages



To learn more about FIFCO's Zero Waste Strategy and waste hierarchy, see pages 168 and 169 of our 2015 Integrated Report.

Of the total residues and waste generated by all Florida Bebidas operations in Costa Rica, 99.83% was sent to some subsequent recovery process (reuse, recycling, animal feed or energy recovery) compared to 99, 71% in the previous period. The remaining 0.17%, classified as ordinary waste, was sent to a sanitary landfill (in the Great Metropolitan Area of Costa Rica) or to a controlled and authorized landfill (in the Rural Area). This last percentage represents a reduction of 65,430 kg with respect to 2016.

Florida Bebidas Costa Rica operations closed the period with only **14,65 grams of waste** generated per hectoliter sold, **31% less** than in 2016.

Some waste materials that are part of our Sustainability Close Loop

- Malt bran
- Post-industrial glass (Cullet) and non-returnable glass
- Post-consumer PET containers that are transformed into recycled resin
- Plastic boxes to deliver products
- Platforms, Endelis supplier cans, cardboard boxes, Crown Cork caps, EcoLab chemical plastic containers: these materials are returned to the supplier to be reused.

Total weight of waste by type, during 2017

Type of waste	%	Quantity (kg)
Bran	36.32	14,070,875.00
Co-processed	1.77	684,156.00
Yeast	19.03	7,371,550.00
WWTP Sludge	12.32	4,733,270.00
Ordinary	0.17	65,430.30
Hazardous	0.15	57,789.40
Malt Powder	0.13	48,780.00
Recyclable	25.86	10,020,242.40
Reusable	4.26	1,649,642.70
Grand Total	100%	38,741,735.40

Ordinary waste reduction in the last four years, by production plant

Plant	SOW generation (kg)			
	2014	2015	2016	2017
CCR Plant	33,541	18,479	3,092	1,975
Cristal Plant	2,608	2,351	1,717	1,715
Pepsi Plant	3,578	2,869	1,831	1,135
Others	154,471	111,057	88,409	60,606
TOTAL	194,198	134,756	95,048	65,430

Note: Florida post-industrial waste that cannot be reduced internally is compensated by collecting solid waste in public spaces through the "Elegí Ayudar" volunteer program.

With respect to the other FIFCO operations, Industrias Alimenticias Kern's plant improved its waste recovery by 79% compared to the previous year. The Florida Retail plant achieved a total recovery of 99.9% of generated waste, thanks to improvements in the classification and separation of co-processed waste. The Westin Playa Conchal Hotel and Reserva Conchal operations improved by 29% compared to the previous year. This project has its own composting method to elaborate organic fertilizer for the complex's gardens and green areas.



Climate change (energy, emissions and carbon neutrality)



Energy

Working to mitigate the impact of climate change has been a priority for FIFCO for many years. This work takes into account the use of electrical energy, thermal energy and use of refrigerant gases. The results for these three sources are detailed in this section.

Electrical energy

This type of energy is mainly used for lighting, air conditioners and equipment operation. Despite being one of the operations that consumes most electrical energy in Costa Rica, this consumption represents a minimum percentage of our carbon footprint, thanks to the fact that the country operates with 90% renewable energy. On the contrary, Guatemala operates with 64% renewable energy, which means that our greenhouse gas emissions footprint is greater in our operation in this country. Finally, the United States operation is favored since New York (state where our production plant is located) is one of the states with the largest generation of renewable electric power.

THIS INITIATIVE CONTRIBUTES TO THE UN SUSTAINABLE DEVELOPMENT GOALS



Solar panels in Coyal Site, San José, Costa Rica.

Initiatives such as the installation of Led type lights, a variable speed compressed air compressor, electromagnetic valve panel, and blower pressure check to better manage air compressors, among others, were implemented in different facilities to achieve greater energy efficiency. Operations like Florida Retail and the Westin Hotel show a decrease in electrical energy consumption, 4.1% less per ton produced compared to 2016 and 8.7% less in consumption per person, per day compared to 2016. To see the electrical energy consumption and reductions, refer to the GRI 302-1 and GRI 302-4 indicators in the environmental annexes.

Thermal energy

Thermal energy, fossil fuels, is used for the generation of steam (bunker) and transportation (gasoline, diesel, LP gas and Jet A1). The consumption of thermal energy in its different forms is to a large extent the main

factor of Florida Bebidas' carbon footprint, hence the importance in controlling and reducing it. As a result of the good job in the production processes at Cerveza Plant, Pepsi Plant and Industrias Alimenticias Kern's, with initiatives such as the placement of jackets with thermal insulation, condensate return recovery, elimination of incrustations on production line heat exchangers, modification of cleaning steps, among others; this period reported a reduction compared to 2016. In regards to the Westin Hotel, there were reductions on this type of energy as a result of savings in the transportation of people within the facilities and of gas in the hotel boilers. Lastly, the Florida Retail plant showed a reduction in LP gas due to the use of a solar system to pre-heat one of the raw materials, in addition to other savings initiatives. To see the thermal energy consumption and reductions, refer to the GRI 302-1 and GRI 302-4 indicators in the environmental annexes.

Greenhouse gas emissions

After nearly 10 years measuring our carbon footprint applying the ISO 14064 international protocols and the WRI (World Resources Institute) Greenhouse Gas Emissions Protocol, the Florida Bebidas operation managed to fulfill its commitment to achieve Carbon Neutrality in 2017, surpassing this condition with additional compensation.

Greenhouse gas emissions come mainly from the consumption of fossil fuels (bunker, diesel, gasoline and LP gas), consumption of refrigerants, consumption of electrical energy and as a result of local and foreign air travel. The **reduction** of emissions is based on energy efficiency, substitution of fossil fuels with clean energy (solar and biomass), recovery and replacement of refrigerant gases, wastewater treatment, reducing the amount of solid waste sent to the landfill, etc. The remaining carbon footprint is **compensated** by implementing external clean energy projects or by carbon fixation.

FIFCO's food and beverage operation in Costa Rica conducted a third-party verification covering all of Florida Bebidas direct operations in Costa Rica, from the admission of raw materials to the manufacturing process, to product distribution, seeking to achieve

MEASUREMENT 1

REDUCTION 2

COMPENSATION 3

POSITIVE VALUE 4

We are Carbon Positive

In 2011, the Florida Bebidas operation * set out to achieve Carbon Neutrality by 2017. This goal was proudly achieved and exceeded during the period, offsetting an additional 20% of the period's net emissions through carbon credits, adding positive value to the environment and society.

neutrality based on the INTE-12-01-06: 2016 standard. The carbon footprint measurement includes all direct emissions (scope 1), indirect emissions (scope 2) and some scope 3 indirect emissions. The total carbon footprint reported for 2017 is **40,762 tons of CO₂e**.

Other Carbon Positive operations

- Playa Conchal Westin Golf Resort & Spa Hotel and its golf course *
- Florida Retail Production Plant *
- Five MUSI stores in Costa Rica

* These operations received recognition from the Government of Costa Rica

Some of the emission reduction initiatives, in addition to the electrical and thermal energy consumption improvements mentioned above, are:

- Boiler optimization
- Launch of “Escuela de águilas”, a comprehensive training program for drivers with trainings and audits on the correct way to drive
- Increased steam generation efficiency
- Use of small trucks with hybrid engines
- Hybrid truck pilot for distribution in central San José, Costa Rica
- Steam traps inspection and maintenance program

The Florida Retail production plant has been certified Carbon Neutral for the fourth consecutive year and in this last year it was able to achieve the status of Carbon Positive production plant, managing reductions and compensations 20% over its neutrality condition, by purchasing Costa Rican Carbon

Florida Bebidas Carbon Footprint



Units that will be used for reforestation in the province of Guanacaste. This was achieved despite the fact that its carbon footprint was greater during the period (1,237 tons of additional CO₂e) due to a leakage of refrigerant gases from cold equipment. However, it was able to reduce the impact with waste reduction and energy efficiency. There is an action plan to reduce carbon emissions from the use of refrigerants that will begin at the end of 2017. In addition, five MUSI convenience stores were certified Carbon Neutral during the period, neutralizing 110.2 ton CO₂e and compensating with 132.24 Costa Rican Carbon Units, also becoming Carbon Positive.

Finally, the Westin Hotel and the Reserva Conchal golf course continued with their Carbon Positive status achieved in 2016. Reserva Conchal has a forest designated as a carbon sink, since it captures CO₂ through the process of photosynthesis, which releases oxygen to the environment, a natural regeneration process that allows us to fix certain carbon emissions. At the end of the period, an investment was made in the purchase of 11 electric cars to transport guests, replacing diesel cars, and in the purchase of a photovoltaic solar system capable of replacing up to 7% of the current energy; results will be reflected in the next period.

Main results and milestones of the period

COMMITMENT #6
FOR 2020:



**Achieve 100%
recycling of our
packages**



| Post-consumer recycling



FIFCO's post-consumer recycling program has had a great trajectory in the country since its inception in 2008. This year we set out to achieve 100% recycling of the packages we put out in the market by 2020.

The objective of this program is to recover non-returnable containers for proper management (PET plastic bottles, HDPE, aluminum cans, tetra pak poly laminated packages and can sheet containers), in order to avoid generating an environmental impact. We try to recover these types of containers, of any commercial brand, to process them and export them to other countries such as the United States, Brazil, China, Thailand, and India, among others, so that they can be reused as raw material to elaborate other products.

Recyclable material collection points

Source	Percentage contributed
Collection center	68.8%
State Institutions	0.13%
Schools	0.87%
FIFCO Customers	0.20%
Municipalities	11.97%
Individuals	18.03%

