



UNAGRO is much more than a sugar mill. UNAGRO is the people, the land, the work and living well. UNAGRO is Bolivia.

- *We choose to be agro industrial producers*
- *We plant the future promoting education*
- *We cultivate good practices, respecting the environment*
- *We harvest the present by providing employment opportunities*
- *We process joy, by producing certified foods*
- *We collect health by supporting sporting and cultural activities*
- *We distribute wellness by being a part of the community*
- *We defend dignity by promoting the eradication of child labor*
- *We invest in the development of the people, the region and the country and the startup of new companies.*

One can wear the Corporate Social Responsibility shirt or tattoo it on oneself. However we were born with CSR and we carry it in our genes and in the bloodlines of our inclusive and integrative lineage.



Luis Barbery Paz
Executive President
UNAGRO

Brief historical summary of the Roberto Barbery Paz Sugar Mill.

UNAGRO is the acronym for Unión Agroindustrial de Cañeros (Agroindustrial Union of Sugar Cane Growers), an institution that was created in 1973 stemming from the vision and drive of a group of men led by Roberto Barbery Paz, who was able to bring together a number of sugarcane growers, entrepreneurs (large, mid-sized and small) and peasants to promote agro-industrial sugarcane development in the Northern region of the Department of Santa Cruz in Bolivia.

A few years after having been created in 1977, UNAGRO was able to install and put into operation its own sugar cane mill, named Santa Cruz Sugar Mill, which many years after the passing away of its principal founder, came to be known as Roberto Barbery Paz Sugar Mill (IARBP).

Located in the Mineros region (in the Department of Santa Cruz), it was destined to be supplied by the production of approximately 1,200 sugarcane growers which were close to the facilities, the sugar mill started with a processing capacity of 4,000 tons of sugarcane per day (TCD), a capacity which has been gradually increasing to reach the current production levels of 16,000 TCD with the planned provision of being able to crush and process 24,000 TCD by 2015.

To this day, IARBP, is the national leader in sugar production, having exceeded over 3.5 million QQ in the year 2012, and with a provision to reach at least 4 million in the current harvest.

Current situation and perspectives for growth

In our 36 years of existence as a sugar mill, we have quadrupled our original capacity for reception, crushing and processing, becoming the national leaders in sugar cane production as well as the largest producers of sugar, and we have established as our goal, to increase our capacity both in the field as well as in the industry.

Our objective is to supply the internal market and to export the production surpluses after we have guaranteed internal consumption.

We also foresee the possibility of continued diversification, and going into the generation of energy in order to supply the national network, and we are waiting for the adequate moment to begin doing it.

Contribution of the sugar mill to local and national development

Being located at the very center of an extensive area of colonization, with agricultural and cattle raising expansion, a region which receives an important internal migratory influx, with high poverty indexes and precarious infrastructure and service facilities, with a virtual absence of any governmental involvement, besides undertaking the complex task of agro industrial production, we at UNAGRO from the beginning became a kind of development agency for the Northern region of Santa Cruz, particularly for the municipalities and communities located North of the Saavedra and Mineros region, to whom communities generally went to request all sorts of assistance for the community and from whom they had great expectations of contributions for development.

Loyal to our inclusive origins, and knowledgeable in the social role of companies, at UNAGRO we did not limit ourselves to being a new and growing source of employment, nor the creation of new productive companies, but we also tried to fill those roles which were actually governmental competencies, which were being left unattended, and thus in our surroundings we helped in things such as the construction and maintenance of roads, bridges, schools and health centers, and dozens of other services and activities, thus becoming the clearest point of reference for local development within our area of influence.

As far as national development is concerned, besides the implications of what it takes to produce, create, and the multiplication of jobs and benefits, our company came to ensure the supply of the domestic sugar market and to guarantee surpluses for exports with the resulting generation of revenues for the country.

One cannot forget that UNAGRO was born with CSR in its genes and that our effort to benefit wellbeing of the people of the northern region as well as of the country in general has been a part of all our entrepreneurial life and continues to energetically persist to this day.

Relationship with the government to support Bolivia becoming an agro exporting nation

In general, companies become supporting pillars for national development, and as such they provide fundamental support to the economy regardless of the level or political alignment that the governments may have.

Our role as a company is to produce and create well-being which is why not only for the sugar mill, but rather through a series of other agricultural and livestock, forestry and commercial companies that have been created by UNAGRO we take our role very seriously and today we are amongst the top players in Bolivia's agro exports, and thus we subscribe ourselves amongst those who appeal to the different governments to eliminate unnecessary obstacles and provide better conditions in order to facilitate exports as well as internal consumption.

EXPOCRUZ, CSR and the Triple Stamp.

EXPOCRUZ (Multi-sectorial International Trade Fair) is the clearest example of the entrepreneurial endeavor and initiative of this country's private sector, particularly in Santa Cruz. It is an event which presents to the world the diversity of our productive activities and also the exchange of our products with foreign markets. EXPOCRUZ is our showcase; our face, open hands, an expression of a friendly, productive and service oriented attitude.

Being able to produce, and doing it well and sustainably in social and environmental harmony is social responsibility. At UNAGRO we seek to be able to do this better with every opportunity and this is why at this year's EXPOCRUZ we wanted to share with Santa Cruz, the country and the world a little bit of what we have done and what we do in the field of CSR.

In this context, our efforts towards the eradication of child labor, discrimination and forced labor, are leading the road to obtaining in the future the Triple Stamp Standard which will certify the absence of these social maladies from UNAGRO's fields and industry.

