

Governance: the key to driving corporate sustainability

- Developing a structure for standardized and transparent decision-making increases opportunities for improvement in internal processes.

How are the relationships between your company and the environment established? If the answer is unclear or changes depending on who is in charge, the company requires adjustments in its governance.

According to Costa Rica's Foreign Trade Promoter (PROCOMER), the concept of corporate governance can take different forms depending on the approach. Originally reduced to establishing the processes and bodies involved in the control of a company, it evolved to include the establishment of internal structures, processes and bodies to preserve the interests of shareholders, employees, clients, the State and society as a whole, with transparency and legality.

Other standards such as ISO 26000, Guide to Social Responsibility, invites organizations to consider accountability, transparency and ethics in decision making and governance. It is also the pillar that accompanies the environmental and social dimensions in ESG (Environmental, Social and Governance) sustainability strategies.

Florida Ice Farm & Co. (FIFCO), a company in the beverage and food sector, which leads the ESG responsibility ranking in Costa Rica, according to the Corporate Reputation Business Monitor (MERCOSUR), is a clear example of how consolidating internal policies is essential to promote sustainability through governance.

For Carlos Morales, FIFCO's communication manager, being recognized as the most responsible company in Costa Rica reflects the company's commitment to good practices in this area.

"Governance becomes the pillar of our sustainability agenda; it is the basis on which we define how the company operates, establishes processes, indicators and policies, guaranteeing solidity, ethics and transparency", explained Morales.

FIFCO's Governance is composed of:

- *Accountability*
- *Corporate governance*
- *Compliance*
- *Tax transparency*
- *Risk management*
- *Anti-corruption policy*

Highest level involvement

FIFCO's highest leadership group, represented by its Board of Directors, knows and approves the main projects, both commercial and environmental and social agendas.

On the other hand, the General Management, the Corporate Relations Management, and other departments involved, share with the Board of Directors the progress in each dimension periodically, as well as the action plans.

Additionally, the company is governed by a Corporate Governance Code, approved by the Board of Directors in May 2017, which compliance is mandatory for all personnel. It establishes the principles of transparency, accountability and sustainability.

ESG Corporate Strategy

Under the name "FIFCO Transcends" FIFCO presented in 2022 nine ambitious sustainability goals related to packaging, secondary packaging, circularity index, smart consumption of beverages with alcohol content, lower sugar content per serving, increase the number of women in leadership positions, reduce the number of employees in multidimensional poverty, develop holistic leadership capabilities, and turn FIFCO into a benchmark in corporate governance.

All these goals have assigned indicators that drive the control and follow-up of results, which are managed by the leadership team in order to provide traceability year after year.

This 2025 strategy includes governance as one of its three pillars of success, setting out the route to follow and the management model to manage and implement its progress.

For more information visit www.fifco.com