Recycling Program | Resources



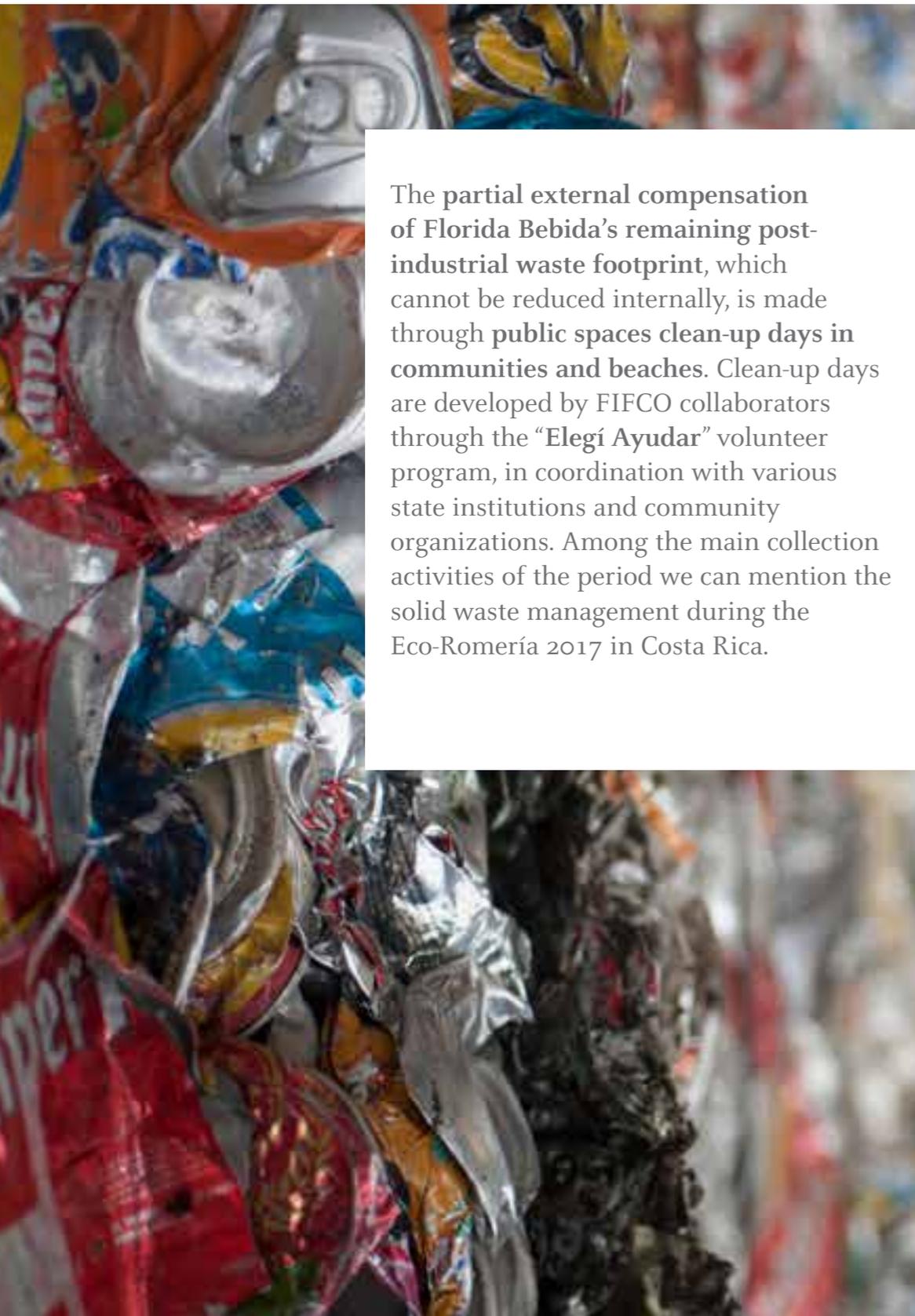
Two collection routes in the Greater Metropolitan Area and six routes in rural areas of Costa Rica



Eight collection centers to handle recyclable material



A recycling plant where all the recovered material is concentrated, selected, classified, compacted and milled to be recycled



The partial external compensation of Florida Bebida’s remaining post-industrial waste footprint, which cannot be reduced internally, is made through public spaces clean-up days in communities and beaches. Clean-up days are developed by FIFCO collaborators through the “Elegí Ayudar” volunteer program, in coordination with various state institutions and community organizations. Among the main collection activities of the period we can mention the solid waste management during the Eco-Romería 2017 in Costa Rica.

Percentage of sold products and packaging materials that are recovered at the end of their lifespan, by product category, 2016 vs. 2017

Type of package	mT recovered		Collection percentage	
	2016	2017	2016	2017
PET and HDPE	2,674	3,210	49%	63%
Aluminum	1,565	1,091	59%	40%
Tetra Pak	731	950	154%	205%
Tin	274	235	130%	124%
Total	5,245	5,486	60%	65%

2017 Milestones

Milestones	2016	2017
Donation of recycling stations to institutions	107 containers (30 stations)	255 containers (87 stations)
Environmental talks at educational centers	Yes	Yes
Compactors placed in external collection centers		26
Recovered kg of packages during massive events	38,210kg	19,843kg
Recovered kg of packages	5,245.830kg	5,485.906kg
Recovery percentage	60%	65%

Main results and milestones of the period

| Biodiversity

None of the facilities owned or leased for food and beverage operations are adjacent, contain or are located in protected areas or unprotected areas of great value for biodiversity.

The Cerveza, Tropical, and Pepsi plants, and the Guapiles Regional Distribution Center are adjacent to surface water bodies and the Costa Rican Forestry Law establishes the adjoining margin with the body of water from the riverbed, 10m into the property in rural areas (the three Production Plants) and 15m in the Guápiles CDR because it is located in a rural area, as a protected area; however, these areas are not considered high-biodiversity areas.

The Reserva Conchal project is located on the border of the maritime land area, mangrove and mangrove lagoon, however, and as in the previous case, these are not considered high-biodiversity areas. Regardless, the real estate project develops various initiatives for the protection of different zones both outside and inside its property to protect biodiversity.

There is no evidence of significant direct impacts from FIFCO's activities in protected natural areas or unprotected high-biodiversity areas. Indirectly, the inadequate handling of post-consumer packaging by consumers causes these to reach surface water bodies (rivers and oceans) which can affect their biodiversity; however, to mitigate this impact, FIFCO has its own Recycling Program.

FIFCO protects habitats both within its properties and extensions of land outside them. In case of the Cerveza and Tropical plants, they allocate a percentage of their area for the protection of their water sources, which has a positive impact on the area's biodiversity. For its part, Reserva Conchal allocates 60% of the property for a private reserve, currently under natural regeneration.

Externally, aware of the importance of natural resources - especially forest cover - in the protection of biodiversity but also of water resources, scenic beauty and carbon fixation; since 2001 FIFCO has invested in the protection of water basins by acquiring environmental services certificates. This mechanism guarantees the environmental services necessary to develop its activity, as well as ensuring that funds effectively reach the owners and the areas of interest by

verifying the use and application of resources. The FONAFIFO Environmental Services Certificates (CSA) have been acquired for this purpose.

Since 2006, Reserva Conchal has invested in the protection of the Matapalo and Lajas River basins as areas of influence for the real estate project, as well as for the aquifer recharge area of the complex's water supply wells. A total of 329 hectares are protected through this mechanism, of which 170ha are located in the Lajas River basin, 100ha in the Matapalo River basin and 59ha in the recharge zone. A research project approved by the Tempisque Conservation Area is currently being developed to assess the health status of the property's raccoon and coatis populations in conjunction with the National University Veterinary Hospital. In addition, an investigation of the forest surrounding the golf course is carried out with the National University's INISEFOR (Forest Services and Research Institute) in order to determine its current status and to be able to eventually propose a species enrichment project in accordance with the type of forest in the area, which will allow for the connectivity of ecosystems. Likewise, another investigation is being executed to determine the state and growth of mangroves in the areas spreading from Playa Grande to Brasilito.

Playa Conchal Wildlife Refuge receives "Perfect management score" granted by SINAC, 2017

About the shelter

Officialized: year 2009

Total area: 39.75 hectares

Hectares property of Reserva Conchal: 28,29ha

Country Natural Heritage Hectares: 11.46ha

Objective: to preserve and restore the ecosystems associated with the mangrove and surrounding forest, incorporating local interest in environmental issues, as well as the interest to preserve the scenic beauty of the site for leisure and recreation, both for the inhabitants of the nearby communities, as well as for the domestic and foreign tourists

FIFCO’s activities do not pose threats to the endangered plant and animal species included in the IUCN’s “Red List” and the national conservation records of species in the conservation areas where our facilities are located. However, in indicator GRI 304-4, we can observe the endangered species that live within our operating area.

Refuge milestones

Milestones	2016	2017
Attention to shelter visits	245 people	417 people
Nursery (tree reproduction)	336 species	565 species
Number of clean-up campaigns in areas near the refuge	7	7
Projects	Bridges infrastructure	Environmental education program for children (273 children attended)
Research	Research studies in permanent forest and mangrove plots	Completion of mangrove study

GRI Standards

GRI Standards

GRI CONTENT INDEX



GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE	OMISSIONS	EXTERNAL ASSURANCE
GRI 102: General Disclosures 2016	102-1	Name of the organization	3		No
	102-2	Activities, brands, products and services	24	FIFCO doesn't market any products that are banned or subject of stakeholder questions or public debate	No
	102-3	Location of headquarters	24		No
	102-4	Location of operations	24		No
	102-5	Ownership and legal form	24		No
	102-6	Markets served	27		No
	102-7	Scale of the organization	24		No
	102-8	Information on employees and other workers	207		No
	102-9	Supply chain	208		No
	102-10	Significant changes to the organization and its supply chain	41 y 103		No
	102-11	Precautionary Principle or approach	42		No
	102-12	External initiatives	43		No
	102-13	Membership of associations	43		No
	102-14	Statement from senior decision-maker	10-14		No
	102-15	Key impacts, risks and opportunities	22		No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE	OMISSIONS	EXTERNAL ASSURANCE
GRI 102: General Disclosures 2016	102-16	Values, principles, standards, and norms of behavior	29, 130 y 152		No
	102-17	Mechanisms for advice and concerns about ethics	154		No
	102-18	Governance structure	18		No
	102-19	Delegating authority	5		No
	102-20	Executive-level responsibility for economic, environmental, and social topics	20		No
	102-21	Consulting stakeholders on economic, environmental, and social topics	19		No
	102-22	Composition of the highest governance body and its committees	8 y 19		No
	102-23	Chair of the highest governance body	8 y 18		No
	102-24	Nominating and selecting the highest governance body	18		No
	102-25	Conflicts of interest	17		No
	102-26	Role of highest governance body in setting purpose, values, and strategy	18		No
	102-27	Collective knowledge of highest governance body	20		No
	102-28	Evaluating the highest governance body's performance	18		No
	102-29	Identifying and managing economic, environmental, and social impacts	34		No
	102-30	Effectiveness of risk management processes	18		No
	102-31	Review of economic, environmental, and social topics	20		No
	102-32	Highest governance body's role in sustainability reporting	19 y 20		No
	102-33	Communicating critical concerns	20		No
	102-34	Nature and total number of critical concerns	20		No
	102-35	Remuneration policies	19		No
102-36	Process for determining remuneration	-		Omitted for confidentiality	No
102-37	Stakeholders' involvement in remuneration	-		Omitted: stakeholders are not involved in remuneration policies	No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE	OMISSIONS	EXTERNAL ASSURANCE
GRI 102: General Disclosures 2016	102-38	Annual total compensation ratio	-	Omitted for confidentiality; the company does not share this information to protect employee information	No
	102-39	Percentage increase in annual total compensation ratio	127		No
	102-40	List of stakeholder groups	34		Vincular Center for Social Responsibility and Sustainable Development of the School of Commercial Engineering of the Pontifical Catholic University of Valparaíso. See page 204.
	102-41	Collective bargaining agreements	129		
	102-42	Identifying and selecting stakeholders	34		Vincular Center for Social Responsibility and Sustainable Development of the School of Commercial Engineering of the Pontifical Catholic University of Valparaíso. See page 204.
	102-43	Approach to stakeholder engagement	35 and 36		Vincular Center for Social Responsibility and Sustainable Development of the School of Commercial Engineering of the Pontifical Catholic University of Valparaíso. See page 204.
	102-44	Key topics and concerns raised	35 and 36		Vincular Center for Social Responsibility and Sustainable Development of the School of Commercial Engineering of the Pontifical Catholic University of Valparaíso. See page 204.