The Triple Stamp Standard is a leap forward in which we have to congratulate IBCE (Bolivian Institute of Foreign Trade) and all the institutions and companies that helped its creation. The compliance of the Triple Stamp Standard is voluntary and at UNAGRO we believe this to be of great importance and we support it by leading with our own example which is a part of our genetic heritage which is inclusive and socially responsible.

In Santa Cruz a person from Potosi turns his dream of growth into reality.

WE FULFILL OUR GOALS WE ARE WALKING DOWN A GOOD PATH



Toribio Orozco
Vice President UNAGRO CORPORATION

Having been born in Atocha, Mr. Toribio arrived in Santa Cruz in October 1958 when he was 22 years old. For this Vice President his responsibility *"has to do with fulfilling the goals that one sets for oneself"*; he believes that *"the sugar mill has fulfilled its role with the productive sector"* and expanded its capacity, increasing from its initial grinding capacity of less than 3,000 tons per day, to being able to currently crush 14,000 tons per day, and possibly be able to crush between 20 to 24,000 tons per day in a couple of more years according to the projections of the sugar mill.

UNAGRO WAS BORN WITH A HIGH SOCIAL COMMITMENT.

For the Vice President of UNAGRO Corporation the first social commitment has to do with the creation of the Roberto Barbery Paz Sugar Mill which *"is born in the 70s headed by Roberto Barbery Paz, with a high social commitment given that many of the sugarcane growers which were small – back in those days they were called small, today are large sugarcane growers-, who did not have were to deliver the raw material and due to the low reception and crushing capacity which existed at the time, which had not been properly dimensioned to receive the sugarcane from the expansion zone, they would have to go over 100 km in order to be able to deliver their product to other sugar mills which sometimes rejected them and thus forced them to return with their sugarcane"*, remembers Duchén Orozco.

Since the creation of the sugar mill, Orozco Duchén has participated in its Board of Directors as well as the Corporation's and has accompanied the sugar mill *"in the good times and the bad times"* and he further explained that at the beginning *"we have had setbacks, we have had problems like any company, mainly with incredulous people that didn't want to contribute or believe that we could build a sugar mill"*; despite that, for the Vice President the sugar mill's current situation is positive. *"I believe that we are working very well, we continue expanding the factory, we continue giving opportunities to all the sugarcane growers, the shareholders and non-shareholders, we are giving everyone an opportunity to supply us with their raw material"*, he emphasized.

Consulted regarding the treatment that is given to Bolivian migrant workers in the Bolivian eastern lowlands he said: *"all people get along relatively well, and those who come to work are successful"*. For UNAGRO's Vice President, the integrated North is as everyone says and I repeat, it's the new Bolivia, here we have people from all latitudes; and as I say, those that have come to work seriously and honestly whether they are now small medium or large entrepreneurs but they are already entrepreneurs", he highlighted.

CSR: THE SUGAR MILL'S CONTRIBUTION TO PRODUCTION

For UNAGRO's vice-president, *"the sugar mill has done all that is necessary so that the sugarcane grower can truly feel comfortable, can feel at ease and can produce with peace of mind"*; he also pointed out that the sugar mill collaborates with all the communities where the productive sector is concentrated, that is to say, Minero, Puesto Fernández Alonso, Chané and San Juan de los Amarillos amongst others.

In this regard, he highlighted the *"Cut and Transportation Program"* since it is the only sugar mill that provides this benefit, *"we favor all of the small sugarcane growers- if that term can still be used, given that they're not that small anymore."*

He also pointed out that amongst the main initiatives has been the provision of loans for sugarcane growers, the fact that we encourage the expansion of sugarcane fields, which has had as a result that yesteryears small sugarcane growers are now big sugarcane growers with good capacity for production and are now considered entrepreneurs *"by encouraging the expansion, with time the industry has quadrupled its installed capacity"* he added.

WE HAVE REACHED AUSTRALIA

The Roberto Barbery Paz Sugar Mill, like many other companies from Santa Cruz, trains and updates the knowledge of its staff, and the sugarcane suppliers; for example *"this year, some sugarcane growers are going to be a travelling to Brazil and Argentina to attend a trade fair"* he expressed and also added *"we even had the good fortune of going all the way to Australia in a large delegation, to see the technology that they apply over there, and to see the system that they use for their crops and I believe that this has had a good result because we have come back with renewed ideas"* he explained.

THE NEW: OPENING A PRODUCTIVE HIGHWAY

According to Orozco Duchén, the sugar mill has always been collaborating with the communities, *"as a sugar mill we have contributed important sums of investment for roads"*. This statement becomes even more important in the words of Toribio, who currently is in

the process of managing the paving of a 32 km road that will connect to the Chané roadway which will allow many producers to be able to take out their production more quickly and in better conditions.

Orozco Duchén pointed out that the project began in 2006 and that to this day they have advanced 10 km but he estimates that “God willing” they will conclude in 2014. “This year we will possibly reach 15 km of paved roads, and as far as embankments, water drains and bridges we have advanced 100%, and the progress with the landfill and the top layer of asphalt is also going well which allows us to have faith that the road will be finished as was originally provisioned”. He commented.

He also explained that the new road is being achieved through an “inter-institutional agreement in which the state government is involved with 80%, the municipalities with 10% of the productive sector, which includes the sugar mills in the region with the other 10% since this road has a cost of 63 million bolivianos of which we have to contribute with 10% and the municipalities of Saavedra and Mineros also contribute with 10% according to the percentage of kilometers corresponding to each municipality”.

AN ACTIVE HISTORY OF SERVING OTHERS

Consulted regarding the basic services that the sugar mill has provided neighboring communities, the vice-president of UNAGRO emphasized that “the productive sector has always been involved in making roads and improving those that existed” this initiative goes back to the decade of the 70s, when the sugarcane growers along with the state road services department of that time and the sugar mills organized the CICVA, which was an institution supported by the sugarcane growers to make rural roads because “before, there were practically very few roads, therefore we made contributions and the same amount that the sugar cane producers sector contributed was matched by the sugar mill and the state road service from that time contributed with its machinery and the technical aspects” remembered Orozco Duchén.

But Toribio Orozco did not only contribute to the northern communities with the sugar mill, he was also president of the Rotary Club, an institution solely dedicated to service. “In my last term, we brought 280 wheelchairs from the United States for the people who needed them, and that same year the Montero Rotary club to which I also belong to; we brought 450 wheelchairs that are also being given out throughout the region, we haven’t even reached areas such as San Carlos Buena Vista, Warnes and I believe we have even reached Puerto Suarez and of course this is a source of great satisfaction because in some way we are serving those people that truly have that need” expressed Toribio.

ENVIRONMENTAL PRACTICES: THEY ARE IMPROVING

Equipped with harvesters and fumigation equipment, Toribio carries out his labors in the field with integrated machinery. Nevertheless, Orozco Duchén explained agriculture has been almost completely mechanized “we still don’t have all of the technology in that regard, since

we’re seeking assistance even from the government”, he expressed.

Basically, according to Orozco Duchén, “the only thing that we’re doing is rotation of the crops when it’s required since we know that the sugarcane that is well cultivated can provide good yields for at least about five years, and then there has to be a rotation for another crop”.

FREE FROM CHILD LABOR

Toribio Orozco who has been working as a sugarcane producer for 53 years, says that “from the beginning when there was hiring of sugarcane harvesters, there was a very serious contract made strictly forbidding that children go to the sugar fields, first and foremost because of the risks that the children have in the field, they can be bitten by a snake, receive a cut with a machete and on the other hand, because the truth of the matter is that children should not be in the field” he explained and added that “in this regard, I have not had problems, but rather I have had visits from the Ministry of Labor, they have visited my properties and have verified what I have said”

This good course of action earned him a recognition award which was given to him by UNICEF and IBCE “I had my award, well it has deteriorated, I had my flag and I had everything that had been given to me by UNICEF and IBCE, I had it here in my property but now I no longer have it because the seal was worn away or I sold the machine but there is a registry of my commitment to not having children working in the sugarcane fields” he said.

RECOMMENDATIONS: FREE EXPORTS AND RESEARCH SUGARCANE

Toribio Orozco Duchén recommends to the government “thought has to be given now, to selling and to collaborate and provide resources for the investigation of sugarcane and sugar” and in this way continues growing more; that is what has been requested to the governmental authorities.

Regarding the research, he points out that private efforts have been carried out such as can be seen in CITICA, which is in the hands of Guabira. Likewise, UNAGRO also had a small experimental effort. “But that is not how you carry out research, research has to be something that has to be taken very seriously and in large scale and we know that it requires a lot of resources and funding, we count with technical resources, what we don’t have are the financial resources to investigate, and in order to do that we have to work together”, emphasized the vice-president of UNAGRO.

In regards to the sugar exports, the UNAGRO’s vice-president considers that the government has to become aware that the key to exports is timing. “Because we are a country that is economically dependent, there is much work to be done in order for us to be able to reach port facilities, and that requires very serious scheduling and programming in order to be able to export, and the only one that truly loses is the producer, the sugar mill and therefore the productive sector” he pointed out.



Luis Adolfo Moreno Pareja
Environmental and Social Corporate Responsibility Director
UNAGRO

THE EFFORT UNDERTAKEN TO ERADICATE CHILD LABOR IN THE SUPPLY AREA OF IARBP BEGAN MANY YEARS AGO.

needed to be able to comply to the norm in its full extent and in detail, all of this without undermining our day-to-day work in the other areas of CSR.

Besides our normal contributions in the areas of education, health, culture, sports and infrastructure in the last few years we have also gotten involved in safety support by providing signals/signs for the transportation vehicles that transport sugarcane to the sugar mill, as well as the diffusion of good social and environmental practices through different media channels.

To what degree do you consider beneficial for the Roberto Barbary sugar mill, to currently place emphasis in CSR?

As we mentioned earlier, CSR is not only a temporary issue in UNAGRO, as the president also says “in UNAGRO we were born with the CSR in our genes”. Nevertheless, today the attention to the consumers and the ways of producing goods and services have increased, the market demands are growing each day and as companies we have to be in the forefront and sometimes even looking beyond the desires of special interest groups amongst which the consumers can be found very conspicuously. Carrying out CSR is not a unilateral practice and is not carried out through paternalistic philanthropy; it benefits the company while at the same time benefiting society through a structured process of mutual feedback and win-win perspective.

Do you consider that the application of CSR has been positive at the Roberto Barbary Sugar Mill and if so why?

Yes, because amongst its many benefits CSR is good for the company and society, CSR contributes to a better understanding precisely amongst those actors who using CSR as a tool are able to work together and develop greater harmony

What are your institutional policies in regards to CSR programs?

The IARBP is in the process of developing and implementing a CSR policy which, framed within the administration policies of the company which have existed for many years, end up putting the house in order in that regard. In the development of the CSR policy we are using the ISO 26,000 as a reference guide for Social Responsibility.

What actions are currently being carried out at the sugar mill in order to assist in the progressive eradication of child labor in the sugarcane harvest?

The efforts to eradicate child labor in the supply area of IARBP began many years ago, for example through the implementation of child care facilities in some of the sugarcane harvesting camps and other examples such as the mechanization of fieldwork primarily the sugarcane harvest.