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE	OMISSIONS	EXTERNAL ASSURANCE
GRI 102: General Disclosures 2016	102-45	Entities included in the consolidated financial statements	3 and 25		Vincular Center for Social Responsibility and Sustainable Development of the School of Commercial Engineering of the Pontifical Catholic University of Valparaíso. See page 204.
	102-46	Defining report content and topic Boundaries	3 and 37		Vincular Center for Social Responsibility and Sustainable Development of the School of Commercial Engineering of the Pontifical Catholic University of Valparaíso. See page 204.
	102-47	List of material topics	37 and 38		Vincular Center for Social Responsibility and Sustainable Development of the School of Commercial Engineering of the Pontifical Catholic University of Valparaíso. See page 204.
	102-48	Restatements of information	37		Vincular Center for Social Responsibility and Sustainable Development of the School of Commercial Engineering of the Pontifical Catholic University of Valparaíso. See page 204.
	102-49	Changes in reporting	37		Vincular Center for Social Responsibility and Sustainable Development of the School of Commercial Engineering of the Pontifical Catholic University of Valparaíso. See page 204.
	102-50	Reporting period	3		No
	102-51	Date of most recent report	3		No
	102-52	Reporting cycle	3		No
	102-53	Contact point for questions regarding the report	3		No
	102-54	Claims of reporting in accordance with the GRI Standards	3		No
GRI 102: General Disclosures 2016	102-55	GRI content index	180		No
	102-56	External assurance	3		No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE	OMISSIONS	EXTERNAL ASSURANCE
ECONOMIC DIMENSION					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Economic Standards: 56 and 57		No
	103-2	The management approach and its components			No
	103-3	Evaluation of the management approach			No
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	62-68 and 209		No
	201-2	Financial implications and other risks and opportunities due to climate change	220		No
	201-3	Defined benefit plan obligations and other retirement plans	210		No
	201-4	Financial assistance received from government	60		No
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	211		No
	202-2	Proportion of senior management hired from the local community	18		No
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	62-68		No
	203-2	Significant indirect economic impacts	39		No
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	61		No
	205-1	Operations assessed for risks related to corruption	153		No
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	153		No
	205-3	Confirmed incidents of corruption and actions taken	153		No
GRI 206: Anti-Competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	Omitted: there were no legal action of they kind for the reporting period	No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE	OMISSIONS	EXTERNAL ASSURANCE
ENVIRONMENTAL DIMENSION					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	All environmental standards 157 and 158		No
	103-2	The management approach and its components			No
	103-3	Evaluation of the management approach			No
GRI 301: Materials 2016	301-1	Materials used by weight or volume	159		No
	301-2	Recycled input materials used	159		No
	301-3	Reclaimed products and their packaging materials	175		No
GRI 302: Energy 2016	302-1	Energy consumption within the organization	221		No
	302-2	Energy consumption outside of the organization	219		No
	302-3	Energy intensity	222		No
	302-4	Reduction of energy consumption	221		No
	302-5	Reductions in energy requirements of products and services	-	Omitted: this information doesn't apply, because FIFCO sells consumer products, not products that use energy	No
GRI 303: Water 2016	303-1	Water withdrawal by source	163		No
	303-2	Water sources significantly affected by withdrawal of water	219		No
	303-3	Water recycled and reused	165		No
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	176		No
	304-2	Significant impacts of activities, products, and services on biodiversity	177		No
	304-3	Habitats protected or restored	177		No
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	223		No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE	OMISSIONS	EXTERNAL ASSURANCE
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	169		No
	305-2	Energy indirect (Scope 2) GHG emissions	169		No
	305-3	Other indirect (Scope 3) GHG emissions	169		No
	305-4	GHG emissions intensity	224		No
	305-5	Reduction of GHG emissions	172		No
	305-6	Emissions of ozone-depleting substances (ODS)	219 and 225		No
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	219 and 225		No
GRI 306: Effluents and Waste 2016	306-1	Water discharge by quality and destination	226		No
	306-2	Total weight of waste by type and disposal method	168		No
	306-3	Significant spills	227		No
	306-4	Transport of hazardous waste	219		No
	306-5	Water bodies affected by water discharges and/or runoff	-	Omitted: does not apply	No
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	99		No
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	103		No
	308-2	Negative environmental impacts in the supply chain and actions taken	102		No
INTERNAL AND EXTERNAL SOCIAL DIMENSION					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Labor and Human Rights: 110 and 111		No
	103-2	The management approach and its components			No
	103-3	Evaluation of the management approach			No
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	212		No
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	128		No
	401-3	Parental leave	213		No
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	129		No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE	OMISSIONS	EXTERNAL ASSURANCE
GRI 403: Occupational Health and Safety 2016	403-1	Workers representation in formal joint management-worker health and safety committees	122		No
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	214		No
	403-3	Workers with high incidence or risk of diseases related to their occupation	-	Omitted: does not apply	No
	403-4	Health and safety topics covered in informal agreements with trade unions	122		No
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	118		No
	404-2	Programs for upgrading employee skills and transition assistance programs	117-118		No
	404-3	Percentage of employee receiving regular performance and career development reviews	215		No
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	216		No
	405-2	Ratio of basic salary and remuneration of women to men	217		No
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	-	Omitted: no cases of this kind for the reporting period	No
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	129		No
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	102 and 130		No
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	There has been no risk identified regarding forced labor in FIFCO suppliers and operations.	No
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	-	There were no trainings of this type for the reporting period.	No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE	OMISSIONS	EXTERNAL ASSURANCE
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	-	Omitted: no incidents of violations involving rights of indigenous peoples reported for the reporting period.	No
	412-1	Operations that have been subject to human rights reviews or impact assessments	-	No centers have been subject to human rights reviews or impact assessments	No
GRI 412: Human Rights Assessment 2016	412-2	Employee training on human rights policies or procedures	130		No
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	-	Omitted: no reported investment agreements or contracts for the reporting period.	No
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	132-151		No
	413-2	Operations with significant actual and potential negative impacts on local communities	100		No
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	102-106		No
	414-2	Negative social impacts in the supply chain and actions taken	102-106		No
GRI 415: Public Policy 2016	415-1	Political contributions	-	Omitted: no cases for the reporting period.	No
GRI 416: Consumer's Health and Safety 2016	416-1	Assessment of health and safety impacts of product and service categories	96		No
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	98		No

GRI STANDARD	STANDARD NUMBER	DISCLOSURE	PAGE	OMISSIONS	EXTERNAL ASSURANCE
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	97	Omitted: no cases for the reporting period.	No
	417-2	Incidents of non-compliance concerning product and service information and labeling	98		No
	417-3	Incidents of non-compliance concerning marketing communications	-	Omitted: no cases for the reporting period.	No
GRI 418: Consumer's Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	99		No
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	98		No

Annexes

Statutory Auditor's Report



24 de noviembre de 2017

Señor
Wilhelm Steinvorth Herrera
Presidente Junta Directiva
Florida Ice & Farm Company S.A. y Subsidiarias
Presente

Estimado señor:

De conformidad con lo establecido en el Artículo 197 del Código de Comercio y conforme a lo que disponen los estatutos de Florida Ice & Farm Company S.A. y subsidiarias, me permito presentar a usted el informe de las actividades que, como Fiscal de la compañía, he realizado durante el período 2016-2017 y le solicito que el mismo sea del conocimiento de la Junta Directiva y de la Asamblea General de Accionistas que se llevará a cabo el 14 de diciembre de este año.

En las reuniones mensuales de la Junta Directiva, la Administración presenta un informe en el cual, aparte de mostrar los estados financieros de cada mes, se hace una reseña sobre el avance de las metas y el cumplimiento de los objetivos para el período que corresponde. Dicha información es discutida y analizada ampliamente en el seno de la Junta Directiva y esta fiscalía da fe de que las recomendaciones y sugerencias que se emiten son acatadas por la Administración. Durante el año la Junta Directiva sesionó en doce ocasiones en forma ordinaria. En el control de la gestión administrativa y financiera de la organización, la Junta Directiva se apoya en la labor de la Auditoría Corporativa, la cual trabaja bajo un plan anual debidamente aprobado y monitoreado por el Comité de Auditoría y Riesgo, el cual celebró siete reuniones durante el período.

Con base en las revisiones efectuadas de los estados financieros, se puede afirmar que la contabilidad ha sido llevada en forma ordenada y al día, de acuerdo con las Normas Internacionales de Información Financiera, de manera que los estados financieros representan razonablemente la posición financiera y el resultado económico de las operaciones de Florida Ice & Farm Company S.A. y sus subsidiarias, en el período anual finalizado el 30 de setiembre de 2017, situación que se ratifica con el informe de la auditoría externa realizada por la firma Deloitte con fecha 23 de noviembre de 2017.

Con base en la opinión de los auditores externos y de la Auditoría Corporativa, así como en mi participación en las sesiones de Junta Directiva y del Comité de Auditoría y Riesgo puedo afirmar que, en general, la administración, la contabilidad y la operación de Florida Ice & Farm Company S.A. y sus subsidiarias, se desarrollan dentro de parámetros de eficiencia y orden adecuados, y que los informes reflejan razonablemente la situación de la empresa y sus resultados al cierre del período 2016-2017. Asimismo, doy constancia de que tanto los acuerdos de la Asamblea de Accionistas como de la Junta Directiva se han cumplido y que las actas se han consignado en los libros correspondientes y están debidamente firmadas.

Atentamente,

Roberto Truque Harrington
Fiscal de la Junta Directiva

Corporate Governance Report



Deloitte & Touche
Centro Corporativo El Caballero
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INFORME DE LOS AUDITORES INDEPENDIENTES

A la Junta Directiva y a los Accionistas de
Florida Ice & Farm Company, S.A.

Opinión

Hemos auditado los estados financieros consolidados que se acompañan de Florida Ice & Farm Company, S.A. y Subsidiarias ("la Compañía"), los cuales incluyen los estados consolidados de situación financiera al 30 de setiembre de 2017 y 2016, los estados consolidados de pérdidas o ganancias y otros resultados integrales, de cambios en el patrimonio y de flujos de efectivo que les son relativos para los años que terminaron en esas fechas, así como un resumen de las políticas de contabilidad significativas y otras notas explicativas.

En nuestra opinión, los estados financieros consolidados que se acompañan presentan razonablemente, en todos los aspectos importantes, la situación financiera consolidada de Florida Ice & Farm Company, S.A. y Subsidiarias al 30 de setiembre de 2017 y 2016, su desempeño financiero consolidado y sus flujos de efectivo consolidados para los años que terminaron en esas fechas, de conformidad con las Normas Internacionales de Información Financiera.

Base para la Opinión

Hemos llevado a cabo nuestras auditorías de conformidad con las Normas Internacionales de Auditoría (NIA). Nuestras responsabilidades de acuerdo con dichas normas se describen más adelante en nuestro informe en la sección Responsabilidades del Auditor en Relación con la Auditoría de los Estados Financieros Consolidados. Somos independientes de la Compañía de acuerdo con las disposiciones del Código de Ética Profesional del Colegio de Contadores Públicos de la República de Costa Rica y del Código de Ética para Profesionales de la Contabilidad (Código IESBA, por sus siglas en inglés) del Consejo de Normas Internacionales de Ética para Contadores y hemos cumplido nuestras otras responsabilidades de ética de conformidad con esos requerimientos. Consideramos que la evidencia de auditoría que hemos obtenido es suficiente y adecuada para proporcionar una base para nuestra opinión.

Asuntos Claves de Auditoría

Los asuntos claves de auditoría son aquellos asuntos que a nuestro juicio profesional fueron los más significativos en nuestra auditoría a los estados financieros consolidados del período actual. Estos asuntos fueron atendidos en el contexto de nuestra auditoría a los estados financieros consolidados como un todo y en la formación de nuestra opinión y no proveemos una opinión separada por estos asuntos. Hemos determinado los asuntos descritos abajo como los asuntos claves de auditoría a ser comunicados en nuestro informe.