For the Roberto Barbary Paz Sugar Mill what is the importance of CSR?

Being that it is a sugar mill that was created through the effort of many sugarcane growers, both small and medium-sized and large as well as peasants and entrepreneurs, CSR has been very important from the beginning and continues to be important to this day. In the IARBP we understand that progress cannot be achieved without having harmony between all of the interested parties, workers, shareholders, sugarcane suppliers, clients, neighboring communities, authorities we have to work respecting and taking care of the environment, which is why each day we work to be able to build the most harmonious relationship possible with all of the players in our value chain from the field to the market, going through the industrial process.

Since when has Corporate Social Responsibility been a working issue at the Roberto Barbary Paz Sugar Mill?

Since it was founded, when its principal creator and other producers that accompanied him had the vision and became aware of the necessity to include small migrant farmers and others that felt they left behind in a new company of their own. At that time it was not called CSR, such a terminology did not exist, but it was practiced in supporting the emergence of these farmers, incorporating personnel with respect, and having them well treated in supporting their social surroundings in issues such as health, education, infrastructure and many others, offering quality products and taking progress to the region that had been left behind for a long time and always with the greatest respect possible to the natural environment.

What are some of the CSR initiatives at the Roberto Barbary’s Sugar mill?

There are many and they are continuous, we’re constantly alert to our public’s interests. For the time being the ones that are most important are those referring to the elimination of child labor, discrimination and forced labor throughout the whole productive chain, which involves providing training in these issues, as well as permanent presence of staff in the field giving information regarding the advantages and values, and the changes

Recently, the sugar mill has decided to reinforce its initiatives decidedly facing its path toward the Triple Stamp, which includes eradication of child labor, discrimination and forced labor. In order to achieve this, we have established agreements and contracts with specialized entities, with the purpose of being able to achieve Triple Stamp certification. Likewise we have issued a formal and official statement regarding our commitment towards a Triple Stamp, we have trained staff, we have put together a mixed team with the support of external entities who specialize in this area, and we have begun a campaign to support the promotion and visualization of this theme as well as the Triple Stamp as such.

What is your opinion regarding the possibility of implementing certifications in the area of Corporate Social Responsibility, for the purpose of being able to have greater competitive strength in these markets?

The certifications provide a degree of seriousness to the application of good practices and continuous improvement in general, which in turn has a repercussion in a greater receptivity in the markets. The CSR certification is not an exception and that is precisely why one has to be careful that the standards and the famous CSR rankings which are massively being reproduced irresponsibly, do not take away the value of the concept of certification itself and in turn affect the CSR concept as well.

What do you think of the Triple Stamp certification?

It is something that I applaud because I understand that Bolivia is one of the few countries that has developed standards in that regard, and that we are at the forefront regarding this concept, and that the standards/norms are well made and, above all, that some of us are starting to voluntarily apply them. At the same time I believe it is necessary to have more promotion, to have more training, and to precisely clarify the roles that each one of us has to play in the promotion of these regulations.

What do you believe is the most difficult thing to implement and or to maintain specially in regards to the elimination of child labor, forced labor and discrimination?

I believe that persuading the parents of children is the most complicated aspect, because they legitimately believe that if children do not learn to work during the childhood years, they will not work when they are adults. This associated with the needs of the families to have each one of its members economically contributing to their sustenance makes this the most difficult aspect of child labor eradication. The eradication of discrimination and forced labor also have their own complexities, but I see them as more easily achievable.

For the application of the Triple Stamp, do you believe that this work should be done with the Government or only with the private sector?

Gigantic tasks such as these require a joint effort from all the parties involved without the reoccurring dislikes and barriers that don't allow us to work between the private sector and government and sometimes even within the private sector itself.

What do you think is the best way to "sell" the idea to all those implied in the process and to therefore have greater strength and success with the proposals of eliminating child labor, forced labor and discrimination?

Leading by example is always the best way of teaching, and in this regard the public promotion of the positive experiences, as well as teamwork between all the parties involved in the efforts to promote this theme in the industrial sector of sugarcane growers is the best way to sell the concept to other sectors of our productive economy and to the public opinion in general.



INSTITUTIONAL DECLARATION OF THE TRIPLE STAMP



The "Roberto Barbery Paz" sugar mill – UNAGRO, is an agricultural organization that produces sugar, alcohol and other by products and is committed to the values and principles of Corporate Social Responsibility (CSR) and it decides in a voluntary manner to apply the norms of the Triple Stamp: Free from Child Labor, Free from Discrimination and also Free from Forced Labor throughout its whole productive chain..

THIS ASSUMED COMMITMENT CONTEMPLATES:

- Encouraging the protection of human rights in all its areas and levels within the company and society.
- Monitoring and verifying the compliance of the legislation and regulations and norms that the Triple Stamp demands.
- Eradication of child labor.
- Systematically eradicate all forms of discrimination.
- Promote the improvement of working conditions for all the staff and suppliers.
- To carry out awareness activities for the workers and the communities.


Marcelo Fraija Sauma
GENERAL MANAGER

Minero Santa Cruz 25th of April 2013



Remembering a great man: Gustavo Barbery Paz

Still a short time since the passing away of our brother, colleague, leader and friend Gustavo Barbery Paz, the Board of Directors, shareholders, executives, personnel and all of the workers from all of the companies from UNAGRO, we bring forward our most heartfelt homage to him, with a commitment to follow his example, honoring his memory with fruitful labor, tenacity, creativity and friendship, continuing the path that he so generously marked forth.

Having been born from a respectable family from Santa Cruz involved in field activities such as cattle raising and sugarcane growing, a family characterized by a constant desire to grow and succeed, he received humanitarian and professional education that was later reflected in his trajectory in the area of social responsibility both personally and also as an employee in the companies in which he participated both in the northern region of Santa Cruz as well as in the northern region of the country, and throughout the country when his work also extended itself through the Rotary Club.

Dedicating his whole life to the creation, administration, development and growth of our companies, Gustavo stood out for his unmistakable seal supporting the general problems faced by the country, personally carrying out alongside with UNAGRO and the Rotary Club, hundreds of deeds and actions of social good and for many years attending such diverse areas and themes such as health, education, citizen safety, sports, culture and healthy entertainment, the training of personnel, sustainable productivity and growth, various forms of infrastructure, the development of institutionalism, and many other areas and actions which the limited space in this article makes it hard to mention.

With corporate social responsibility as part of his genes, and with a defined course, despite of the dark clouds that always surround those who wish to become entrepreneurs, Gustavo was a defender of development with equity and he made efforts to build and create jobs and offer relief for people, making the government's absence less perceptible and thus making the institutional uncertainty and precariousness that generally encompasses large extensions of the country easier to cope with.

Hence our homage and our memories, and also this small collection of photos (see below) that illustrate his charm and show him in the different facets of his social work.



Life Trajectory

Gustavo Enrique Barbery Paz was born in Santa Cruz Bolivia on 22 April 1957. He was the son of a very well-known Santa Cruz citizen, Roberto Barbery Paz and the illustrious lady Nelly Paz de Barbery, and he was married with Fabiola Mercedes Flambury, and had six children.

He graduated from the Marista high school, and received his degree as an industrial engineer from the University of Toledo in the United States; he also obtained a Master's degree in business administration from the Aspen University of Ohio and as well undertook postgraduate studies in the University of Harvard and obtained a graduate degree from Escuela de Altos Estudios Nacionales in Santa Cruz.

While exercising his professional activities, on numerous times he participated in high-level international meetings on subjects relating to financing, leadership, integration, management and entrepreneurial development and also those related with the sugar and alcohol industry.

From his professional experience it is worth highlighting that on two occasions he was the Executive Vice-President of business for UNAGRO and two times the Executive President of the company and of the Board of Directors. He was also general manager for the JIHUSSA S.A., an agro-industrial and livestock company belonging to the UNAGRO group. He was chief of the agricultural and livestock department of UNAGRO, he was also general manager of the Barbery agribusiness, and was a practicing assistant in the engineering unit of the public works committee, as well as an office assistant at the CONTEC Company where he began to work in 1974.

Throughout his life, Gustavo Barbery received important distinctions: for his "25 years of professional trajectory", from the Bolivian Society of engineers as a "Professional of the year 2008", from the volunteer organizations of Santa Cruz, as "Industrial engineer of the year 2007" from the Bolivian Society of engineers, the "Trapiche de Oro" awarded by the Union Agroindustrial de Cañeros UNAGRO, "The Machete Manchego" awarded by the armed forces, "Símbolo del Ala de Oro" from the Bolivian police, the distinction of the Aeronautical Merit with the degree of "Caballero de la Orden" conferred by the Bolivian air force, and the distinction "SU LABOR ROTARIA" by the Camargo Rotary Club, among others.

Untiring in his work of Corporate Social Responsibility, Gustavo Barbery Paz participated in different social and civic activities such as the MINERO CIVIC COMMITTEE where he was treasurer, the UNAGRO Sports Club, where he exercised as President, CERNIQUEM, as Director; ROTARY CLUB SANTA CRUZ, as its President later becoming the maximum authority in the country as the Governor of the ROTARY CLUB from 2011 until his regrettable departure in the year 2012.

The **Bolivian Institute of Foreign Trade (IBCE)** at the time of installment of its Board of Directors 2013 – 2014, carried out a posthumous homage to this person who throughout his life was an exemplary father and husband and distinguished entrepreneur, prestigious professional, a respectable institutional leader and a beloved friend of the institution, Gustavo Barbery Paz, a well-deserved acknowledgment of his spotless trajectory leaving behind an inerasable memory and a true example of life, at regional, national and international level. This recognition that was conferred by the IBCE is awarded to those who have stood out in their contribution to the development of Bolivia and who are a true example worth following.

This plaque of recognition was received by his distinguished wife, Fabiola Mercedes Flambury and was given to her by the IBCE's President, José Luis Landivar Bowles.



One of the oldest people of Roberto Barbery Paz Sugar Mill

ROBERTO VÁSQUEZ: UNAGRO PROVIDES STABILITY, PARTICIPATION, SOLIDARITY AND PROGRESS TO THEIR WORKERS



Roberto Vásquez Montero
Master distiller of the refinery
ROBERTO BARBERY PAZ SUGAR MILL

"The growth has meant an important source of work for families in Minero region, what is described as a good overview of the company, making stress upon the fact that the treatment here is always well cordial, friendly and the company always gives opportunities to the worker; If the worker knows how to use, it will take advantage and grow", said Vásquez Montero.

A HISTORY THAT IS VERY CLOSELY LINKED TO ALCOHOL DISTILLATION

The personal growth of Roberto in the company was accompanied by growth of the alcohol refinery. As he himself states, his superiors not only heard him out but also encouraged him to do things, and that complemented the vision that the executives had, allowed the refinery in this case to go from its initial 30,000 liters per day to current levels which are approximately 200,000 liters per day with possibilities of increasing even more.