Asuntos Claves de Auditoría	Cómo Nuestra Auditoría Abordó los Asuntos Claves de Auditoría
Deterioro de activos intangibles con vida indefinida, ver Notas 13 y 14. La Compañía ha identificado diversas unidades generadoras de efectivo sobre las cuales cada año se realiza un estudio de análisis de deterioro, que considera	Enfocamos nuestras pruebas de deterioro de los activos de vida indefinida sobre los principales supuestos realizados por la Administración. Nuestros procedimientos de auditoría incluyeron:

(Continúa)

Deloitte.

Asuntos Claves de Auditoría	Cómo Nuestra Auditoría Abordó los Asuntos Claves de Auditoría
<p>activos intangibles de vida indefinida de conformidad con la NIC 36, en las que se utilizan diferentes métodos de valoración y juicios sensibles para determinar si el valor de los activos se ha deteriorado. En consecuencia, la prueba de deterioro de estos activos se considera un asunto clave de auditoría.</p>	<ul style="list-style-type: none"> • Involucramos a nuestros especialistas internos para ayudar a: <ul style="list-style-type: none"> - Evaluar críticamente si los modelos utilizados por la Administración para evaluar el potencial deterioro cumplen con los requisitos de la NIC 36 Deterioro de Activos. - Validar la razonabilidad de los supuestos utilizados para calcular las tasas de descuento y recalculando estas tasas. - Analizar los flujos de efectivo futuros proyectados que fueron utilizados en los modelos para determinar si son razonables y soportables dadas las condiciones macroeconómicas actuales y el rendimiento futuro esperado de la unidad generadora de efectivo. • Someter los supuestos clave a los análisis de sensibilidad. • Comparar los flujos de efectivo proyectados, incluyendo los supuestos relacionados con las tasas de crecimiento de los ingresos y márgenes operativos, contra el desempeño histórico y condiciones de mercado para probar la precisión de las proyecciones de la Administración. <p>Con base en los procedimientos de auditoría realizados, determinamos que los supuestos utilizados por la Administración eran consecuentes con el desempeño histórico y perspectivas futuras esperadas y las tasas de descuento utilizadas eran apropiadas en las circunstancias. Las revelaciones de sensibilización ante riesgos de deterioro se detallan en las notas a los estados financieros consolidados.</p>
<p>Impuestos sobre la Renta, Ventas, Bebidas Alcohólicas y Precios de Transferencia - La Compañía está sujeta a diversos impuestos en diferentes jurisdicciones y está sujeta a revisiones periódicas por parte de las autoridades</p>	<p>Utilizamos especialistas en impuestos, obtuvimos una comprensión de la estrategia tributaria de la Compañía y de la aplicación de la legislación tributaria vigente en la determinación de los principales impuestos y concluimos que las</p>

(Continúa)

Deloitte.

Asuntos Claves de Auditoría	Cómo Nuestra Auditoría Abordó los Asuntos Claves de Auditoría
<p>fiscales durante el curso normal de los negocios. Producto de lo indicado podría existir una obligación eventual por la aplicación de criterios de parte de las autoridades fiscales de cada país, distintos de los que ha utilizado la Compañía al liquidar sus impuestos.</p> <p>Hemos identificado esta área como un riesgo significativo debido al nivel de juicio que se aplica en la cuantificación de provisiones para el pago de impuestos.</p> <p>Las revelaciones relacionadas con impuestos se especifican en las Notas 3r, 24 y 29 a los estados financieros consolidados.</p>	<p>provisiones respectivas son razonables a la fecha de los estados financieros consolidados. Finalmente, consideramos lo adecuado de las revelaciones realizadas por la Compañía en sus notas a los estados financieros consolidados.</p>

Responsabilidades de la Administración y de los Responsables de Gobierno de la Compañía en Relación con los Estados Financieros Consolidados

La Administración es responsable por la preparación y presentación razonable de los estados financieros consolidados de conformidad con las Normas Internacionales de Información Financiera y por aquel control interno que la Administración determine necesario para permitir la preparación de estados financieros consolidados que estén libres de errores materiales, ya sea debido a fraude o error.

En la preparación de los estados financieros consolidados, la Administración es responsable de evaluar la capacidad de la Compañía para continuar como negocio en marcha, revelando, según corresponda, los asuntos relacionados con el principio de negocio en marcha y utilizando dicha base contable, a menos que la Administración tenga la intención de liquidar la Entidad o de cesar sus operaciones, o bien no tenga otra alternativa realista que hacerlo así.

Los encargados de gobierno de la Compañía son responsables de la supervisión del proceso de generación de información financiera de Florida Ice & Farm Company, S.A. y Subsidiarias.

Responsabilidades del Auditor en Relación con la Auditoría de los Estados Financieros Consolidados

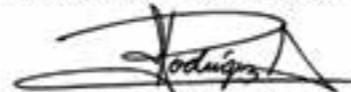
Nuestros objetivos son obtener una seguridad razonable de que los estados financieros consolidados en su conjunto están libres de errores materiales, ya sea debido a fraude o a error, y emitir un informe de auditoría que contenga nuestra opinión. La seguridad razonable es un alto grado de seguridad, pero no garantiza que una auditoría realizada de conformidad con las Normas Internacionales de Auditoría detectará siempre un error material cuando exista. Los errores pueden deberse a fraude o a error no relacionado con fraude y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influyan en las decisiones económicas de los usuarios, tomadas con base en los estados financieros consolidados.

Como parte de una auditoría realizada de conformidad con las Normas Internacionales de Auditoría, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante toda la auditoría. También:

Deloitte.

- Identificamos y valoramos los riesgos de error material en los estados financieros, consolidados debido a fraude o error, diseñamos y aplicamos procedimientos de auditoría para responder a dichos riesgos y obtenemos evidencia de auditoría suficiente y adecuada para proporcionar una base para nuestra opinión. El riesgo de no detectar un error material debido a fraude es más elevado que en el caso de un error material no relacionado con fraude, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionalmente erróneas o una evasión del control interno.
- Obtenemos un entendimiento del control interno relevante para la auditoría con el fin de diseñar procedimientos de auditoría que sean adecuados en las circunstancias y no con la finalidad de expresar una opinión sobre la eficacia del control interno de la Compañía.
- Evaluamos lo adecuado de las políticas contables aplicadas y la razonabilidad de las estimaciones contables y las revelaciones relativas hechas por la Administración.
- Concluimos sobre lo apropiado de la utilización de la base contable de negocio en marcha por parte de la Administración y, basándonos en la evidencia de auditoría obtenida, concluimos sobre si existe o no una incertidumbre material relacionada con eventos o condiciones que puedan generar dudas significativas sobre la capacidad de la Compañía para continuar como negocio en marcha. Si concluimos que existe una incertidumbre material, nos es requerido llamar la atención en nuestro informe de auditoría a las revelaciones correspondientes en los estados financieros consolidados o, si dichas revelaciones no son adecuadas, que modifiquemos nuestra opinión de auditoría. Nuestras conclusiones se basan en la evidencia de auditoría obtenida hasta la fecha de nuestro informe de auditoría. Sin embargo, eventos o condiciones futuros podrían causar que la Compañía cese de operar como negocio en marcha.
- Evaluamos la presentación general, la estructura y el contenido de los estados financieros, incluyendo las revelaciones, y si los estados financieros consolidados representan las transacciones y hechos subyacentes de un modo que logran su presentación fiel.
- Obtenemos evidencia de auditoría suficiente y apropiada acerca de la información financiera de las entidades o actividades de negocios dentro de la Compañía para expresar una opinión sobre los estados financieros consolidados. Somos responsables de la dirección, supervisión y realización de la auditoría del grupo. Somos los únicos responsables de nuestra opinión de auditoría.

Nos comunicamos con los responsables de gobierno de la Compañía en relación con, entre otros asuntos, el alcance planeado y la oportunidad de la auditoría y los hallazgos de auditoría significativos, así como cualquier deficiencia significativa en el control interno que identificamos en el transcurso de la auditoría.



Lic. Luis Guillermo Rodríguez Araya - C.P.A. No.1066
Póliza No.0116 FIG 7
Vence: 30 de setiembre de 2018
Cancelado Timbre de Ley No.6663, €1.000

23 de noviembre de 2017



**FLORIDA ICE AND FARM COMPANY, S.A.
Y SUBSIDIARIAS**
Estados Financieros Consolidados
30 de setiembre de 2017 y 2016

FLORIDA ICE AND FARM COMPANY, S.A. Y SUBSIDIARIAS

Estados Consolidados de Situación Financiera
(En Millones de Colones)

30 de setiembre de 2017 y de 2016

<u>Activos</u>	<u>Nota</u>	<u>2017</u>	<u>2016</u>
Efectivo y equivalentes de efectivo	4	¢ 35,768	63,246
Inversiones en instrumentos financieros	5	9,639	2,656
Cuentas por cobrar, neto	6	64,046	54,955
Inventarios	7	65,293	63,565
Anticipos a proveedores		3,824	3,109
Desembolsos pagados por anticipado	8	18,565	23,216
Propiedades disponibles para la venta		14,959	2,527
Total activo circulante		212,094	213,274
Documentos por cobrar a largo plazo	9	6,828	6,653
Propiedades de inversión	10	44,939	56,944
Inversiones en asociadas y otras	11	57,293	56,236
Inmuebles, planta y equipo, neto	12	292,581	245,353
Activos intangibles	13	186,387	182,924
Crédito mercantil	14	92,644	90,497
Otros activos		1,603	3,001
Impuesto sobre la renta diferido activo	24b	31,917	31,626
Total activo largo plazo		714,192	673,234
Total Activos		¢ 926,286	886,508
<u>Pasivos y Patrimonio</u>			
Préstamos bancarios a corto plazo	15	¢ 28,525	28,084
Porción circulante de los préstamos bancarios a largo plazo	16	25,448	30,372
Porción circulante de los bonos por pagar a largo plazo	17	5,000	-
Cuentas por pagar	18	54,012	55,837
Gastos acumulados y otras obligaciones	19	31,057	30,474
Impuesto sobre la renta por pagar		6,824	10,975
Otros impuestos por pagar		7,986	7,686
Adelantos recibidos de clientes		3,665	3,231
Total pasivo a corto plazo		162,517	166,659
Préstamos bancarios a largo plazo, excluyendo la porción circulante	16	237,746	217,090
Bonos estandarizados por pagar a largo plazo, excluyendo la porción circulante	17	50,250	55,250
Impuesto sobre la renta diferido pasivo	24b	60,923	59,496
Instrumentos financieros mantenidos para la administración del riesgo	27	813	1,739
Total pasivo a largo plazo		349,732	333,575
Total Pasivos		¢ 512,249	500,234
Patrimonio:			
Capital en acciones comunes	20	¢ 93,734	93,967
Menos: acciones en tesorería a su valor nominal		653	233
Capital en acciones en circulación		93,081	93,734
Capital adicional pagado		54	54
Reservas		58,895	52,917
Utilidades no distribuidas		212,562	193,860
Total patrimonio atribuible a los propietarios de la controladora		364,592	340,565
Participaciones no controladoras		49,445	45,709
Total patrimonio		414,037	386,274
Contingencias y compromisos	29, 30	-	-
Total Pasivos y Patrimonio		¢ 926,286	886,508

Las notas que acompañan a los estados financieros consolidados son parte integral de los mismos.