"Always with the vision of growing more and improving everything and with the stimulus from our bosses who would say things to us such as "that's good, plug along, get to work" as employees we actively participate in the development of our company

UNAGRO IS A SCHOOL

Having had training in welding and steam boilers (a specialty which has as its primary function the construction of the deposits that are adequate for the storage and transportation of materials), at INFOCAL, Roberto Vásquez who was born in Minero affirms that he obtained his expertise in alcohol at the sugar mill, which gave him the opportunity to coordinate, build and expand all the steam boilers and other implements that are necessary for distilling alcohol due to the good relations and the confidence of the managers. *"The company gave me the opportunity to be the assembler for the distillery, I have put together all the distilleries that have existed, the first one from 30,000 to 50,000 liters of alcohol, the one from 50,000 to 90,000 liters, and the current one which has a capacity between 90,000 to 140,000 liters, thus I had the opportunity to build and to also grow, because there you grow and gather more experience. I am extremely thankful to the company, this is a school since for the person who truly wants to learn, here he can find all the necessary means to do so"*

THE WORKERS UNION AND THE ADMINISTRATION: ALWAYS WORKING HAND-IN-HAND

The sugar mill workers syndicate have a trajectory of over 30 years and it was created within two years after the factory was built, with the purpose of improving working conditions and watching over the security and prosperity of the workers and their families. *"The opportunities that can be found here are phenomenal, there's work stability which is very important for all of our fellow workers, even if they don't have permanent contracts, since there are people that work permanently and there are people that work before the harvest and during the harvest, but the same ones are constantly working, because there is work continuity, there is stability and very low rotation and it is thanks to management who have a good vision and work here day-to-day", expressed Vásquez Montero.*

Roberto Vásquez has been an active member of the workers union for almost a decade and according to him "God put us in this life so that we could be useful, always trying to help others", and adds that the achievements are due to the good understanding that they have with the management and the administration of the sugar mill. So far as salaries are concerned Roberto Vásquez pointed out that they are above average in relationship to the statewide level, and that the levels and payroll categories of the workers have gone up, *"since we took charge of the union and along with management, until these days, between 300 to 400 workers have moved up the ranks and categories and we continue in that pursuit", he explained.*

He also pointed out that less than two months ago they finished building the union's offices which have a meeting hall, a computer center for the children of the workers, men and women's bathrooms and they also have a virtual library. He also added that they finished building a mausoleum: *"we concluded the construction of our mausoleum with 96 burial niches so that the worker can have a little bit of dignity when he is buried", these last constructions were carried out with the support of our fellow worker Aurelio Choré who is member of the union.*

12/8 CONVERSION: A WELL ACCOMPLISHED SOCIAL CONQUER

About 10 years ago, when the crushing levels and the harvest days were fewer, the factory workers at the Roberto Barbery Paz Sugar Mill worked 12 hour shifts, which is what led to Vasquez Montero and his comrade Willy Llanos to take over the reins of the union and to begin changing this situation, always in dialogue with the sugar mills management, which already had the initiative of changing this regime in favor of the health and integrity of the workers families.

By that time the union presented a working project that included salary curves, as well as different levels and categories of payroll for the factory workers. *"It's not that we were being badly paid, it's just that something had to change someday and that's what we're aiming at to improve every day", explains Vásquez Montero and he adds "we set forth to work hard and diligently, always in coordination with the company and with*

the general manager, with the staff from human development, and for two years we analyzed how to do it, we negotiated and we were able to obtain the conversion to an 8 hour shift and from that point forward the worker and his work began to improve and he began to feel part of the company, because in reality true value was being given to all of those years of sacrifice that they had undergone. At that time there were 350 workers, today we reach up to 1,000 workers", Vásquez Montero reminisces.

TOGETHER: MIXED SAFETY COMMITTEE

The sugar mills along with the workers union have a mixed safety committee to address the issues of health and industrial security and safety for the workers in the factory. *"Currently we have the lowest accident index within the factory, we have improved by at least 70%", highlights Vasquez Montero.* To that effect and from its inception the sugar mill has a small hospital, which is permanently staffed by a doctor and two nurses, and a health system that is a model of excellence. It is worth pointing out and highlighting that in the Roberto Barbery Paz Sugar Mill there is a sign hanging that states that up until 28 August 2013 it has accrued 221 days without any accidents in that particular season.

Currently the union and the sugar mill foresee that the worker has adequate clothing, *"helmet, gloves, hearing protection, security goggles, safety boots which is the most important", expressed Vásquez Montero.*

The improvements that have taken place in the sugar mill can be seen in all aspects since *"before, patients would go to have small splinters out of their eyes, now they have safety goggles; before they would do things incorrectly and that would hurt their fingers because they had no gloves, and now we have gloves; before when one had to climb to a high altitude we didn't have any safety belts and now we do; before the worker didn't have a helmet, he just went around with his cap, now he has his helmet and any piece of metal can fall in his head and it's not going to make a hole in his head; now he also has steel toed safety boots if a piece of metal lands on them it's not going to damage their toes and for the electricians they have isolated gloves, we also have soldering masks, vests gloves and all the other necessary equipment", the alcohol expert ascertained.*

Another type of security has to do with the drainage canals, which we coordinate along with Jorge Justiniano, who is the chief of security at UNAGRO, *"so we can have adequate plugs placed as well as grids, thus avoiding accidents in the banisters and walkways", points out Vásquez Montero.*

Regarding the delegated medical insurance, the master distiller of the refinery expressed that they have better attention for the workers, *"we have very good attention within the insurance package, we don't complain about the insurance because insurance is a wonderful thing for the workers, the family the children and the wife", he said*

HEALTHY LEISURE TIME: SOCCER CHAMPIONSHIPS AND VACATIONS

During the fellowship and sharing times at the Roberto Barbery Paz Sugar Mill the soccer championships are a yearly tradition which promoted the construction of a small coliseum and the foundation of UNAGRO Club for the factory workers. *"We have championships in order to be able to share amongst workers and administration, each group has their own team and the champion takes the trophy or the roast pig that we prepare", pointed out Vásquez Montero.* There's also a tournament of all the other UNAGRO companies, *"our team is made up of administration and workers, and they go to Riberalta, they go to Santa Cruz and we are always participating", he commented.*

When consulted regarding the vacations Vasquez Montero sustained that the permanent workers that are no more than 40 to 45 people in the factory, receive vacations in December in accordance to legislation.





Tito Choque Chambi
Director
CORPORACIÓN UNAGRO S.A.

FROM SMALL PRODUCER TO GREAT AGRICULTURAL ENTREPRENEUR

According to the director of UNAGRO, the sugar mill fulfills its duty with its associates and its employees, but also extensively supports with financial or material resources in the construction of rural roads, the construction of schools and issues regarding the health of the people within their area of influence.

THE SUGAR MILL TRAINS ITS STAFF AND DIRECTORS

In regards to CSR it is worth noting that the Roberto Barbery Paz Sugar Mill constantly updates the knowledge imparted to its employees and directors. In this way Tito Choque visited Argentina to attend a training in personnel management program. *"We learned from what we saw outside, and now in my cooperative (Betel) everyone has machinery and they're doing well"*, explained Choque Chambi. Also the sugar mill gives preference to technical people and industrial engineers *"so they can be trained and the sugar mill does not fail, it can produce better, and that is what we support"*, he pointed out.

THE PENDING SUBJECT: TAKING CARE OF THE ENVIRONMENT

For Tito Chambi, responsibility means *"taking care of the sugarcane, cultivate it, protect it from insects and have an adequate variety of sugarcane to improve yield"*, clarifying that currently *"it would be true to affirm that there is very little being done to take care of the environment"*, which is related to the purchasing power of the farmer and that in spite of this, efforts are being made to improve.

According to Choque Chambi, *"we need to improve"*, but at this day, for example, *"there is no agriculture without the use of chemicals"*, pointing out that they're using fungicides, insecticides, pesticides and weed killers. What is currently being done is to recycle the chemical containers that are being used which are sold and taken away by the truckloads.

"Agricultural good practices have to do with placing basic fertilizer which allows a yield of at least 100 tons per hectare; likewise the farmer practices crop rotation, which in the case of sugarcane is carried out every five years, which is the optimum for the crop to gain its better sugar content, then carrying out the rotation of crops with soy", conferred the expert farmer.

Regarding the safety of the personnel, he expressed that spraying pest control products is only carried out when there's no wind, to prevent the product from falling on the body of the worker, they also have masks and gloves and agrochemicals are used twice a year.

THE ISSUE OF CHILD LABOR

In regards to child labor, although Tito values the rights of children to study he also does not let go unnoticed that children also need to learn to work and to know the effort it takes in order to produce and to create a business. Tito fears that the children who have nothing to do can fall into laziness and addictions and comments to us the case of someone who left the field with his grandfather in order to be able to go study, which in the end he did not do and only dedicated himself to drinking and how difficult it was for him to leave that behind. Tito's observation is significant and reflects the importance of balancing things while at the same time revealing the difficulties that the education system has to be able to retain and put students on track.

FROM SUGARCANE CUTTER ASSISTANT TO TRACTOR DRIVER

Certainly mechanization of the agro industry has taken thousands of jobs for the sugarcane cutters. Tito Choque Chambi says *"with the machinery and the Cut and Transportation Program from UNAGRO I've forgotten how to be a sugarcane cutter"*. Nevertheless this expert farmer points out that of his current operators many were sugarcane cutter assistants, *"they start off as sugarcane cutter assistants, to machine assistants and from there they move onto machine operators and they have been trained by the companies that import agricultural machinery. Each company has to provide its training, for example John Deere or Nibol, the technical people invite the operators and that's where they get the training"*, explained Choque Chambi.



UNAGRO IS BORN TO MAKE UP FOR A NEED

Tito Choque has been working 58 years as an agricultural producer, during that time he has not felt discriminated but rather the opposite. This aligns with the spirit in the creation of the Roberto Barbery Paz Sugar Mill which *"is born from a very heartfelt necessity"*, highlights Choque Chambi, since some sugarcane growers at that time did not have the necessary quotas to bring their sugarcane to the sugar mills and they in turn did not have enough capacity to receive the sugarcane from the new production region; this is how Tito came to know Roberto Barbery Paz who said to him: *"why don't we make our own sugar mill?"*, to which Tito replied without hesitation *"let's go for it"*. And that is how a handful of small farmers and entrepreneurs would contribute to have their own sugar mill and after six years they would attain that goal.

Currently Tito Choque is a shareholder in all the companies that belong to UNAGRO and has been a part of the Board of Directors for a number of terms. At the beginning his work at the Board of Directors was *"to tell the people that we should not abandon our sugar mill, that we should deliver the sugarcane because the sugar mill is not going to crush paper, but rather sugarcane. Before, people didn't know about shares, companies or about anything, that is why they needed our support and that is how we supported the sugar mill"*, remembers Choque Chambi. *"Afterwards approximately seven years we began to give out dividends and then the people understood what a company is about, what dividends are and what a share is about"*, highlights the director of UNAGRO

A HISTORY OF EFFORT

Having been born in the Kakachaka County in the state of Oruro, Tito Choque arrived to Santa Cruz when he was 11 years old, on April 14 1964, to help his brother in the sugar harvest. After the harvest his brother would return and Tito stayed behind seeking a better life, due to limitations that were found in his homeland. Tito began with a half an hectare of rice, and shortly thereafter he would grow to 5 hectares and then 10, then 75 hectares and at that time he purchased his first truck. *"The idea was to improve, not to come sightseeing, but rather to work in order to have something for oneself"*, Tito smilingly states.