FLORIDA ICE AND FARM COMPANY, S.A. Y SUBSIDIARIAS
Estados Consolidados de Pérdidas y Ganancias y Otros Resultados Integrales
(En Millones de Colones)
Por los periodos de doce meses terminados el 30 de setiembre de 2017 y de 2016

	Nota	2017	2016
Ventas netas	28	€ 673.790	664.181
Costo de las ventas	28	333.359	334.984
Utilidad bruta		340.431	329.197
Gastos de operación:			
Ventas y mercadeo	21	158.028	155.402
Generales y administrativos	22	61.971	62.132
Total gastos de operación		219.997	217.534
Utilidad de operación		120.434	111.663
Otros gastos (ingresos):			
Gastos financieros		24.623	25.022
Ingresos financieros		(1.774)	(1.838)
Diferencias de cambio, neto		521	1.287
Ganancia en participación de asociadas, neto	11	(11.138)	(13.428)
Otros, neto	29	6.463	(946)
Otros gastos, neto		18.695	10.097
Ganancia del año antes de impuestos		101.739	101.566
Impuesto sobre renta:			
Corriente	24	32.642	32.939
Diferido	24	(122)	(3.022)
Total impuesto sobre la renta		32.520	29.917
Ganancia del año		€ 69.219	71.649
Otros resultados integrales:			
Partidas que pueden ser reclasificadas posteriormente al resultado del año:			
Diferencias de cambio al convertir negocios en el extranjero		3.432	3.915
Reserva por cobertura		550	(88)
Partidas que no pueden ser reclasificadas posteriormente al resultado del año:			
Efecto del superávit por revaluación		707	(1.036)
Otros resultados integrales del periodo después del impuesto		4.689	2.791
Resultado integral total del periodo		€ 73.909	74.440
Ganancia atribuible a:			
Propietarios de la controladora		54.784	55.932
Participaciones no controladoras		14.435	15.717
		€ 69.219	71.649
Resultado integral total atribuible a:			
Propietarios de la controladora		58.010	58.027
Participaciones no controladoras		15.699	16.413
		€ 73.909	74.440
Utilidad básica por acción	20d	€ 58,39	59,38

Las notas que acompañan a los estados financieros consolidados son parte integral de los mismos.

FLORIDA ICE AND FARM COMPANY, S.A. Y SUBSIDIARIAS

Estados Consolidados de Cambios en el Patrimonio
(En Millones de Colones)

Por los periodos de doce meses terminados el 30 de setiembre de 2017 y de 2016

	Saldo 30 de setiembre de 2016	Resultado Integral del periodo	Dividendos pagados	Absorción de acciones en tesorería	Compra de acciones en tesorería	Asignación de reserva legal	Saldo 30 de setiembre de 2017
Capital acciones	¢ 93.967	-	-	(233)	-	-	93.734
Acciones en tesorería	(233)	-	-	233	(653)	-	(653)
Capital adicional pagado	54	-	-	-	-	-	54
Reservas:							
Superávit por revaluación	31.093	707	-	-	-	-	31.800
Reserva legal	19.763	-	-	-	-	2.753	22.516
Reserva por cobertura	(1.069)	550	-	-	-	-	(519)
Ajuste por conversión de estados financieros	3.130	1.968	-	-	-	-	5.098
Total Reservas	52.917	3.225	-	-	-	2.753	58.895
Utilidades no distribuidas	193.860	54.785	(26.889)	-	(6.441)	(2.753)	212.562
Patrimonio atribuible a los propietarios de la controladora	340.565	58.010	(26.889)	-	(7.094)	-	364.592
Participaciones no controladoras	45.709	15.899	(12.163)	-	-	-	49.445
Total Patrimonio	¢ 386.274	73.909	(39.052)	-	(7.094)	-	414.037
	Saldo 30 de setiembre de 2015	Resultado Integral del periodo	Dividendos pagados	Absorción de acciones en tesorería	Compra de acciones en tesorería	Asignación de reserva legal	Saldo 30 de setiembre de 2016
Capital acciones	¢ 94.471	-	-	(504)	-	-	93.967
Acciones en tesorería	(504)	-	-	504	(233)	-	(233)
Capital adicional pagado	54	-	-	-	-	-	54
Reservas:							
Superávit por revaluación	32.129	(1.036)	-	-	-	-	31.093
Reserva legal	19.557	-	-	-	-	206	19.763
Reserva por cobertura	(981)	(88)	-	-	-	-	(1.069)
Ajuste por conversión de estados financieros	(89)	3.219	-	-	-	-	3.130
Total Reservas	50.616	2.095	-	-	-	206	52.917
Utilidades no distribuidas	163.432	55.932	(23.907)	-	(1.391)	(206)	193.860
Patrimonio atribuible a los propietarios de la controladora	308.069	58.027	(23.907)	-	(1.624)	-	340.565
Participaciones no controladoras	43.181	16.413	(13.885)	-	-	-	45.709
Total Patrimonio	¢ 351.250	74.440	(37.792)	-	(1.624)	-	386.274

Las notas que acompañan a los estados financieros consolidados son parte integral de los mismos.

FLORIDA ICE AND FARM COMPANY, S.A. Y SUBSIDIARIAS		
Estados Consolidados de Flujos de Efectivo		
(En Millones de Colones)		
Por los periodos de doce meses terminados el 30 de setiembre de 2017 y de 2016		
	2017	2016
Fuentes (uso) de efectivo:		
<u>Actividades de operación:</u>		
Ganancia del periodo	€ 69.219	71.649
Partidas que no requieren efectivo:		
Depreciación y amortización	29.404	32.480
Diferencial cambiario no realizado	1.759	1.882
(Ganancia) Pérdida en venta de propiedades	(564)	311
Participación en ganancias de compañías asociadas	(11.138)	(13.428)
Estimación para cuentas de dudoso cobro	513	541
Impuesto sobre la renta diferido	(122)	(3.022)
Impuesto sobre la renta corriente	32.642	32.939
Gasto por intereses	24.623	25.022
Efectivo provisto antes de cambios en el capital de trabajo	146.336	148.374
Cambios en el capital de trabajo:		
Cuentas por cobrar	(9.779)	(3.104)
Anticipos a proveedores de equipo	(715)	(76)
Inventarios	(1.728)	(5.275)
Desembolsos pagados por anticipado	4.651	(3.809)
Otros activos	1.398	(590)
Cuentas por pagar	(1.825)	15.266
Gastos acumulados y otras obligaciones	542	2.395
Otros impuestos por pagar	300	(72)
Adelantos recibidos de clientes	434	(271)
Efectivo provisto por las operaciones	139.614	152.838
Pago de intereses	(24.582)	(24.093)
Pago de impuesto sobre la renta	(36.793)	(27.629)
Efectivo neto provisto por actividades de operación	78.239	101.116
<u>Actividades de inversión:</u>		
Dividendos recibidos	9.178	7.654
Inversiones en instrumentos financieros	(7.359)	(125)
Adiciones a inmuebles, planta y equipo e intangibles	(73.309)	(44.405)
Efecto de la disposición de activos	4.297	3.539
Efectivo neto usado para las actividades de inversión	(67.193)	(33.337)
<u>Actividades de financiamiento:</u>		
Proveniente de préstamos bancarios	480.534	28.083
Amortizaciones de deuda	(486.120)	(54.328)
Adquisición de acciones en tesorería	(7.094)	(1.624)
Disminución de la participación no controladora por dividendos pagados	(12.163)	(13.885)
Dividendos pagados	(26.889)	(23.907)
Efectivo neto usado para las actividades de financiamiento	(31.732)	(65.661)
(Disminución) Aumento en el efectivo y equivalentes de efectivo	(20.686)	2.118
Efectivo y equivalentes de efectivo al inicio del periodo	63.246	61.676
Ajuste por conversión de estados financieros	(6.792)	(548)
Efectivo y equivalentes de efectivo al final del periodo	€ 35.768	63.246

Las notas que acompañan a los estados financieros consolidados son parte integral de los mismos.

Independent Review Report



Informe de Revisión Independiente

El Centro Vincular de Responsabilidad Social y Desarrollo Sostenible de la Pontificia Universidad Católica de Valparaíso, Chile, en adelante "Vincular", fue contratado por Florida Ice & Farm Co. (FIFCO) con el fin de llevar a cabo la verificación externa de los procesos de materialidad y participación de las partes interesadas del Reporte Integrado 2017 de FIFCO, correspondiente, al periodo vigente entre el 01 de octubre de 2016 al 30 de septiembre de 2017.

Alcance y Objetivo

Los objetivos específicos del proyecto fueron:

1. Verificar los procesos claves de la elaboración del reporte, como el análisis de materialidad y la participación de las partes interesadas.
2. Llevar a cabo una lectura crítica del Reporte Integrado 2017, para apoyar a FIFCO en el aseguramiento de la calidad del reporte según las metodologías del IIRC (International Integrated Reporting Council) y GRI (Global Reporting Initiative) bajo la opción en concordancia "exhaustiva".
3. Identificar las oportunidades de mejora para el próximo Reporte Integrado. Igualmente, dicho análisis busca identificar tanto las oportunidades de mejora en la gestión como la integración de los ámbitos de sostenibilidad en la empresa.

Nuestro trabajo no contempló el análisis y verificación de datos cuantitativos en el reporte, sean estos datos financieros, sociales o ambientales.

Metodología y Procesos

Realizamos las siguientes actividades para el proceso de verificación:

- Revisión del reporte integrado, específicamente lo que respecta a los contenidos reportados para los *disclosures* GRI 102-40; GRI 102-42 a GRI 102-49; GRI 103-1; cotejando nivel de cumplimiento con los requisitos de los *GRI Sustainability Reporting Standards 2016*, y los principios de materialidad y participación de las partes interesadas.
- Presentación de los resultados de la verificación y las oportunidades de mejora a los directores y ejecutivos de FIFCO.

Conclusiones

Durante 2017, FIFCO desarrolló un análisis de materialidad para North American Breweries. De esta manera se cuenta con la identificación de los temas más relevantes para todas sus Unidades de Negocio.

FIFCO sigue mostrando una fortaleza en la integración de sostenibilidad en todos los ámbitos de su gestión, a través de sus compromisos para 2020. Además, se transparenta en detalle la gestión de estos compromisos, incluyendo logros 2017 y desafíos para el futuro (páginas 32 y 33 del Reporte).



Recomendaciones

Adicionalmente a esta carta de verificación, Centro Vincular ha entregado a FIFCO un informe acompañado de una presentación de oportunidades de mejora, tanto desde la perspectiva de la elaboración del reporte como respecto a la gestión de temas de sostenibilidad en la compañía.

Destacamos las siguientes recomendaciones:

- Seguir profundizando el vínculo entre los temas materiales y los ODS con el fin de reportar concretamente el impacto de las Unidades de Negocio en los Objetivos y Metas pertinentes.

Dante Pesce
Director Ejecutivo, Centro Vincular
Pontificia Universidad Católica de Valparaíso
Diciembre 2017

Declaración de Independencia

Centro Vincular es un referente latinoamericano, especializado en el desarrollo e implementación de instrumentos de gestión de Responsabilidad Social, dedicado a la investigación aplicada, consultoría y transferencia tecnológica, formación de competencias y gestión de políticas públicas para promover la sostenibilidad.

Centro Vincular confirma su total independencia de Florida Ice & Farm Co., quedando exenta de sesgos y/o cualquier conflicto de interés con la compañía. El equipo de Vincular fue seleccionado por este proyecto basado en su amplio conocimiento, experiencia y calificaciones técnicas.

Other social standards

GRI STANDARD 102-8

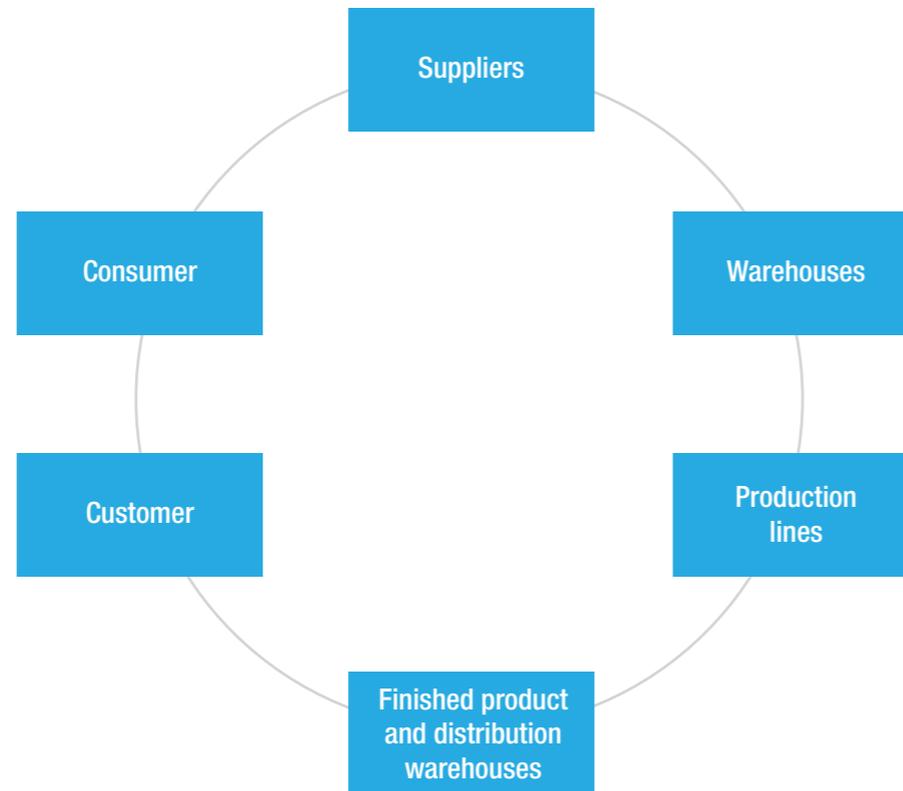
Total number of full-time, temporary and part-time employees by gender and location

Country	2015					2016					2017				
	Full-time contract		Temporary or part-time contract		Total	Full-time contract		Temporary or part-time contract		Total	Full-time contract		Temporary or part-time contract		Total
	Women	Men	Women	Men		Women	Men	Women	Men		Women	Men	Women	Men	
Costa Rica															
Guatemala & El Salvador	771	3561	44	139	4515	867	3661	26	243	4797	897	3461	23	277	4658
United States	65	407	4	210	686	63	426	6	216	711	73	444	4	201	722
Total	156	617	171	179	1,123	177	667	130	99	1,073	165	630	142	124	1,061
Total excluding temporary					5,577					5,861					5,670

Note: The amount of temporary and part-time employees depends on market demand.

GRI STANDARD 102-9

Supply Chain



Supplier expenses by operation

Operation	Direct Expenses	Indirect Expenses	Other Expenses
Costa Rica	+\$149,000,000	+\$92,000,000	+\$75,000,000
Guatemala	+\$43,000,000	+\$8,000,000	+\$11,000,000
United States	+\$82,000,000	+\$34,000,000	+\$196,000,000

FIFCO suppliers are located in different countries and expenses invested on these suppliers are classified by: indirect, direct or other expenses. Direct expenses refer for example to raw materials and product packaging. Indirect expenses are those related to different types of inputs, services required for the operation or product marketing. Finally, there are unique payments made for specific services that are not part of the day-to-day operation.

GRI STANDARD 201-1

Direct economic value generated and distributed in millions of colones

Direct economic value generated (profits)	¢816,903
Distributed economic value:	
• Operating costs	¢461,943
• Salaries	¢89,218
• Employee benefits	¢1,696
• Payments to capital suppliers	¢48,334
• Payments to government (Costa Rica)	¢134,255
• Payments to government (United States)	¢27,733
• Payments to government (Costa Rica)	¢5,006
• Investment in the community	¢499
Economic value retained = direct economic value generated – distributed economic value	¢48,219

GRI STANDARD 201-3

Social Benefits Program and retirement plans by country**Costa Rica**

- There is a benefit plan, defined in the Worker Protection Law No. 7983. This plan is complementary to the Costa Rican Social Security disability, old age and death retirement plan.
- Through this law, the company makes a contribution equivalent to 3% of each employee's salary for the consolidation of a complementary pension plan.
- Labor Unemployment Fund: Through the Solidarity Association, the company contributes with 1% of each employee's salary, while the collaborator contributes 2%.

Guatemala

- Each month a contribution is made to the retirement program -established by social security-, which corresponds to 10.67% of the salaries paid.
- Voluntary retirement program: any collaborator, who wishes to leave the company voluntarily, can do so and benefit their families by contracting their services.

United States

There are no obligations derived from the benefit plan, the company contributes to the benefit plans administered by the union. The operation contributes to each plan based on the number of hours worked per week, according to location.

GRI STANDARD 202-1

Ratio of standard initial category salary to local minimum wage by gender

Business Unit	Year	Currency	Country's average minimum wage	Company's average starting salary	Ratio Company / Country minimum
North American Breweries	2016	USD	10	13.16	1.3
	2017	USD	11.04	13.68	1.2
Florida Bebidas	2016	Colones	289,107.65	294,461.67	1.02
	2017	Colones	293,132.67	298,561.22	1.02
Florida Retail	2016	Colones	289,107.65	291,465.58	1.01
	2017	Colones	293,132.67	295,523.42	1.01
Reserva Conchal	2016	Colones	289,107.65	291,465.58	1.01
	2017	Colones	293,132.67	295,523.42	1.01
Industrias Alimenticias Kern's	2016	Quetzales	2,284.15	2,623	1.15
	2017	Quetzales	2,643.21	2,662.56	1.01

Nota: Contractors or outsourcers are sub-contracted by suppliers and in most cases these people receive wages above the minimum. In NAB for example, the minimum wage for labor is \$9 per hour and the contractor is paid \$12 per hour. The average amount shown in NAB is the amount per hour paid and includes 12 locations in the United States where FIFCO operates. In Costa Rica there is a country minimum wage, which is not disaggregated by gender. Likewise, the minimum wage defined by the organization does not change according to gender.

GRI STANDARD 401-1

Employment of full-time workers according to age, gender and area.

Country	United States						Costa Rica and Guatemala					
	2015		2016		2017		2015		2016		2017	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
Under 30	15	24	78	83	71	75	165	447	221	563	149	313
Between 30 and under 50	8	19	42	59	17	40	137	361	151	365	119	232
Over 50	1	9	3	16	1	9	2	23	5	12	2	6
Total annual hiring	24	52	123	158	89	124	304	831	377	940	270	551
Total employees	327	796	307	766	307	754	836	3,968	742	3,655	997	4,383
Annual average hiring	7%	7%	40%	21%	29%	16%	36%	21%	51%	26%	27%	13%

Note: The average annual employment is calculated = total employment / total employees. In the case of NAB, all the employees, both full-time and temporary, are included. The rest of the countries, only include full-time, as this is how the company collects the information.

Turnover of full-time collaborators by age, gender and area.

Country	United States						Costa Rica and Guatemala					
	2015		2016		2017		2015		2016		2017	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
Under 30	3	9	71	52	67	68	219	366	116	286	139	291
Between 30 and under 50	4	19	22	54	27	54	165	386	127	313	132	376
Over 50	0	14	5	22	6	29	11	50	8	43	13	62
Total annual turnover	7	42	98	128	100	151	395	802	251	642	284	729
Total employees	327	796	307	766	307	754	836	3,968	742	3,655	997	4,383
Average annual turnover by gender	2%	5%	32%	17%	33%	20%	47%	20%	34%	18%	28%	17%

Note: The average annual turnover per gender is calculated = total layoffs / total employees. In the case of NAB, all the collaborators are included, both full-time and temporary; the rest of the countries only include full-time employees, since this is how the company collects the information.

GRI STANDARD 401-3

Reintegration and retention rates after maternity or paternity leave, disaggregated by gender and location

Employees that:	Guatemala				United States				Costa Rica			
	Women		Men		Women		Men		Women		Men	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
Were entitled to a maternity or paternity leave	4	1	21	18	5	165	14	631	45	49	132	114
Exercised their right to maternity or paternity leave	4	1	21	18	5	3	14	27	45	49	132	114
Returned to work after their maternity or paternity leave	4	1	21	18	5	3	14	27	39	49	132	105
Returned to work after their maternity or paternity leave and retained their job for over twelve months after reintegration	4	1	18	18	5	3	14	25	36	49	103	105
Reintegration and retention rates for employees who enjoyed maternity or paternity leave.	100%	100%	86%	100%	100%	2%	100%	4%	80%	100%	78%	92%

Note: Everyone has the right to maternity or paternity leave, however only those who could apply this right during the year are included (for IAK, Reserva Conchal, Florida Bebidas and Florida Retail).

GRI STANDARD 403-2

Accident rate

Detail	Guatemala		Costa Rica	United States
	Female	Male		
Types of injuries	There were no injuries	Cuts, burns, concussion.	Musculoskeletal diseases, product of manual load handling and repetitive movements	Lacerations, slips, trips, falls, sprains, ergonomic injuries and overexertion
Rate of accidents with injuries	No records (1.44% in 2015)	0.09% - 2016 0.45% - 2017	Florida Bebidas: 1.08% (1.04% in 2016) Florida Retail: 2.46% (3.37% in 2016) Reserva Conchal: 1.78% (2,97% in 2016)	6.63% 7.12% - 2017
Rate of occupational diseases	This information is not recorded		No information is recorded on diseases separated from accidents. As stipulated in the Costa Rican labor legislation on occupational risks, accident records include both categories.	1.44 - 2015 1.25 - 2016 0.99 - 2017
Rate of missed days	0.005 - 2015 0 - 2016 0.0043 - 2017	0.14 - 2015 0.76 - 2016 0.65 - 2017	Florida Bebidas: 0.75 - 2015 0.78 - 2016 0.51 - 2017 Florida Retail: 0.94 - 2016 0.56 - 2017 Reserva Conchal: 0.75 - 2016 0.52 - 2017	129 (2017)
Absenteeism rate			0.41 - 2016 0.39 - 2017	1% - 2016 1.15% - 2017
Casualties	There were no deaths reported in the reporting period			

Note: In the United States, injuries were 92% in men and 8% in women. A contractor reported an injury. The absenteeism rate was calculated at 1.15%. The systems used to report injuries are those stipulated in the GRI 2000-20011 guide, version 3.1. In Costa Rica, the regulatory system used to report and record accidents is procedure SO-017, accident, incident and occupational diseases report, which is audited by OHSAS 18001, where there is a labor accidents and incidents report card to investigate the causes of the accidents and implement corrective measures to prevent any reoccurrences. In addition, to report accidents and lessons learned to the staff, meetings are held explaining the accident, the cause of the accident, the lessons learned and the corrective measures to be implemented. This information is transmitted through top management to all operational levels in the organization. This year the severity index in Costa Rica decreased, meaning that the accidents that occurred were less severe, bringing us closer to a safer environment. In Guatemala, ILO agreements are respected by complying with the regulations of the Social Security Institute of Guatemala.