FROM PRODUCER TO DIRECTOR OF THE UNAGRO CORPORATION

For Tito Choque Chambi the first social conquest after having created the sugar mill was to generate confidence in the producers. *"They did not believe that peasant people could be entrepreneurs and they would say it's going to fail and go broke"*, remembers the farmer and he adds, *"but after so many years the company still remained there and it didn't go broke not even for a year, there were always profits, now they are receiving dividends and the people now come back happy, now nobody was to sell, before they have sold their shares for five dollars because they thought it would not be profitable but when the yearly dividends arrived, one year the share was valued at eight dollars and if for example you had 100 shares you received USD 800 the fall from the sky; sometimes it's three dollars that's USD 300 and the one that has 1000 shares can have up to USD 8000 dollars in dividends; it's nice being a shareholder and to receive yearly dividends, the people have believed, we have convinced them and nobody complains"*, emphasizes this expert farmer

PROGRESS AT THE SUGAR MILL IN CSR RELATED ISSUES

For Choque Chambi, the initial progress lies in the fact that the *"the sugar mill is very close to the small sugarcane producers"*, in second place he highlights the *"Cut and Transport Program that the sugar mill provides to help the sugarcane growers who do not have transportation, don't have harvest workers and have no conditions to maintain this"*. This service is requested before the beginning of the harvest; for example Tito took advantage of the program last week to carry out the integrated cutting of 35 hectares. and justifies the program indicating that with it *"there are no sugarcane cutters, before it was difficult to maintain that, you had to take the water, have a the house in the field; now the machine comes in, cuts the sugarcane and takes it back, that is the great advantage for the small medium and big sugarcane growers that need that support"*, he expressed.

Another important aspect is the access to direct credit to expand sugarcane production; this was attained through the support of the Banco de Desarrollo in which the Roberto Barbery Paz Sugar Mill guaranteed its partners. *"With that we have planted and we have expanded the sugarcane fields"*, expressed the Corporation director



Enrique Montemuro Gómez
Commercial Director
ROBERTO BARBERY PAZ SUGAR MILL

Responsibility from the commercial perspective:

WE CANNOT FAIL OUR CLIENTS, WE HAVE TO BE WITH THEM THROUGH THE GOOD TIMES AND BAD TIMES

Enrique Montemuro Gómez, Commercial Director of the Roberto Barbery Paz Sugar Mill (IARBP) which is the first company of UNAGRO, explained to us that from the commercial point of view the responsibility has to do with “meet the needs of the market; SATISFYING OUR CONSUMERS, that is to say, attending the needs of society in the good times and the bad times” which is in alignment with the principles and values of the sugar mill “as sugar and alcohol producers we have positioned our brand as a responsible, serious and quality brand in the national and international markets”, he emphasized.

In an interview conceded by the communication unit of the Bolivian Institute of Foreign Trade (IBCE) the commercial director of IARBP expressed that these good experiences are in alignment with the goals set by production, manufacturing and commercialization of this sweet product.

UNITS AND CONTAINERS THOUGHT OUT FOR THE BOLIVIAN FAMILY

The sugar and alcohol producing Roberto Barbery Paz Sugar Mill began its first harvest in the year 1977 in order to produce sugar and alcohol with a sugarcane crushing capacity of 4,000 TCD. From that time up until now, it has improved the commercialization of its products adopting different types of containers and units whose dimensions are universal standards that are responsive to family needs, explained the Commercial Director of IARBP, pointing out that the sugar being distributed is in units bagged in 50kg, 46kg, 20kg, 5kg, 3kg and 1 kg, while the alcohol production is commercialized in different sizes from 100 ml to 16 liter plastic containers.

It is worth highlighting that our packaging, besides containing the product with its recognizable quality in the specified quantity of each unit, they also have nutritional content information which is part of our courteous and respectful treatment for our consumers.



FOR ALL TASTES AND USES

For the commercial director of IARBP, the great division between sugars is white sugar (which contemplates refined sugar and super refined crystal) and brown sugar or raw sugar as well as drinking alcohol, fine grade, extra fine, anhydrous or absolute. Likewise, within the white sugar segment we have sugars that are exclusively destined for industry and domestic use. “Within the industrial sugars we have those are destined for the soft drink sector, cookies, dairy products, desserts, satisfying the needs of that industrial segment, since each company in this market is very specific in regards to their specific needs as well as their purchasing processes”, concluded Montemuro Gómez.

OUR STAR PRODUCT: DOÑA DULCY

“We think and we have aimed so that our star product with certainty is sugar”, expressed Montemuro Gómez, justifying that this sweet energetic is a crossover product for the whole population, stating that, “there’s no one in the population that does not consume sugar be it directly or through outsourced products: cookies, candy, soft drinks, juices, ice cream, desserts, dairy products, etc.”, he pointed out and added that sugar is necessary and indispensable for the normal and correct daily development of the human being. The star product has the name of Doña Dulcy.

Doña Dulcy is presented as white and raw sugar (also known as brown sugar) which is distributed in different sizes. Today the brand is in the process of being repositioned since it was launched to the market a few years ago but not with a lot of strength. “Currently we want to provide a greater presence of our brand Doña Dulcy, since it is going to become our star product aimed at supplying the national demand of housewives and homes”, stated Montemuro Gómez.