GRI STANDARD 404-3

Percentage of employees who have received a periodic performance and career development evaluation throughout the reporting period, disaggregated by gender and by professional category, in the 2016-2017 period.

Country	Operatives		Middle Management		Management		Directors	
	Female	Male	Female	Male	Female	Male	Female	Male
NAB				100%				
Guatemala	0%	0%			100%			
Costa Rica				100%				

Nota: the information for Costa Rica corresponds to the 2015-2016 period, since the data is generated in December of each year. It is important to note that people who entered in the last 6 months of the evaluation period, as well as temporary collaborators are not included in the evaluation.

GRI STANDARD 405-1 (B)

Workforce disaggregated by professional category and gender, age, minority group and other diversity indicators

Level	2015							2016							2017 Percentage
	United States		Costa Rica		Guatemala and El Salvador		Total	United States		Costa Rica		Guatemala and El Salvador		Total	
	Women	Men	Women	Men	Women	Men		Women	Men	Women	Men	Women	Men		
Operatives	37	406	628	3,035	45	324	4,475	27	379	655	2,865	48	333	4,307	76
Middle Management	95	123	199	508	18	88	1,031	96	114	202	492	24	102	1,030	18
Management	40	91	33	106	0	14	284	39	85	36	103	1	9	273	5
Directors/Managers	5	47	7	12	0	0	71	3	52	4	1	0	0	60	1
Other	0	0	0	0	0	0	0			0	0	0	0	0	0
Total	177	667	867	3661	63	426	5,861	165	630	897	3,461	73	444	5,670	100

Note: There are no independent collaborators in the operations; however, there are employees who work at the facilities as an outsourced service (for example, cleaning staff).

GRI 405-2 STANDARD

Base salary ratio by category, gender and location

Reserva Conchal, Florida Bebidas and Musmanni				
Position	Men	Women	2016* Ratio	2017* Ratio
Management	VS		1.09	1.19
Specialists, Supervisors and Headquarters	VS		1.03	1.05
Auxiliary and Analysts		VS	0.9	1.09
Operatives	VS		1.1	1.14
Guatemala: Industrias Alimenticias Kern's				
Management	VS		1.26	1.57
Specialists, Supervisors and Headquarters	VS		1.07	1.8
Auxiliary and Analysts	VS		1.07	1.98
Operative	VS		1	1
United States: North American Breweries				
Directors	VS		0.74	0.74
Management		VS	1.01	1.05
Specialists, Supervisors and Headquarters	VS		0.99	0.99
Auxiliary and Analysts		VS	1.05	1.01
Operative	VS		0.86	0.98

(*) Corresponds to men's base salary divided by women's base salary.
WA = Wage Advantage

In the case of Costa Rica, men in management positions, specialists, supervisors, managers and operatives continue to have the WA. Women maintain their WA in the positions of assistants and analysts. There is an opportunity to improve equal pay according to gender. FIFCO works to ensure this equality through its compensation structure

Other environmental standards

Indicadores ambientales 2017

GRI Standard Number	Units	GRI Standard	Summary result	Details
301-3	Kg	Percentage of reclaimed products and their packaging materials	65%	See table 301-3
302-1	GJ	Direct consumption of electrical and thermal energy	<ul style="list-style-type: none"> • Hotel Westin: 65,783 GJ in 2016 and 60,052 GJ in 2017 • Florida Retail: 27,497 GJ in 2016 and 27,944 GJ in 2017 • NAB: 350,653 GJ in 2016 and 338,220 GJ in 2017 • IAK: 114,741 GJ in 2017 	See table 302-1
302-2	GJ	Indirect fuel consumption by outsourced transport	Florida Bebidas: 80,418 in 2016 and 78,538.6 in 2017	
302-3	GJ/unit	Energy intensity: Electric and thermal energy consumption per unit sales	<ul style="list-style-type: none"> • Hotel Westin: 0.13 GJ/pd in 2016 and 0.12 GJ/pd en 2017 • Florida Retail: 1.49 GJ/ton in 2016 and 1.43 GJ/ton en 2017 • NAB: 0.15 GJ/HL produced in 2016 and 0.14 GJ/HL produced in 2017 • IAK: 0.14 GJ/HL produced in 2017 	See table 302-3
302-4	GJ	Quantified reduction of electrical and thermal energy	<ul style="list-style-type: none"> • Hotel Westin: 1,790 in 2016 and -5,477 in 2017 • Florida Retail: -985 in 2016 and +59,237 in 2017 • NAB: -19,576 in 2016 and 2017 	See table 302-4
303-2	Units	Water sources affected by withdrawal	RC/WPC: 1 important source for local communities	
304-4	N/A	Species (biodiversity)	Consult "Details" column on this table	See table 304-4
305-4	Ton CO ₂ e/hl pr	Intensity of greenhouse gas emissions	<ul style="list-style-type: none"> • Florida Bebidas: -1,250.31 in 2016 and 0.009 in 2017 • Florida Retail: -13.58 in 2016 and 0.12 in 2017 • IAK: 0.01093 in 2017 • NAB: 0.0072 in 2017 	See table 305-4
305-6	Kg CFC-11 equivalent	Quantity of substances used that deplete the ozone layer	<ul style="list-style-type: none"> • Florida Bebidas: 574,2 in 2016 and 276 in 2017 • Florida Retail: 62 in 2016 and 2017 	See table 305-6
305-7	Kg of Nox; Kg of SO ₂ ; Kg PTS; Kg PM10	Other relevant emissions	<ul style="list-style-type: none"> • NOx: 211,908,96 in 2016 and 185,774,42 in 2017 • SO2: 515,126 in 2016 and 454,245 in 2017 	See table 305-7
306-1	m ³ ; Kg	Total water discharge, by quality and destination	<ul style="list-style-type: none"> • Florida Bebidas: Consultar columna "Detalles" de esta tabla • IAK: 879.510 hl 	See table 306-1
306-3	Liters; Kg	Significant spills of hazardous materials	<ul style="list-style-type: none"> • Florida Bebidas: : see table • Florida Retail: 1 • IAK: 0 	See table 306-3
306-4	Liters; Kg	Weight of hazardous waste transported, imported, exported or treated	<p>Florida Bebidas:</p> <ul style="list-style-type: none"> • Treated: 57.584,4 in 2016 and 57.788,95 in 2017 • Exported: 57.584,4 in 2016 and 57.788,95 in 2017 • Exported: 3.536,4 in 2016 and 2.366 in 2017 • Imported: 0 <p>IAK:</p> <ul style="list-style-type: none"> • 24,5 Kg (infectious) 	N/A

GRI 201-2 STANDARD

Implicaciones financieras y otros riesgos y oportunidades derivados del cambio climático

Type	Detailed description	Physical, regulatory, other	Impact description	Term of financial implication	Management methods
Opportunity	Consumers are more aware of environmental problems, willing to consider product's environmental performance as purchasing criteria	Reputational	The growing exposure and knowledge about the problems associated with climate change makes consumers recognize the problems associated with climate and its impacts, so that they become more critical of the products and producing companies' environmental performance when making their selection.	Continued	Air Brands
	Adoption of new technologies to operate more effectively and efficiently with the available resources such as water and energy	Physical, reputational	Improve environmental performance of process and products and competitiveness due to operation with state-of-the-art technology.	Continued	Innovation, Benchmark, BCS Heineken
Risk	Damage to infrastructure due to natural hazards	Physical	Floods due to heavy rains, tropical storms and even hurricanes increase the risk of damage to the infrastructure of the direct value chain, as well as that of suppliers and customers.	Winter	Emergency care Business continuity

GRI STANDARDS 302-1 AND 302-4

2017 Electrical energy consumption and reduction

Facility	Electric Power Consumption (kWh)			Consumption indicator (kWh / hectoliter produced)	
	2016	2017	Reducción 2015 vrs 2016	2016	2017
Cerveza Plant	21,631,650	19,762,374	-1,869,276	10.49	9.66
Cristal Plant	12,796,813	12,929,177	132,364	9.57	10.07
Pepsi Plant	4,836,024	4,809,708	-26,316	5.43	5.25
Others CR	5,933,201	6,319,846	386,645	1.35	1.42
Sub Total Costa Rica	45,197,688	43,821,105	-1,376,583	10.26	9.82
IAK Plant	8,758,065	7,325,228	-1,432,837	9.41	8.73
Total	53,955,753	51,146,333	-2,809,420	10.11	9.65

Nota: According to the Energy Consumption Reduction table, the Cerveza Plant, Pepsi Plant and Industrias Alimenticias Kern's managed to reduce their electrical energy consumption while the other plants show an increase in consumption due to the growth in production and higher energy requirements for certain processes.

Uso	Fuel type	Facility	Energy units (Gigajoules)		
			2016	2017	Reduction 2017 vs. 2016
Heating	Bunker	CCR Plant	200,641.13	188,702.69	-11,938.45
		Cristal Plant	72,145.20	79,747.62	7,602.42
		Pepsi Plant	4,889.45	4,597.33	-292.12
		IAK Plant	98,093.60	62,842.19	-35,251.41
Machinery	Diesel / LP Gas / Gasoline	Florida Bebidas S.A.	2,141.62	1,889.12	-252.49
CR vehicular fleet	JET A1	Florida Bebidas S.A.	5,210.00	4,701.73	-508.28
	CR vehicular fleet JET A1		169,848.43	3,354.68	
	Diesel / Gasoline / LP Gas				
Total			549,614.74	512,329.10	-37,285.64

TÉRMICA (MJ/HI)

Year	Beer Plant	Cristal Plant	Pepsi Plant	Others CR	IAK Plant
2011	115.14	69.77	12.25	57.76	83.80
2012	114.43	62.46	10.70	54.52	79.83
2013	110.71	62.72	11.11	50.08	87.48
2014	104.28	61.88	10.28	43.49	97.55
2015	96.40	65.06	9.74	42.97	93.47
2016	97.31	53.94	5.49	39.33	105.38
2017	95.26	62.09	5.02	38.87	103.20

GRI STANDARD 302-3

Energy Intensity 2016 vs. 2017

Type of Energy	Florida Bebidas		IAK		Westin Hotel		Florida Retail		NAB	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
Intensity	0.134	0.136	0.121	0.106	0.13	0.12	1.49	1.43	0.15	0.14
Units	GJ/hl pr		GJ/hl pr		GJ/pd		GJ/ton pr		GJ/hl pr%	

Energy intensity 2017									
Type of fuel	2017 Internal Energy Consumption (DJ)			2017 Production			GJ/Hi 2017		
	CR	IAK	Florida Bebidas	CR	IAK	Florida Bebidas	CR	IAK	Florida Bebidas
Bunker	273,048	62,842	335,890				0.06	0.07	0.06
LP Gas Fleet	16,281	0	16,281				0.00	0.00	0.00
LP Gas Machinery	714	0	714				0.00	0.00	0.00
Diesel Fleet	118,569	0	118,569				0.03	0.00	0.02
Diesel Machinery	1,034	0	1,034				0.00	0.00	0.00
Gasoline Fleet	34,998	0	34,998				0.01	0.00	0.01
Gasoline Machinery	142	0	142				0.00	0.00	0.00
Jet A1 fuel	4,702	0	4,702				0.00	0.00	0.00
Total Fuels	449,487	62,842	512,329				0.101	0.075	0.097
Electricity	157,756	26,371	184,127	4,464,099	838,778	5,302,877	0.04	0.03	0.03
Total Energy	607,243	89,213	696,456				0.136	0.106	0.131

GRI STANDARD 304-4

Threatened or Endangered Species in the Conchal Reserve Influence Area

Fauna					
Common name	Scientific name	Status	CITES	IUCN Red List	Causes
Anteater	<i>Tamandua mexicana</i>	Threatened		√	Roadkill and habitat reduction
Congo Monkey	<i>Alouatta palliata</i>	Threatened	√	√	Roadkill, electrocuted, food for the human being, loss of habitat
Jabiru	<i>Jabiru mycteria</i>	In danger of extinction	√	√	Habitat reduction due to the elimination of nesting trees like Gallinazo and Ceiba, as well as wetland drainage
Armadillo	<i>Dasypus novemcinctus</i>	Threatened	√	√	Roadkill and food for the human being
White-tailed deer	<i>Odocoileus virginianus</i>	Threatened			Food for the human being, hunting
Puma or Cougar	<i>Puma concolor</i>	In danger of extinction	√	√	Hunting and loss of habitat
Jaguarundi or Eyra cat	<i>Puma yagouaroundi</i>	In danger of extinction	√	√	Hunting and loss of habitat
Ocelot	<i>Leopardus pardalis</i>	In danger of extinction	√	√	Hunting and loss of habitat
Olive Ridley Sea Turtle	<i>Lepidochelys olivacea</i>	In danger of extinction	√	√	Extraction of eggs and food for humans
Leatherback Sea Turtle	<i>Dermochelys coriacea</i>	In danger of extinction	√	√	Extraction of eggs and habitat affectation

Flora					
Common name	Scientific name	Status	CITES	IUCN Red List	Causes
Mahogany	<i>Swietenia humilis</i>	In danger of extinction	√	√	Extraction of precious wood
Cocobolo	<i>Dalbergia retusa</i>	Threatened with possibilities of becoming endangered		√	Extraction of precious wood
Raintree	<i>Samanea saman</i>	Threatened			Extraction of wood
Hollywood	<i>Guaiacum sanctum</i>	In danger of extinction	√	√	Extraction of wood
Tempisque	<i>Sideroxylon capiri</i>	Threatened			Extraction of wood
Mexican Logwood	<i>Haematoxylon brasiletto</i>	Threatened			Extraction of wood
Spanish Cedar	<i>Cedrela Odorata</i>	Threatened		√	Extraction of wood

GRI STANDARD 305-4

Intensity of greenhouse gas emissions 2016 vs. 2017

Facility	Absolute emissions (ton CO ₂)											Intensity of emissions (ton CO ₂ /hl produced)		
	Scope I			Scope II			Scope III			TOTAL Ton CO ₂ e			2016	2017
	2016	2017	Reduction 2016 vs 2017	2016	2017	Reduction 2016 vs 2017	2016	2017	Reduction 2016 vs 2017	2016	2017	Reduction 2016 vs 2017		
Cerveza Plant	16,704.21	15,612.58	-1,091.63	824.63	1,162.71	338.08	1,324.78	845.25	-479.52	18,853.61	17,620.54	-1,233.07	0,00914	0,00862
Cristal Plant	6,502.53	6,305.25	-197.27	487.56	728.78	241.22	52.82	64.16	11.34	7,042.91	7,098.19	55.29	0,00527	0,00553
Pepsi Plant	383.00	354.10	-28.89	184.25	267.90	83.65	2.66	0.00	-2.66	569.91	622.00	52.09	0,00064	0,00068
Others CR	12,802.66	10,542.32	-2,260.33	226.10	292.71	66.62	3,200.18	4,550.08	1,349.90	16,228.94	15,385.11	-843,82	0,00368	0,00345
SUB TOTAL CR	36,392.39	32,814.26	-3,578.13	1,722.54	2,452.10	729.56	4,580.44	5,459.49	879.05	42,695.37	40,725.85	-1,969.51	0,0097	0,0091
IAK	7,409.12	6,137.63	-1,271.49	2,548.60	2,347.71	-200.89	-	-	0.00	9,957.72	8,485.34	-1,472.38	0,00187	0,00160
Total Florida Bebidas	43,801.51	38,951.89	-4,849.62	4,271.14	4,799.81	528.67	4,580.44	5,459.49	879.05	52,653.08	49,211.19	-3,441,89	0,0099	0,0093

GRI STANDARD 305-6

Amount of substances used that affect the ozone layer 2017

Type of refrigerant gas	FREON R22 (30LB)
<i>Kg</i>	238
<i>ODP</i>	0.05

Nota: Florida Bebidas uses refrigeration equipment, mainly in the commercial area to exhibit and cool beverages; the most used being R134A and R404A, both with zero ozone depletion potential. Some industrial equipment also uses these, although the most used in the Cerveza Plant is ammonia. Since 2008 Florida Bebidas does not acquire any equipment that uses refrigerant gases that destroy the ozone layer. There is still some equipment in existence that consumes these types of gases, which is taken out of operation once it is damaged and it is not subject to repair.

In the case of the PINOVA industrial bakery plant, they continue to use refrigerant R404, which does not affect the ozone layer, but 4,497 kg of R22 were also used versus 639.72 kg of R22 in 2016. As mentioned above there is an initiative that will allow us to reduce the use of this gas and replace it with a natural gas NH3 / CO2 system. The initiative is being implemented; there are no results to report yet. In the case of the IAK and Reserva Conchal operations, this indicator is under construction and information is being collected.

GRI STANDARD 305-7

Other relevant emissions 2017

Source	Kg NOX			SO2		
	Florida Bebidas	IAK	Florida Retail Plant	Florida Bebidas	IAK	Florida Retail Plant
Fixed Sources	38,180.00	12,174.69				
Forklift	35,590.13	4,739.88	150,01			
Outsourced mobile sources	29,233.89			374,724	77,274	2,247
Special teams	2,582.19					
Own mobile sources	63,123.63					
Total Kg of contaminant	168,709.84	16,914.57	150.01	374,724	77,274	2,247

Source	PTS y PM10		
	Florida Bebidas	IAK	PINOVA
Fixed Sources	7,922	14,599	-
Forklift	-		
Outsourced mobile sources			
Own mobile sources	1,362		
Total Kg of contaminant	3,150		
Total Kg de contaminante	12,433	14,599	-

Note: with respect to 2016, a reduction is reported in all sources due to an efficient use of sources. Additionally, contaminants in the form of particulate matter from consumed fuels are reported.

GRI STANDARD 306-1

Total water discharge, by quality and destination 2017

Origen	Tipo de agua	Método de tratamiento	DESTINO	Cantidad (m ³ /año)	Carga salida (kg DQO/año)	Calidad
Tropical Plant	Special and ordinary	Primary and secondary anaerobic and aerobic activated sludge	Rio Segundo	324,547.43	11,270.62	Treated non-potable water
CCR Plant	Special and ordinary	Primary and secondary aerobic activated sludge	Rio Segundo	413,670.00	124,505.21	Treated non-potable water
ECSRL Plant	Special and ordinary		Rio Bermúdez	80,552.5	6,440.28	Treated non-potable water
Recycling Plant and Spill	Ordinary	Primary and secondary anaerobic (septic tank)	Infiltration	806.70	64.54	Treated non-potable water
Commercial Services	Ordinary		Infiltration	9,266.00	741.28	
VINDES	Ordinary		Infiltration	4,923.70	393.90	
West Distribution Center and Corporate Building	Ordinary	Primary and secondary aerobic activated sludge	Rio Segundo	28,742	2,499	Treated non-potable water
Limon Deposit	Ordinary	Primary	Infiltration	882	65	Treated non-potable water
Guapiles Deposit	Ordinary		Rio Verde	955	57	Treated non-potable water
Puntarenas Deposit	Ordinary	Primary physicochemical	Infiltration	3,093	132	Treated non-potable water
Liberia Deposit	Ordinaria	Primary and secondary aerobic	Infiltration	2,314	207	Treated non-potable water
East Distribution Center	Ordinary	Primario y secundario anaeróbico (tanque séptico)	Infiltration	6,080	486	Treated non-potable water
Planta IAK	Special and ordinary	Primary and secondary aerobic activated sludge	Municipal Sewage	152,790	19,812	Treated non-potable water
San Carlos Deposit	Ordinary	Primary and secondary anaerobic (septic tank)	Infiltration	1,117	89	Treated non-potable water
Nicoya Deposit	Ordinary		Infiltration	1,200	96	Treated non-potable water
Ciudad Neily Deposit	Ordinary		Infiltration	896	72	Treated non-potable water
San Isidro Deposit	Ordinary		Infiltration	1,363	109	Treated non-potable water
Distribution Centers without Treatment	Ordinaria		Infiltration	10,656	852	Treated non-potable water

GRI STANDARD 306-3

Significant hazardous material spills

Facility		Cerveza Plant	
Kind		Spill / Fire / Gas leak / etc.	
Location			
Emergency		Volume	Actions
There was a tank of approximately 1m ³ of bunker in the reception area of the materials warehouse, where they were breaking the street for the high voltage cable projects. During this process the machinery overturned the tank causing a spill.		1000 l	<ol style="list-style-type: none"> 1. The spill was immediately contained with sand that was subsequently treated as a hazardous waste with Geocycle 2. Eliminate the tank because it was not being used 3. Have the staff of TRAESA take responsibility
FAB product spill: When external company arrives to collect product tanks to spill from test runs. Instead of collecting 4 tanks of 1000 liters as planned, they only collect 1 tank of 1000 liters and only one flavor (Blueberry). There was no surplus of Mandarin, although according to the quantities produced and quantities requested for packaging (between the 2 flavors), there were an estimated 4000 liters left over. So the difference was spilled over the treatment plant during packaging. This despite the fact that we previously requested Innovation Coordination for funds for external test spills to avoid affecting the WWTP. In addition, there was good communication with FAB-packaging during the test packaging, regarding the number of boxes to be packed and that any surplus was to remain in FAB TKs.		28,3 hl of diluted product	<ol style="list-style-type: none"> 1. Collection of samples of different flavors of FAB diluted product that is spilled at the start of each new flavor as a change standard. 2. Determination of average COD from flavors analyzed. 3. Definition of plant COD impact warning ranges based on the production plan of lines 1 and 4 and FAB.4. <p>Training WWTP operator to take action based on the decision flow for concentrate changes in FAB and normal spills during the process (with old Carbocooler)</p>
Consequences		Soil pollution / alteration in the normal operation of the WWTP	

Facility		Pepsi Plant	
Kind		Spill	
Location		Syrup	
Emergency		Volume	Actions
Spill on treatment plant of Jet Syrup containing a large percentage of organic matter (sugar) and high acidity.		3700 gallons	<ol style="list-style-type: none"> 1. A meeting was held to manage economic resources to improve the system ventilation. 2. Feedback to personnel regarding spills.
Consequences		Alteration in the normal operation of the WWTP	



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